



Client Profile

International food ingredients company

Employees: 8,000 active
4,091 retired

Type of Plan: Defined Benefit

Headquarters: Decatur, IL

Client Since: August 2002

Background

When a Midwest-based food manufacturer began its search for a high-tech, high-touch outsourcing solution for its U.S. and Canadian pension plans, it didn't take the task lightly. Over the course of a year, with help from a consulting firm, the company thoroughly researched approaches and vendors. By the time the search was over, the choice was clear. "We selected Diversified because it had everything we needed," said the Employee Benefits Manager who led the selection process.

Objective

The company laid out very specific objectives in its search for a bundled defined benefit provider:

- Reduce the overall cost of the pension programs;
- Outsource human resources functions to reduce internal administrative costs;
- Solidify the timeliness and accuracy of benefit calculations;
- Consolidate the supervision of U.S. and Canadian plans; and
- Enhance customer service to active, retired and terminated employees.

KIM SCHWIMMER

Diversified Retirement Plan Specialist

When a plan needs a complete overhaul, the sponsor requires coordinated, expert service. That's why employers choose Diversified's outsourcing services. We excel in all phases of plan management.



Strategy

Diversified moved the employer from a costly and cumbersome unbundled approach, involving multiple actuaries, trustees, investment managers and advisors in the U.S. and Canada, to a cost-effective, streamlined bundled solution. Next, Diversified's actuarial consulting team prepared a comprehensive asset liability study. They handed off to Diversified's investment team which, in turn, designed a portfolio to meet funding obligations.

Diversified's employee education team then worked to develop a print and electronic communications

Note: Results may vary based on the employer's particular situation and experience. Client testimonials do not imply an endorsement of any particular product or service.

CASE STUDY

campaign. The focus of the campaign was Diversified DirectSM Online — a store-house of Web-based plan information — customized to allow pension and Social Security projections.

Finally, a dedicated team of Diversified Customer Contact representatives absorbed every detail of the employer's plan in readiness for employee and retiree queries.

Results

Thanks to Diversified's expertise, the company anticipates significant administrative cost savings, plus improved employee satisfaction and understanding. HR staffers and employees nearing

retirement reaped a bonus, too, with benefit calculations now arriving quickly and accurately.

Yet another advantage is better communication between the investment and actuarial teams. "We now have those people sitting in the same room developing long-term pension funding strategies, whereas in the past the process was more fragmented," the Employee Benefits Manager reported.

In the final analysis, Diversified was the right choice for this client. "We're very happy with every aspect of the relationship," says the Employee Benefits Manager.

For a consultation on how Diversified Investment Advisors can tailor a solution that meets your plan's specific objectives, please call 800-770-6797.



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