



News Release

Teradata and FICO Partner to Reduce Fraud, Improve Business Outcomes

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New agreement to bring AI-powered decision automation and optimization to financial services, healthcare, retail, manufacturing and travel/transportation

Teradata (NYSE: **TDC**) and FICO, the analytics software provider (NYSE: FICO), today announced an agreement under which they plan to bring to market integrated advanced analytic solutions for real-time payments fraud, insurance claims, and supply chain optimization. Bringing data, analytics and insights together in one environment streamlines the development of solutions for use cases across industries, speeding time-to-delivery and making them available for joint customers sooner. The resulting solutions are part of a new global relationship between the two companies, and are expected to deliver reduced costs, improved profits, increased risk mitigation and greater customer satisfaction for Teradata/FICO customers.

“AI is changing everything, and business will need to adjust to both the threats and the opportunities,” said Lisa Stewart, SVP WW Partners and Alliances at Teradata. “From fighting fraud to managing global supply chains, AI-powered analytics and advanced decision management are the new requirements for keeping up as well as creating advantage. These are the core competencies of Teradata and FICO, and our partnership will make it easier for our joint customers to innovate in this new AI-driven reality.”

The two companies have identified three initial offerings:

- Fraud detection for real-time payments. While FICO fraud solutions are the global leader in card payments fraud, protecting more than 2.6 billion payment cards worldwide, this kind of sophisticated protection isn't available for other kinds of payment products. To address this gap, FICO and Teradata have designed a fraud solution for real-time payments that will help mitigate the increasing scams and payments fraud in retail



banking accounts.

The solution will bring together FICO's market leading FICO® Falcon® Fraud Manager, with its powerful consortium data and neural network models, and Teradata's capabilities in enterprise-scale AI/predictive and prescriptive analytics. This is expected to provide a holistic view of a banking customer's transactional and payments activity, and when combined with FICO decision management, provide best-in-class fraud prevention for P2P, B2C, ACH and other payment transactions.

- Improving outcomes for complex medical claims. Predicting and managing healthcare expenditures is a top strategic priority for property & casualty, major medical, and public (government) insurance programs. Despite industry progress in specific, targeted areas – such as opioid addiction or kidney failure – an approach for containing total cost across any condition still eludes industry leaders.

FICO and Teradata have designed a decision automation solution to accelerate the inclusion of patient insights into the operations of claims adjusters, case managers, and special investigations units. The result of using AI in this solution to quickly segment and then identify pathways to care (based on procedures and diagnoses) can lower the financial burden while producing superior medical outcomes for the patient.

- Enhancing supply chain efficiency and increasing resilience. Once an almost invisible societal benefit, global supply chains are now increasingly under scrutiny as they continue to experience strain under the unrelenting pressure to deliver. From food to medicine to transportation and technology, fragile supply chains must navigate this volatile environment.

FICO's advanced mathematical optimization coupled with Teradata's multidimensional scaling has the potential to enable organizations to build robust capabilities to model, optimize and simulate different scenarios that affect their supply chains, and then deploy the most efficient options. At the heart of this capability is a leading optimization modeling and solver platform based on FICO® Xpress Insight, which allows operation researchers, data scientists, analysts, and business managers to easily collaborate on supply chain solutions that facilitate efficient, effective and time-sensitive decision making. This can lead to improved efficiency across plan, source, make, deliver, and return, increasing an organization's resilience with rapid identification and mitigation of risks, and improved long-term customer satisfaction.

"Behind these solutions and others we are developing is incredible IP in decision management technology, predictive analytics, mathematical optimization and other areas," said Alexandre Graff, senior vice president of partnerships for FICO. "Teradata and FICO both have outstanding teams and technologies for operational analytics. Together we can make breakthroughs that help businesses worldwide prosper."

FICO was named Best Technology Provider for Data Analytics at the 2022 Credit Awards, and a Leader in The Forrester Wave™: Digital Decisioning Platforms, Q4 2020. Gartner has named Teradata a Leader in the Magic Quadrant for Cloud Database Management Systems and ranked Teradata #1 in all four use cases in the Critical Capabilities for Cloud Database Management Systems for Analytical Use Cases. The four use cases are: Data Warehouse, Logical Data Warehouse, Data Lake, and Streaming Analytics.*

FICO and Teradata will discuss their partnership at **FICO® World 2023**, May 16-19 in Hollywood, FL. Please attend Teradata's session on "The Future of Banking Is Open" featuring Lawrence Latvala and Frank Saavedra-Lim on Thursday, May 18 at 4 pm in Great Hall 1.

Availability

The joint solutions from Teradata and FICO are targeted for availability in Q3 2023, across multi-cloud and hybrid environments globally.

About FICO

FICO (NYSE: FICO) powers decisions that help people and businesses around the world prosper. Founded in 1956, the company is a pioneer in the use of predictive analytics and data science to improve operational decisions. FICO holds more than 200 US and foreign patents on technologies that increase profitability, customer satisfaction and growth for businesses in financial services, telecommunications, health care, retail and many other industries. Using FICO solutions, businesses in nearly 120 countries do everything from protecting 2.6 billion payment cards from fraud, to improving financial inclusion, to increasing supply chain resiliency. The FICO® Score, used by 90% of top US lenders, is the standard measure of consumer credit risk in the US and other countries, improving risk management, credit access and transparency. Learn more at www.fico.com.

FICO and Falcon are registered trademarks of Fair Isaac Corporation in the US and other countries.

*Gartner Magic Quadrant for Cloud Database Management Systems; Henry Cook, Merv Adrian, Rick Greenwald, Xingyu Gu, 13 Dec 2022 and Gartner, Critical Capabilities for Cloud Database Management Systems, Rick Greenwald, Merv Adrian, Adam Ronthal, Philip Russom, Henry Cook, Xingyu Gu 15 December. 2022

Learn more at <https://www.fico.com>

About Teradata

At Teradata, we believe that people thrive when empowered with trusted information. We offer the most complete cloud analytics and data platform for AI. By delivering harmonized data and trusted AI, we enable more confident decision-making, unlock faster innovation, and drive the impactful business results organizations need most. See how at **Teradata.com**.

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