

EY OpsChain-Contract Management

Envisioning a transparent future

Your digital world. Realized.



Contract management complicates business relationships

Parties involved in contracts feel that they are not paid per contract terms or spend an enormous amount of resources and time to abide by the contract.

up to
10%
of contract value is spent to enforce contracts¹

An ideal solution is one in which a transaction is secure, touchless, fast and visible in real time.

A shared network where participants have full transparency on the ownership, consumption and distribution of individual assets

EY OpsChain-Contract Management is a blockchain network that helps participants transact with each other on a network using the blockchain protocol. The broad solution cuts across functions and minimizes the impact on existing business operations while enhancing the flow of information using key blockchain features, such as smart contracts and distributed ledger technology, rather than disrupting existing flow of business.



The solution is applicable to any industry with:

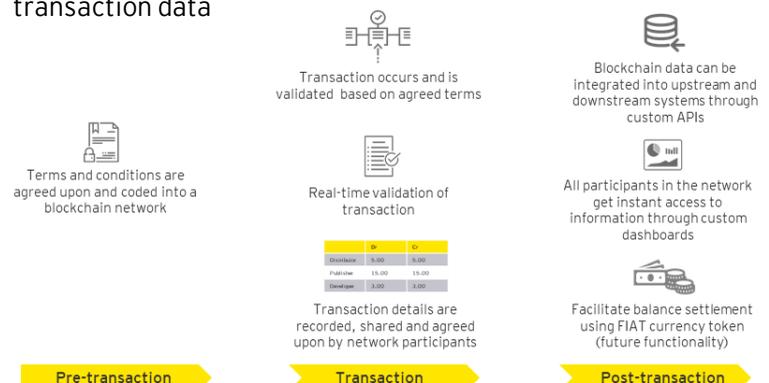
- ▶ Challenges of trust and transparency, and complexity of contractual calculations
- ▶ Existing contracts between parties and there are issues with trust and transparency

Key functionality

- ▶ Smart contracts with terms and conditions codified among transaction parties
- ▶ Built-in audit and service node capabilities with predefined data visibility
- ▶ Governance and consensus logic for automated approval of transactions
- ▶ Integration between existing Enterprise Resource Planning (ERP)/other systems and blockchain platform
- ▶ Self-service dashboards to visualize and analyze real-time transaction data

Benefits of EY OpsChain-Contract Management

- ▶ **Trust:** Data transparency helps build trust among parties despite conflicting incentives.
- ▶ **Confidentiality:** "Chained" data is immutable, increasing privacy and security.
- ▶ **Integration:** All Microsoft Azure products seamlessly integrate with upstream and downstream systems through native application programming interfaces (APIs).
- ▶ **Scalability:** Azure provides the opportunity to easily expand the solution across functions and geographies.
- ▶ **Stackability:** The platform allows for additional applications to be added on the existing base.
- ▶ **One-stop Microsoft Azure solution:** The solution provides all of the tools necessary to develop holistic blockchain applications, thereby reducing the overhead required.



Source: DiCoN Pitch

Source: ¹EY research on cost optimization

Customer success story: Helping build trust and transparency in the gaming industry

Today's gaming industry comprises a complex web of partnerships spanning thousands of developers, hundreds of publishers and distributors, and 1.7b consumers worldwide. Although gaming generates US\$116b annually in global revenue, complex industry agreements inhibit fast royalty operations and obscure partner obligations. The industry is plagued with challenges surrounding current royalties processes and tools, including a lack of trust and transparency, data latency, data inaccuracy, manual workflows and unintegrated systems.

The client was a large global software, product and gaming company that operates within an ecosystem consisting of game developers, publishers and distributors. Ecosystem participants had to rely on the client for royalty calculations and trust the accuracy of royalty payments, leading to frictions in relationships and a high spend on audit and litigation costs.

Client challenges

- ▶ Publishers did not trust the calculations and often reconciled and audited payments
- ▶ Publishers felt that royalty calculations were a black box with no visibility into calculations or underlying data
- ▶ Distributors struggled to reconcile data due to manual and rigid processes that inhibited contract flexibility

Client benefits

- ▶ Reduced time to calculate royalty payments by 99%
- ▶ Brought down administrative costs to calculate royalty payments by 40%
- ▶ Provided players in the ecosystem with real-time data, leading to 100% transparency and information to drive effective marketing

EY and Microsoft

The digital technologies that are impacting your business today – social, mobile, analytics and cloud – are rapidly expanding to create new employee and customer experiences, fundamentally changing how your organization works, interacts and competes. The EY and Microsoft alliance combines EY deep insights and experience in disruptive industry trends, new business models and evolving processes with Microsoft scalable, enterprise cloud platform and digital technologies. EY and Microsoft can help accelerate digital transformation with advanced solutions that support enterprise strategy, transform customer and workforce experiences, create new, data-driven business models, build intelligent, automated operations and bring confidence that these innovative solutions are secure, compliant and trusted. Together, we can help accelerate digital strategy and amplify your business performance to thrive in a digital world.

For more information, visit: ey.com/microsoft.

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