Fidelity National Information Services

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Will Nance: Next up, we're excited to have FIS here, and President and CEO Stephanie Ferris. Stephanie, thank you so much for joining us today.

Stephanie Ferris: Thank you. I'm glad to be here.

Will Nance: Just a little bit of housekeeping at the top of here. As many of you know, we're currently not rated on FIS. Goldman is advising FIS on the sale of the stake in World Pay so today we won't be discussing anything pertaining to the strategic transaction. That being said, we're delighted to have Stephanie here, and you know, excited to do a deep dive on the fundamentals of the business with a particular focus on the banking and capital markets.

Stephanie Ferris: Yeah. Good. Let's do it.

Will Nance: So let's kick it off. I mean, you've been in the seat now for about nine months. During that time, you've made several new hires to the management team. What are your key priorities over the second half of this year? What are you most focused on and from an executive team perspective do you feel like you have the team in place now?

Stephanie Ferris: Yes. That's a great question. So it's hard to believe it's already been nine months. It feels like 15 years. No, just kidding. So as we came into the first half of the year, been really focused on three things, the first one being making sure that we deliver on our commitment of numbers and reestablish credibility around shareholder return and shareholder value. So met or slightly exceeded our expectations in the first quarter and the second quarter, and continue to feel really good about the back half of the year. So, making sure that we execute, and execute well.

I think the second thing we've been really focused on and continue to be, is our Future Forward program, which is on track to deliver over $1 billion in cash savings this year. But it is a program that we're using to fundamentally transform the business at FIS including putting the clients at the center of everything that we do. And so when we talk about Future Forward, while a lot of the outcomes that you guys see are expense saves, cash flow savings and returns like that, we actually have as many initiatives around revenue and the customer experience, and increase in the productivity of the product development flywheel.

So that continues to be a program that we run. We're really trying to make it a fabric of the company, and feel really good about both the financial outcomes and the experiences we're driving for our clients. And then the third and final piece is the piece that you can't comment on, but I can, is the World Pay transaction.

So, we came into the year with a very high sense of urgency around World Pay and resetting our balance sheet, announced the spin with the hopeful intention that we would be able to do what we were able to accomplish during the second quarter, which is monetize a portion of that and sell 55% of the transaction to GTCR. So happy to report that that is ongoing very well. I know there's always a risk associated with transactions like that. We're on track to close that in the third quarter of this year. The team's out actually raising debt as we speak. And so things are progressing really well.

So those are the pillars of the priority as we think about this year and finishing next year. I think with respect to the team, what I've been really focusing the team on is driving and delivering results, making sure that we get really focused and we deliver on returns. And then also, supplementing the new team members around those capabilities, so we added a Chief Technology Officer that has a significant amount of experience in product and engineering. We're standing on the shoulders of our infrastructure investments. We are already 85% of our compute is in the cloud, so we don't need to continue to spend money on that. What we can do is really focus on getting our product and engineering flywheel going faster.

And then more recently, hired James Kehoe as our Chief Financial Officer, very excited to have him join us here. And he brings a wealth of experience in global financial capabilities, leading a global financial team, and can assist with all the things that we have going on here at FIS, which is quite complex.

Will Nance: That makes sense. So maybe if we dive in a little bit into the business, wanted to kick it off on banking. There's a number of different subsegments within banking, core payments, digital, all the surrounds that come with the core. Can you help us think about the makeup of the banking segment today and how you think about the drivers of recurring revenue?

Stephanie Ferris: Sure. So there's a basically three parts to the banking business. There is, well, as you mentioned, the core banking business which includes our digital assets, as well as what we call our surrounds or services that serve the core. So think about everything from the mobile app and the omnichannel capability and the digital capabilities integrated to the core banking/ledgering platform, and then surrounding that capability with services like print and mail, card production, etc. Then there's a -- I'll call it a money movement piece of the business. We traditionally call it payments but I don't want to get it confused with the acquiring piece. It's primarily an issuer/processor business with a really fantastic network inside that business called [NICE].

We also do prepaid credit issuing, debit issuing, and have invested a lot in our Payments One product which is an integrated layer that exposes all those capabilities to our financial institutions.

And then finally, we have a business that serves and delivers financial systems out to wealth and retirement type customers. So those are the three big buckets of what we call banking solutions.

Will Nance: Got it. And maybe you can talk about the tech modernization that's kind of ongoing in the industry. I know it's a very slow slog to get the banking industry off of those licensing models and onto a more SaaS model. How does that transition to a more recurring revenue model impact at FIS over the past decade, really? And what does it mean for recurring revenue growth going forward?

Stephanie Ferris: Yes. I think FIS is leading the pack, there. If you look at the banking business, we've primarily -- I think we're at 80% recurring revenue, been focused on getting off the license model for a long time. The capital markets business as well, growing their recurring revenue I think up to about 70%-plus. So we're well on our way, and love the recurring revenue growth and the SaaS model because of the predictability that you can see in our model.

And you can see that over the last couple of quarters, even the first half of this year, where we posted about 5% recurring revenue growth. So feel really good about that trend, and have put a lot of work together to get to that trend.

Will Nance: Makes a lot of sense. FIS has historically targeted larger FIs. I think you recently disclosed banks over $50 billion in assets comprised roughly a quarter of the segment revenues. How do you differentiate yourself to that cohort, and how does that market compare with down-market where you also compete?

Stephanie Ferris: Yeah. We definitely lean and skew towards the larger financial institutions. The way we differentiate there is the level of complexity so when you serve a very large financial institution, they typically have a consumer base and they have a commercial banking base. Sometimes they have an asset and wealth retirement base. So to be able to serve that business you have to be able to serve all those constituents as a core. And so that's one of our marquee capabilities, when you look at either our modern banking platform or our IBS core. Both of them serve those complexities versus if you look down-market, and some of the cores and our community core, is really primarily serving consumers.

Will Nance: Got it. That makes sense. You know, I wanted to spend a minute on everyone's favorite topic of backlog.

Stephanie Ferris: Oh yeah, favorite.

Will Nance: Pipeline, you know, pipelines have been relatively flat to up in recent quarters. There's been a lot of focus on the kind of flattening out of backlogs and what that might mean for revenue growth going forward. Can you kind of break apart what have been the moving pieces and that [inaudible] in the backlog? And then how are you thinking about what that might mean for revenue growth in the near term?

Stephanie Ferris: Yes. So if you -- we've decomposed backlog over the last 8 to 12 quarters, and if you exclude some of the large, couple of large strategic transactions, backlog has been hanging out in that $22.5 billion to $23 billion range. It's been fairly flattish. And alongside that we still have seen a 3% to 5% recurring revenue growth number. So you can see that, that level of backlog can still maintain that type of recurring revenue growth.

I think as we think about it going forward, what we've been focused on, is are we selling the right mix in that backlog? Because historically, we'd gotten to serving too much, selling too much services and not enough software, which is resulting in some of the margin challenges that you saw us have in the back half of the year.

I am really excited about the green shoots I'm seeing, because what's happened in the first half of the year is, while the backlog has gone down a little bit and moderated, the sales teams have been repopulating their pipeline for those higher margin products, and we're really starting to see green shoots in terms of the pipelines are up year-over-year, the win rates are up year-over-year, the productivity per rep is up year-over-year. So starting to feel really good about that transformation taking root, and we'll see the benefits of that in the back half of this year. And then starting to get back to levels of growth, I think, as we move into 2024.

Will Nance: And I think you spoke a little bit on the earnings call about kind of not relying on kind of mega-deals within the pipeline to kind of drive the business. What's been kind of the shift inside the organization, and how do those deals kind of differ from your bread and butter?

Stephanie Ferris: Yes. So we're not not-focused on the mega-deals. We would still -- we still hunt them, and we're still in the sales cycles. I think what we see -- we're not relying upon them in order to hit our, you know, revenue growth number. We would still -- we still go aver them very heavy. We did see -- they're typically large transformative deals, where you look at, for example, like a T Rowe Price, who was wanting to not only have us deliver the software for them, but also take the entire operational back office for them. Those types of strategic transformations, we did see slow down this year as people were taking a pause on making big, strategic transformations. They're still looking at them. We're still in the pipeline of those opportunities. But we're not using them and planning on them in terms of trying to hit our normal growth algorithm.

Will Nance: Makes sense. You know, the outlook for bank spending is always top-of-mind in this space. We've seen a lot of kind of macro choppiness in that space. Banks are in the news, which I say is never a good thing. How are you thinking about the outlook for investments, and what are banks looking to upgrade in this environment?

Stephanie Ferris: Yes. Well, we look a lot at bank spend. I would say bank spend is still hanging in there for a number of reasons. One is, banks are still looking at operational efficiencies, especially as the price of deposits are going up. So to the extent they still are doing internal capabilities themselves, or running internal systems, they'll look to a provider like us to send some of that stuff out. So that is still a big opportunity in the pipeline.

The other thing that's really interesting is the hunt for deposits, as you can imagine. So the price of deposits is going up, and if you talk to every single banker, they are very focused on gathering deposits. And so we're talking to a lot of banks about setting up a digital bank to enable them to gather deposits with their brand alongside the existing branch bank system that they have. So our digital product, alongside our modern banking platform core, are becoming very, very interesting. And we're seeing a lot of banks take interest in that. Now, that's on the bigger side of things.

So I would say they're looking at cost in terms of, can they outsource more to their third-party providers, and then they're really focused on, how do we drive deposit growth. I think the nice thing for us, those of us in this technology space, is we're in pretty long-term contracts. So it's other than if it's a natural renewal cycle, it's hard for them to show up and just ask for price changes. Different than other industries, and that's just a benefit of being here in this one.

Will Nance: Makes a lot of sense. Maybe we can talk a little about some of the payments capabilities housed in the banking segment. Fed Now recently launched, Zelle and RTP have kind of been ongoing in the industry. How do you think about the outlook for some of these other products, and maybe you get the sense for within the business how large these are as a portion of the banking segment?

Stephanie Ferris: Yes. So like I -- I'd consider these money movement payment capabilities. They're really important, especially to banks who are looking to enable their end commercial customers with all of the capabilities. So they want to be able to offer out wire ACH, real time payments, Zelle, Fed Now, etc. So our job is really to enable all of them, because the use case for each one is a little bit different depending upon the end customer that they're trying to serve. So we feel really good about the suite of products we have. We think they're -- we're one of few that have the amount of money movement products that we have. We're also really happy with the Payments One capability, which is a platform that we've put up where you can consume all of those capabilities, including our issuer processing, credit, debit, etc. So it makes it easier for them to consume.

But I do think it's a big opportunity. People are very interested in it, and we are seeing the volume start to pick up.

Will Nance: That makes sense. So I guess putting it all together, bank spend seems to be holding in well. You've got kind of a renewed focus on cost and efficiency. You're kind of focusing the sales force. How are you thinking about just the trajectory of revenue in this space? And it sounds like the 3% to 5% revenue growth target is kind of consistent with current backlog trends for reoccurring revenue. Any commentary on some of the non-reoccurring components?

Stephanie Ferris: Great question. So our non-recurring, broadly, is made up of a couple things. One, a termination fee, if one of our banks terminates with us. The other one is licensed revenue, which as we talked about, we really try to balance out how much license revenue we have versus non-recurring. And then some professional services.

So you know, we're really focused on, if you're thinking about the health of the business, being around recurring and making sure that that recurring number is very predictable, that we feel good about it, and that the margins of the products we're putting on and recurring is going to deliver not only top-line growth but margin expansion as we increment that revenue.

Will Nance: Got it. And then just last, before we switch over to capital markets, how are you thinking about -- you know, you've been on this long journey for the modern banking platform to kind of modernize your offering. How are you feeling about that product, how it's resonating, what the demand is like?

Stephanie Ferris: Yeah. I feel really, really good about it. So you know, we sold a ton of Modern Banking Platform, which is the next-gen platform for really large financial institutions. We sold so much of it that the pipeline became so full, the conversion pipeline became so full, that we actually had to take a pause. You know, you think about that being said, there's a bunch of banks that are live with MBP. American Express is; PayPal is; Genius Bank is. There's quite a bit. But there's the traditional banks that we sold to that are just about to go live. Really excited about that because it's going to be a real proof point in the market in terms of very large, traditional banks starting to stand up their deposit capabilities, their CD capabilities, their lending capabilities, alongside their existing cores which is how they're going to start to convert. And you're going to see those all start to show up in 2024, early 2024, which is fantastic for them. It'll be a proof point for us, and it will help us restart our sales pipeline around MBP because we'll have more implementation capacity open up.

Will Nance: Great. So maybe switching to capital markets, personally, I think this is one of the less-understood parts of the story. A lot of focus on banking, there's been a lot of focus on payments over the last couple of years. Segment is really firing on all cylinders. You've got probably the best revenue growth you've seen in years. Margins have been expanding. Could you just give an overview, maybe, for those who are not as caught up? What are the key products and services? Who do you sell to? Who are the clients, and how do you think about the outlook for this business?

Stephanie Ferris: Yes, no, it is. It's a great business. It's really -- the genesis of the business was the SunGard acquisition in 2014. I think they started from negative growth. They've done a great job. They've invested a ton in modernizing their products. So the way to think about the capital markets business is in three different solutions sets, and that's how they talk about their business, instead of categorizing by client segment.

So first of all, they talk about trading and processing as a solution set. So think about your traditional buy-side, sell-side, and asset management capability. So that can be sold out to brokers, asset management firms, private equity, and they've done a lot to modernize those products and capabilities. They're in the cloud. They're componentized. They deliver in a SaaS model. It's doing very, very well. Then the next part of the capital markets business is really around treasury solutions and risk. So there is a treasury solutions software that big banks, corporates and insurance all can consume. Inside that software, they obviously run the treasury software. There's risk products, hedging products, all kinds of products for a CFO to use as they process their trades and manage their treasury function.

And then the final piece of the business is really around commercial lending and asset finance. So the commercial lending technology serves very large financial institutions. It can also serve insurance companies and other corporates who are interested in doing lending, and then the asset finance capability is really interesting. Very modernized and is getting a lot of uptake as we look at signing the likes of Volvo and BMW and things like that.

Will Nance: I guess what's the competitive landscape like in this business?

Stephanie Ferris: Oh, it's really interesting. So there's very traditional competitors, very strong traditional competitors, SS&C and Broadridge. But then there's a lot of next-gen competitors, depending upon which part of the business you're in. So it is very competitive. But for us, our products are resonating. You can see that in our increased revenue. Our sales continue to grow, and so feeling really good about our competitive position.

Will Nance: That makes sense. Revenue growth has been in the high single digits recently. What's been driving a lot of this strength, and how do you think about the sustainability at those levels?

Stephanie Ferris: Yes, the products are really resonating in-market. And so both in terms of renewals, as well as new sales, is what's driving a lot of the revenue growth. They've been really working on the mix to get off of license, into recurring. So given how much of the new sales is generating and the renewals are generating revenue and into a recurring model, feeling really good about the enduring durability of that business. In fact, thinking a lot about and talking to the president of that business about, if I gave you a little bit more capital, could you grow even faster? So it's a great, great, great business for us.

Will Nance: Makes sense. And I guess the margin profile on this business, margin has been expanding very nicely recently. How do you think about the margin outlook from here? It sounds like you're thinking about making more investments in the business, but curious what your perspective is.

Stephanie Ferris: Yes, no, they've done a great job with margins. I think the way to think about it, definitely we would not expect the margins to go down in any way. But I would love to keep them fairly flat or with slight margin expansion, because I do think that we could invest more here and accrete more revenue and margin overall. So not looking to see massive expansion in capital markets, but don't look for them to go slide sideways, either.

Will Nance: Understood. You know, when FIS originally bought SunGard, the business was much more kind of license, non-recurring revenue streams. How has that shift to more recurring revenue streams impacted the business, and how have you been able to kind of make that change?

Stephanie Ferris: Very purposefully. So I think it really -- to move to the recurring is really about the modernization of the product sets themselves. Putting them in the cloud, making them modularized, creating a as-a-service model and a pricing model versus a traditional license model. Hats off to the team there in terms of making that switch over time. But honestly, the market wants to consume services that way. They don't want to do really big license contracts anymore. They would much rather do ongoing SaaS type contracts. And so it's also resonating in the market.

Will Nance: Makes a lot of sense. You know, it sounds like a lot of the customers that you serve in the capital markets business are some of the same customers that you serve in the banking business. How do you think about synergies, driving synergies between that business? How much of a focus has it been historically, and is this something you're focused on now?

Stephanie Ferris: Yes. It hasn't been. Historically we haven't had a huge, what I'd call, cross-sell focus. And so last year, I launched an issue called Amplify, under our new Chief Revenue Officer. Because if you think about the firm, we have a global distribution channel and a humongous amount of product, but we were operating in our three different silos. And so the idea of the Amplify program was to select the most relevant products and really incent the sales team with incremental goal and incentives to cross-sell.

So we've done a really good job on that. Examples include selling, acquiring services into the capital markets corporate base, insurance base, also thinking about the treasury solution that capital markets sells, embedding the acquiring payout solution in there, selling the commercial lending capability out to the banks that reside in the banking business. So there is quite a bit. Now, everything's not relevant, and so the point is, you don't -- we are not going to educate everybody on every product. It's pretty specific, and it's by vertical and it's by solution. So we've been really specific about the six or eight core products we think are most relevant in the specific industry vertical.

Will Nance: Got it. So when I think about these two businesses, I think roughly $4 billion of EBITDA together. How do you think about kind of the growth algorithm across the two?

Stephanie Ferris: Yes, I think we've said on the moderate or the mid-term, a 3% to 5% top line, with some marginal margin expansion, and then a lot of leverage below the line as we think about reallocating capital post- the World Pay transaction, restructuring the balance sheet, and having a lot more focus on returning cash to shareholders. So I think about that in the mid-term.

Will Nance: Got it. I wanted to touch on Future Forward a little bit. Could you just update us on the Future Forward strategy, where are the savings coming from, and how should we be thinking about margins for both of the two companies in the near term as you execute on those savings?

Stephanie Ferris: Yes. So we're still running Future Forward as a total company initiative. I think we did give a breakout, though. I can't remember the numbers. I'm sure George can tell you if you ask him how much is going with World Pay versus how much is staying with FIS. You know, we really are pulling every lever, and when I say every lever, I mean in terms of focusing on cash flow, focusing on are we really leveraging our vendors, are we looking at outsourcing capabilities. But we want to make sure we do all of that in pursuit of serving our clients in a better way.

And so a lot of the program is around driving faster product development, driving implementation faster, better quality, commercial excellence in terms of are we making sure we're taking the right trade-off as we think about compression versus attrition. So there's a lot of things stacked against revenue as well as expense. And then really trying to drive simplification of the model over time.

So like I said, it's meant to become -- it's a framework that we really want to put into the fabric of the company, to have an owner's mindset in terms of making sure that every dollar we're spending we have a return focus on it and we're delivering value out.

Will Nance: Maybe you can talk about just kind of like, the recent history and margins. You mentioned earlier some of the margin issues in the banking segment. What do you think drove that, and are the issues that caused that sort of rectified at this point?

Stephanie Ferris: Yes. I think they will be by the first quarter of next year. You've seen us start to sequentially expand margins in banking, and over the total company. I think it's a mix issue, primarily. So as I talked about, we had sold some of those big, strategic transactions which brought a lot of people into the mix. Labor started to inflate on us. We don't have the offsetting price to offset that price. So that compressed us.

I think we, in terms of thinking about what we did sell, we sold a lot of services which has a lower margin versus the high software revenues. So it was a little bit of a perfect storm as we came into third and fourth quarter last year, in terms of all of those things coming together. And you know, not to over-emphasize, but the cost of labor has been very significant, and I think you've heard that from everybody. The good news is, I do see that starting to finally moderate. It's still growing. But it's not growing at the same rate.

And we've been heavy on people, so we have a lot of people in our business, a lot of professional services, a lot of implementation people, a lot of back office, contact center. And when labor costs are low, it's pretty easy to drive margin across that base. But when they start to escalate, it became challenging.

Will Nance: So it sounds like a lot of inflation in the cost base. Kind of popular subject in the banking segment is around inflation escalators, and how to think about pricing in that business. What's kind of been the history, how are you guys approaching pricing going forward?

Stephanie Ferris: Yes. Well, I think all of us would admit, we've never seen inflation -- well, probably since the '70s, go up at this rate. So I don't think we were quite prepared in our contract to have pricing go up that fast. So as you might expect, there's a ceiling on how much you can reprice a contract. These are long-term contracts, five and seven years. So I think we've gotten smart as we think about repricing and renewing contracts. But the cost of labor, you know, we have been dealing with that. And so we're really focused on how do we make sure that we take down the people costs and drive more through automation. Because even so, even if labor starts to mitigate, we can't hire enough people. That's the other challenge that goes along, even if the labor costs go down, it's very difficult to hire people.

So I'm actually pretty excited about the opportunity that gen AI could play in our business as we think about digital workers and things like that. We haven't spent a lot of time on that yet. But I do think it's a challenge. So we as a technology company have to really focus on doing -- getting a lot more efficient and a lot more productive, which is why I'm back to product and development. The majority of our people, as you might expect, we're a technology company, are focused software engineers and product. And so if we can get that flywheel going faster, we accrete more revenue, and then the margin can come down.

Will Nance: You opened the door to the AI question, so I will lob it over now. You know, when I think about banks, very cost-conscious, very focused on efficiency ratios. A lot's been written about the potential of AI to drive efficiencies and organizations. What are you guys doing on the product side, and what do you hear from paying customers on the demand side?

Stephanie Ferris: I would say broadly in financial services, we're cautious. We're cautious. So you know, AI has been around for a long time. So I think you know, you've seen people use AI in contact centers to make people smarter, and that type of thing. That's continuing. The gen AI piece, I think we're fairly -- to be honest, fairly cautious, as a provider to the financial services industry. I think we think there's a lot of opportunity, but we tread very lightly because our number one risk is protecting our bank customers and their data and making sure that nothing goes wrong with that. So at this point, we're very cautious.

I do think you know, right now, a lot of the stuff that we're -- we do think there's -- in the productivity piece of development we have done some pilots in our own development shops in terms of using that capability. And we're seeing a 30% lift in terms of developer productivity, which is really significant and gets them very excited. Because a lot of that is taking off the standard setup of when you set up something from a product standpoint. The standard cyber security capabilities you have to put on it. But I would say broadly, we're staying fairly cautious.

Will Nance: Makes total sense. I've got just one more, and maybe we'll see if the audience has any questions after that. But on capital allocation, the business generates steady revenue growth, very high incremental margins, good cash flow conversion. How are we thinking about capital allocation going forward?

Stephanie Ferris: I mean, I think first of all we would start with making sure that we continue to invest organically in the business and to drive the top-line revenue growth. We are going to have a ton of cash flow post- the World Pay transaction. We obviously have a combination of dividends and share repurchase. I would expect us to return value to shareholders and a combination of those. We're really focused on making sure that we have a good return on invested capital and we think we have a really great mix to be able to do that. That's why it was so critical to get the World Pay transaction done. Both in terms of giving them M&A capital to continue to drive revenue growth for them, but as well as to unlock a lot of value for FIS and FIS's shareholders.

I think you know, there is -- I would like to see going forward very, very small M&A tuck-ins. Nothing large, nothing strategic. Maybe adding a point or two percentage points of revenue a year, but nothing large at all. And so really think about that -- now, that being said, I think we've said in the third quarter we come out with something more formal. We've been moving very quickly and so we wanted to give ourselves just another minute. But that's how I see it at the high level.

Will Nance: Yeah, no. Definitely. No shortage of things going on. Just want to check and see if we've got any questions in the audience. Got one in the back.

Unidentified Audience Member: Thanks. Stephanie, it seems like you've spent a lot of your career on the payments side, and it's a big part of your background. And here you are working with the banking and capital markets side. Maybe you could just talk a little bit about the differences and what it means for operations, and how you think about growth of -- and maybe you can speak to the growth prospects for the payments business you'll still own, about half of the World Pay asset?

Stephanie Ferris: Sure. So by way of background, I worked at Fifth Third Bank on their core, also in their wealth and retirement business as the CFO. So I have a little bit of experience around the banks. But definitely, spent a lot of time the last 10 or 15 years on the payments side of the business.

I think, you know, it's all financial services at the end of the day. I'm not suggesting that core banking is not different from payments, or wealth and retirement. But it is a financial services and fundamentally, we're providing financial technology, either out to banks, corporates, insurance companies, to enable a financial service, whether it's a deposit, a payment capability, lending, etc.

So if you recall, when I came to FIS, I became the Chief Operating Officer of FIS and spent some time running technology, and so have spent some time around banking. But yes, definitely not my -- where I've spent the last couple of years.

But the payments piece of the banking business is definitely a big piece, and I think can be a very high growth engine for us. Beyond that, there's a lot of expertise within FIS around banking. And so for me, I've been spending a bunch of time going out and meeting with clients and making sure that I understand what's top-of-mind for them, what's important for them in terms of delivering on the expectations for their business, and then how do they need us to participate and show up differently, which is why I'm really focused on client experience. Because if you talk to our banks and all of our customers, in our core banking world, I think they -- you know, they absolutely love the partnership. And they've relied on us for many years. I think what they're asking us for is, can you give me better product, faster? I need to be -- if you're a small bank, you need to be able to compete with the big banks. So I've been spending a lot of time listening and learning from that.

I would say broadly, you asked about my thoughts on the World Pay business, was that the second piece? Yes. Well, I'm obviously bullish. I think that this transaction is fantastic for them because the challenge for them over the last three or four years, as you think about competing with everybody else, is they haven't had any M&A capital. And so if you're a large, scaled platform, payments processing platform with global distribution, you can't develop organically fast enough to deliver to all your end markets. So if you look at the World Pay history going back before FIS bought it, it was really about focusing on where growth was in the payments market, buying there, integrating it into the platform, and it creating revenue in margin.

Unfortunately, once we acquired World Pay we really haven't been able to do any of that M&A. And so that formula, still, is there for them. I think they need to work on some pieces of the business, which we were already going to do in terms of the slower piece of the business.

What's great about financial technology is it's always evolving, and the end market is moving. So you always have to be moving to where the puck is going. And the challenge for the payment side is without any M&A capital, they couldn't get there fast enough. So I'm pretty bullish. I also am very excited about the partnership, having Charles come back and run that asset, which he knows very well. Delivered a ton of value with his last run and I think DTCR will be a great partner for him. So I'm a little biased, but I think it's really positive.

Will Nance: Great. Well, I think with that, we're out of time. But thank you so much, Stephanie. I appreciate you being here.

Stephanie Ferris: Yeah. Thanks, Will. Appreciate it.