



You do more than
bank with us.
You Join.

THE CASE FOR THE CLOUD

Joseph Larizza
Chief Administrative Officer
Fieldpoint Private Bank & Trust

ilarizza@fieldpointprivate.com



You do more than
bank with us.
You Join.

ABOUT FIELDPOINT PRIVATE



You do more than
bank with us.
You Join.

FIELDPOINT PRIVATE



BANKING

Services:

- Private Banking
- Wealth Management
- Family Office Services

Background:

- Open 2½ Years
- ~ \$400m Bank Assets
- ~\$200m Wealth Management AUM
- Tremendous Growth Plans

Target Clients:

Ultra high & high net-worth individuals and their businesses

Competitors:

- JP Morgan / Chase
- Citi Private Bank
- U.S. Trust
- Merrill Lynch
- Goldman Sachs
- Credit Suisse

Differentiator / Core Competency:

High Touch / “White Glove” Service

The Millionaire Boys’ Bank

A GROUP OF MERRILL LYNCH RETIREES AND ALUMNI, ALONG WITH OTHER BIGWIGS, HAVE FOUNDED A PRIVATE BANK, INTENDED TO PROVIDE GOOD SERVICE—AND PROFITS. *By Carol J. Loomis*

FRIENDS AND INVESTORS (CREDITORS) INCLUDE BANKERKEN LANGONE WITH EX-MERRILL EXECUTIVE DAN FELDPOINT'S CEO DONAHUE (WHO'S



You do more than
bank with us.
You Join.

IT'S GUIDING PRINCIPLES



- Align Expenses to Revenue: CAPEX → OPEX
- Focus on the Firm's Core Competencies
- Provide Best-of-Class IT Services



You do more than
bank with us.
You Join.

HOW WE LOOK AT “THE CLOUD”

Services

Vendor provides all encompassing services and administration

- Cloud-based Phone Systems
- Fidelity Investments – A WM Custodian

Software

Vendor provides software and upgrades;
We manage administration and configuration

- Salesforce.com
- Google Enterprise Mail

Infrastructure

Vendor provides IT infrastructure services only – hardware, disk, network

- Rackspace Cloud
- Amazon AWS



You do more than
bank with us.
You Join.

WHY THE CLOUD



You do more than
bank with us.
You Join.

EXPENSE MANAGEMENT

Fixed Expenses Limit Your Ability to Manage

A Large Financial Services Firm

Management's Mandate:

- Cut **10%** of budget (\$ 500,000,000)
- Deliver All Committed Projects!!

2008 IT Budget:

\$ 5,000,000,000

% Fixed Expense:

~75%

- Signed contracts (e.g. Software, Maintenance)
- Fixed Assets (e.g. Data Centers, Servers)

Variable Portion of Budget:

- Employee Headcount
- Contractors / Consulting
- Travel and T&E

\$ 1,250,000,000

Required Cut Budget Available

\$500,000,000 / \$1,250,000,000 =

~40% Reduction in Variable Expense



You do more than
bank with us.
You Join.

INFRASTRUCTURE MANAGEMENT

Lots of Effort, Little Business Value Produced

18 Months

Typical Duration of a Server OS Upgrade Project

10% - 15%

Average Server CPU Utilization

20%

Percent of applications that are never used, yet remained switched on

Three Years

Duration of a project to count devices and figure out how to effectively charge back costs

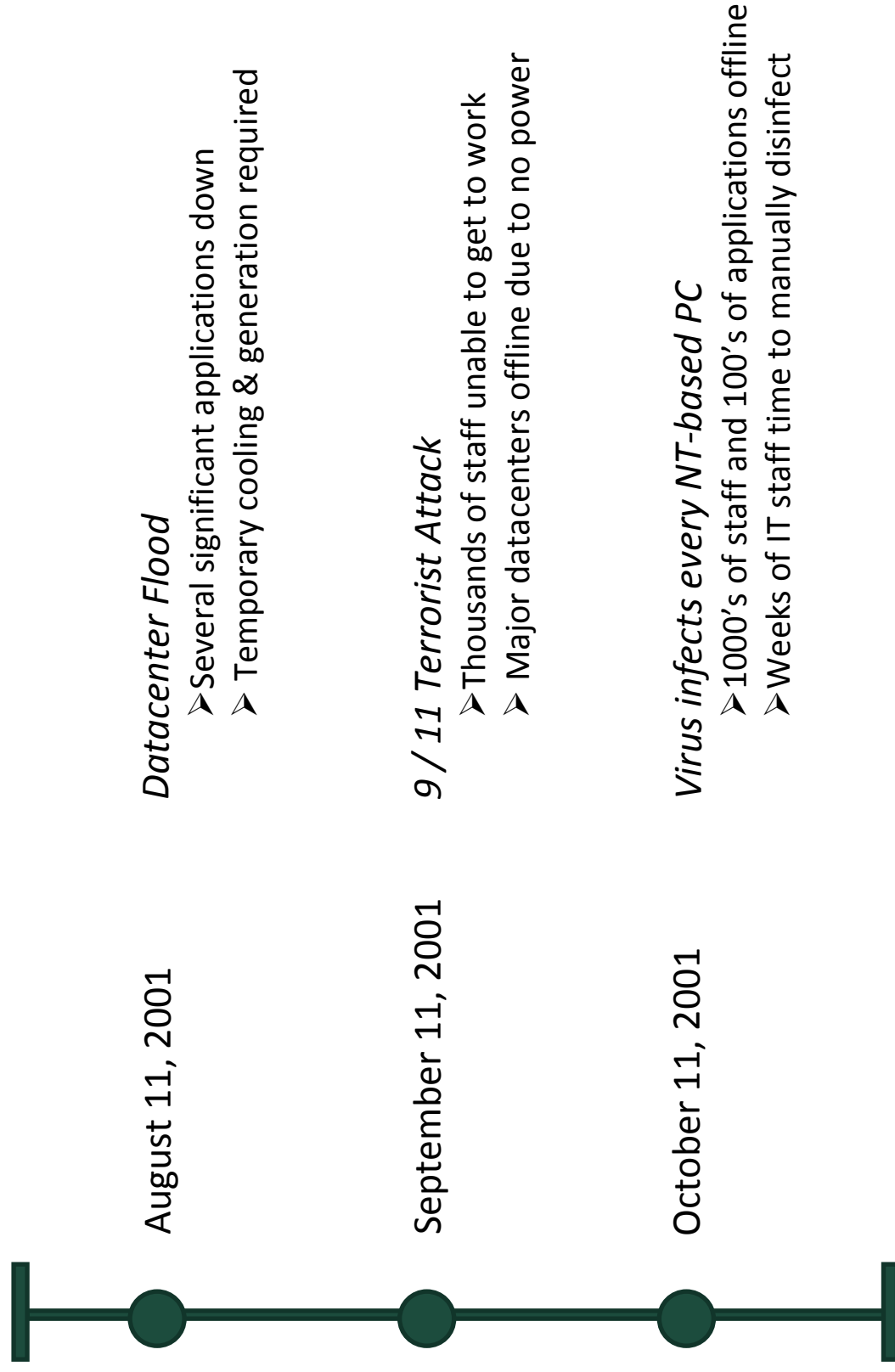


You do more than
bank with us.
You Join.

DISASTER RECOVERY MANAGEMENT

Disasters Happen... And They Halt Your Entire Firm

A Top U.S. Investment Bank



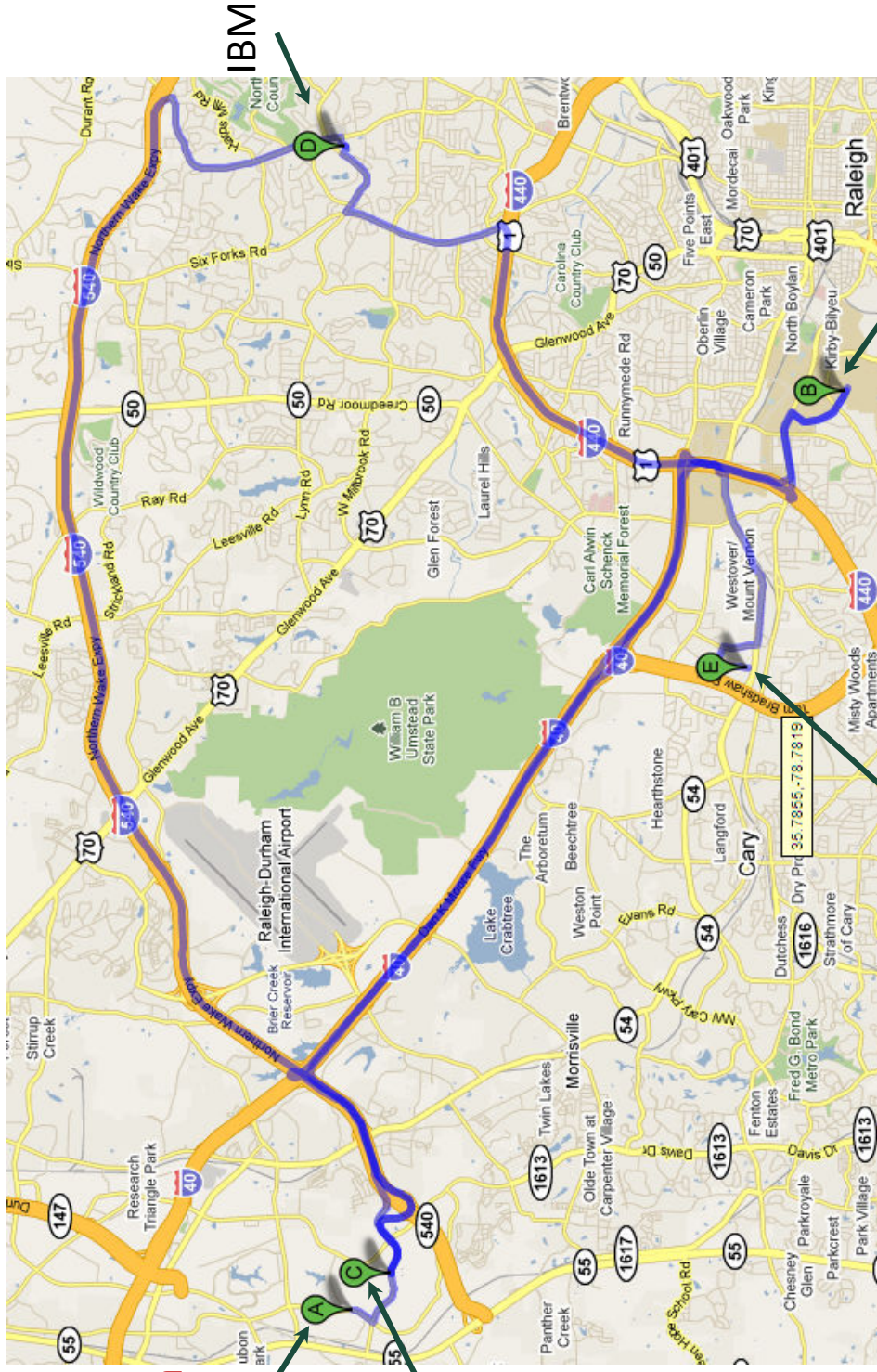


You do more than
bank with us.
You Join.

STAFFING MANAGEMENT

If You're Not the Best, How are You Going to Hire the Best & Brightest?

Raleigh, NC



**"A credit card
company from
Boston"**
(a candidate)

CISCO

EMC

Red Hat HQ

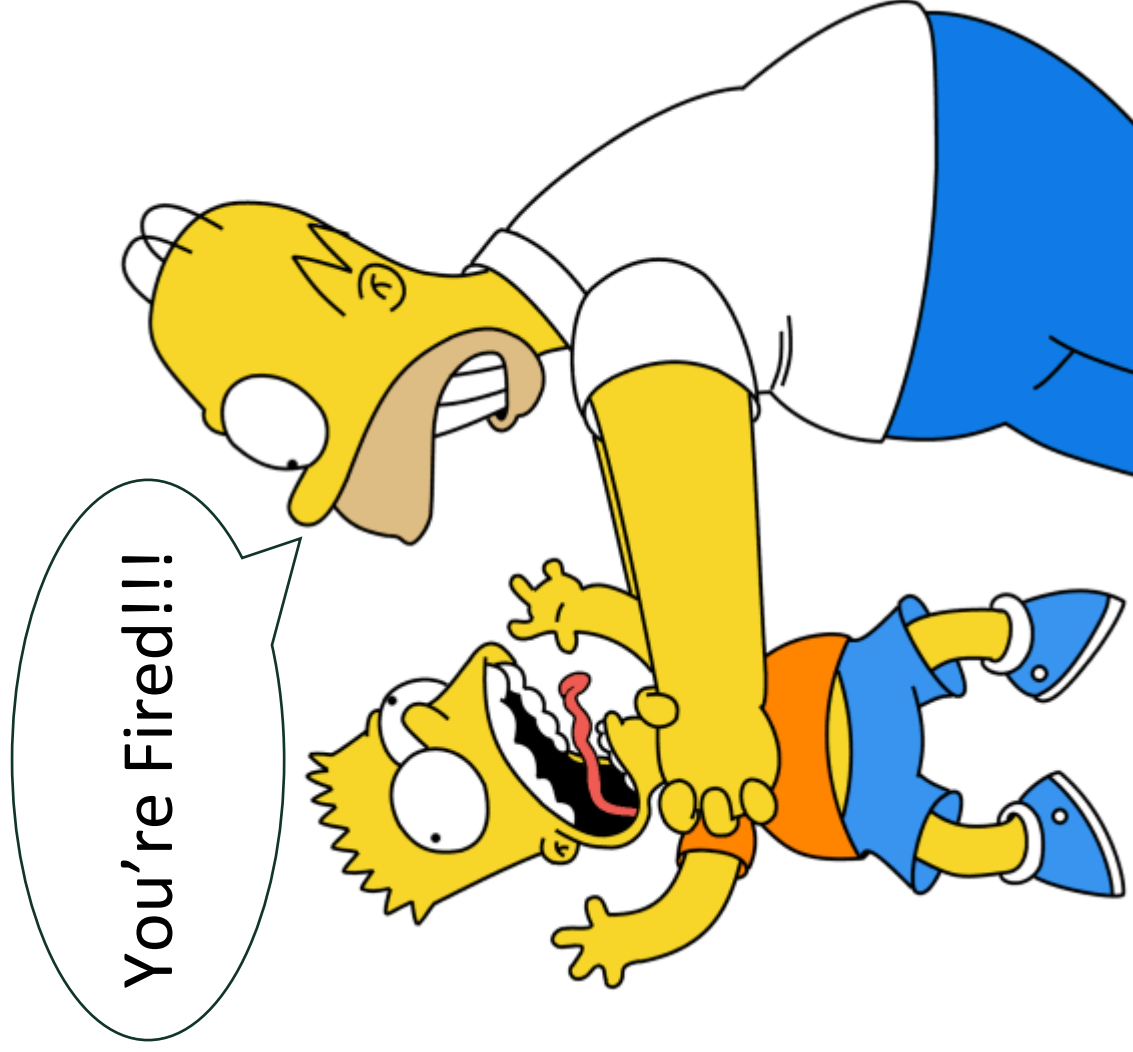
"A credit card company from Boston" = Credit Suisse First Boston



You do more than
bank with us.
You Join.

SERVICE LEVEL MANAGEMENT

This is NOT Control...



™ and © FOX and its related entities. All rights reserved.



You do more than
bank with us.
You Join.

10 KEY QUESTIONS TO ASK



You do more than
bank with us.
You Join.

QUESTIONS ABOUT MY ORGANIZATION

Question	Tests
<input checked="" type="checkbox"/> Is this a Core Competency of My Firm?	✓ Your Mission Statement / Strategy
<input checked="" type="checkbox"/> Is the 'Total Cost of Ownership' Positive?	✓ Cost per 'Unit'
<input checked="" type="checkbox"/> Can My Organization Do It 'Their Way'?	✓ Management buy-in ✓ User Acceptance Prototypes



You do more than
bank with us.
You Join.

QUESTIONS ABOUT THE SOLUTION

Question	Tests
<input checked="" type="checkbox"/> Can They Meet Our Capacity / Latency Requirements?	<ul style="list-style-type: none">✓ Reference sites✓ Capacity statistics
<input checked="" type="checkbox"/> Can it Integrate With My Other Technologies?	<ul style="list-style-type: none">✓ Design work during proposal✓ Proof of Concepts & Prototypes
<input checked="" type="checkbox"/> Is My Data Secure and Safe?	<ul style="list-style-type: none">✓ SAS 70 II✓ Data Center visits
<input checked="" type="checkbox"/> Where Will My Data Reside?	<ul style="list-style-type: none">✓ My confidentiality restrictions✓ List of their locations



You do more than
bank with us.
You Join.

QUESTIONS ABOUT THEIR COMPANY

Question	Tests
<input checked="" type="checkbox"/> How Important a Client Will I Be?	<ul style="list-style-type: none">✓ How big relative to other clients?✓ Unique qualification for them?
<input checked="" type="checkbox"/> Am I Comfortable with Their Support Model?	<ul style="list-style-type: none">✓ Interview vendors✓ Will I get names of individuals?
<input checked="" type="checkbox"/> Are Their Other Clients Happy?	<ul style="list-style-type: none">✓ Interviews with current clients