

# Banking Automation **BULLETIN**

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## **ATM outsourcing growth slows in western Europe**

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The outsourcing advantage

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Making the most of the ATM channel

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Double-digit growth sustained in CEE ATM market

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Obituary  
John Shepherd-Barron, OBE

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**Country profile:  
Czech Republic**

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## Intellect, humour and pioneering spirit

The recent news that John Shepherd-Barron, inventor of the ATM, had died after a brief illness came as quite a shock – the world is undoubtedly the poorer for his passing. His

contribution to the retail banking industry cannot be overstated, but it is for his intelligent conversation, irresistible humour and pioneering spirit that he will be missed the most. If you were not lucky enough to hear him speak at one of his rare public outings, we would encourage you to visit our website at [www.rbrlondon.com/events](http://www.rbrlondon.com/events) to listen to an extract of the after dinner speech he gave at *European ATMs 2008*. The *Bulletin* also presents an obituary on page 15.

The market has moved a long way since banks first started deploying John Shepherd-Barron's ATMs. One area that has been surprisingly slow to change is ATM outsourcing. Most ATM deployers outsource at least some functions, but the amount varies widely by country, institution and location of terminals. Some have gone further and outsourced a wider range of activities to a single managed services provider, and few further still to undertake full end-to-end outsourcing.

New research from RBR suggests that the movement towards greater ATM outsourcing has stumbled however (see page 2). Outsourcing of three key activities – first and second line maintenance, and cash replenishment – has barely changed over the past year, and high profile institutions in several countries have actually brought some of these activities back in-house.

Is this evidence that ATM outsourcing is on the wane, or simply a small correction to a longer term trend? There have been suggestions that banks in a post-crisis world will want to focus on core banking activities and increasingly outsource non-core ATM activities – the *Bulletin* certainly shares this view over the longer term. This research should nevertheless serve as a wake-up call to providers of outsourcing services, that many banks do not yet see the outsourcing proposition as overwhelmingly compelling.

Dominic Hirsch, Editor

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