



A TRADEWEB BUSINESS

HONDA

Driving Efficiency for Cash Investments



CASE STUDY

Relationships mean everything at American Honda. So, when Treasury Manager Kim Kelly-Lippert joined American Honda's treasury organization in 2013, she introduced the team to ICD for an efficient solution to short-term investments and a long-term partnership that continues to "pay dividends" with service, innovation and seamless technology integration.

THE CHALLENGE

When Kim Kelly-Lippert arrived at American Honda, the treasury team was using up to eight different bank platforms, making investment trading difficult, time-consuming, and prone to human error. The team had to log on to each platform to create separate trade tickets and print them all out for backup. The significant number of redemptions required for the centralized group's large monthly OEM payment was especially cumbersome to execute.

Fund information was disparate and difficult to see and track, particularly for prime money market funds with floating Net Asset Values (NAVs). Gathering and recording data manually meant lost time and double entry for the team, leaving treasury vulnerable to potential errors. The team also experienced limitations, such as the inability to redeem in dollars rather than just shares, time

constraints on trading and paying dividends in sync with how the company closes its general ledger, and the lack of transparency into funds with lower expense ratios.

THE SOLUTION

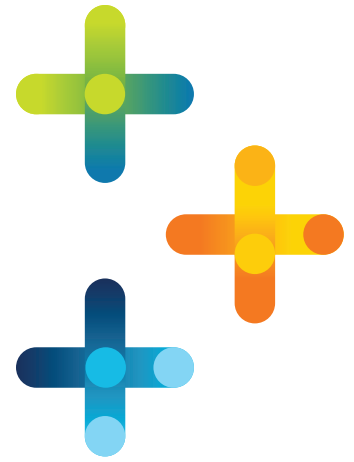
Kelly-Lippert already had first-hand experience with the industry's bank portals as well as with ICD Portal and the ICD service team. With her experience and established relationships, she brought ICD's technology and service into American Honda's treasury function. It was an easy solution to propose to both management and the treasury team, who valued trust and service from select partners and overall efficiency, Kelly-Lippert says.

"ICD Portal is just a really good platform, so it was an easy suggestion to make the move. Plus, ICD has a unique approach to customer service that we appreciate. I have dealt with a few



The American Honda Motor Company, Inc. is a North American subsidiary of Honda Motor Company, Ltd., founded in 1959. The company combines product sales, service and coordinating functions of Honda in North America, and is responsible for distribution, marketing and sales of Honda and Acura brand automobiles, Honda power sports products, including motorcycles, scooters and all-terrain vehicles, and Honda power equipment products, including lawnmowers, tillers, string trimmers, generators, small displacement general-purpose engines and marine outboard engines.

other platforms, and the service does not come close to what ICD provides. ICD exhibits a focus on their clients and the platform that is unlike any of the others.” With just a few basic steps, they were able to onboard within days at American Honda. “In addition to trading on the platform, the reporting, like Transparency Plus, allowed us to easily see that the purpose and design of all of the reports was to capture the data and transparency of holdings, to analyze the data, to easily manage the data and to have the backup easily available to discuss with management.”



THE RESULT

With ICD, the treasury team at American Honda has a fast, easy way to research, trade, and report on cash investments, all in one place. “There’s a lot of time-savings just from trading on the portal,” says Kelly-Lippert. “I wouldn’t trade money market funds, especially prime funds, if I weren’t trading them on a portal – you just wouldn’t see all the information you need to see, which is critical.”

ICD enables the team to monitor daily liquidity, yield, fund cut-off times and other information. “The team likes to educate themselves on the funds, and ICD Portal makes it very easy for them to review prospectuses, fund performance, historical data, and trends over time. Beyond that, each day they review the daily yields, the NAV, the maturity distribution, and other details through the dashboard and reports that are all accessible through the portal,” she says.

The team runs what-if scenarios to see how potential investments might impact their portfolio. Pre-set compliance rules are also used to trigger automated alerts that ensure the team conforms to investment guidelines, complies with the industry’s minimum seven-day liquidity rule, and remains within their maximum investment threshold.

With ICD’s reporting, American Honda’s treasury team has an electronic audit trail for trades, balances, and accrued dividends. In addition, easy-to-follow reports for gain/loss, consolidated exposures, and NAV flows allow them to have more meaningful conversations with groups across the organization.

“The reports we get from ICD elevate the conversations we have internally to a strategic level because information is robust and shared frequently. Not only do they provide the basis for effective decision-making, but they also allow us to ask more informed questions of our portfolio managers,” explains Kelly-Lippert.

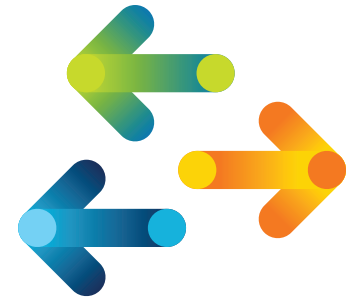
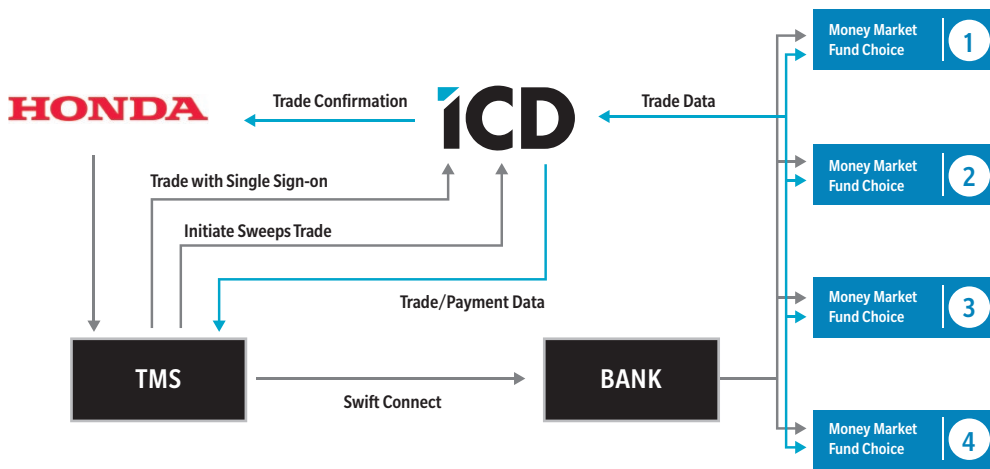
“We truly look at our ICD coverage and team as an extension of our treasury team. Our relationship manager helps us dig deeper into commentary for our monthly reports as well as assists us with questions to ask our portfolio managers. We are also supported with education and regular information on other products. The service is very tailored to our needs and meets and exceeds our standards of service.

“ICD has always worked with their clients on implementing ideas that are user-driven. Over the years, we have provided feedback on enhancements or slight modifications to some reports or screens on the portal. The teams from management to technology have been very good about trying to meet client requests. In addition, since their tech team is solely dedicated to the portal, we have found that they are able to implement these improvements and get them integrated very quickly.”

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KIM KELLY-LIPPERT
Treasury Management,
American Honda Motor
Company, Inc.

TRADE PROCESS



Eventually the treasury team expanded the value of ICD by integrating the portal with their treasury management system (TMS), Kyriba. “The Kyriba integration solidified our relationship with ICD because the integration happened quickly and without any issues. Both teams knew exactly what needed to be done and executed it perfectly,” explains Kelly-Lippert. “The tight integration between ICD Portal and Kyriba created a seamless and efficient workflow for cash management, short-term investments and payments. Trade data automatically updates the daily cash position, balances, trade blotter and the individual securities in Kyriba. In addition, trade tickets are automatically created. You settle the trades and the payment is generated in the payment’s module for execution. The result is a highly efficient, end-to-end workflow.

“The team at ICD are constantly in the process of anticipating what meets the needs of their clients. Those needs can be through time-saving interfaces, the latest in products or by improving their existing platform. We believe that exceptional customer service is essential for business, and we have experienced that ICD continuously delivers their best.”

ICD is treasury’s trusted provider of investment technology and the corporate client channel of Tradeweb.

Contact your ICD Account Manager or the ICD Global Trade Desk to learn more.



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