

Kirchman Corporation



Key highlights

Industry/Market:

Financial Services/Banking

Products/Services

- Sun™ Mainframe Transaction Processing software
- Sun Fire™ V880 server
- Solaris™ Operating System
- Sun StorEdge™ Disk Arrays
- Sun Services
- SunSpectrum Goldsm service

Key Business Challenges

- Meet market needs by offering established banking application on open systems platform
- Preserve large financial and market investment in existing applications
- Avoid the cost, disruption, and risk of rewriting proven banking application

Key Business Results

- Mainframe banking application migrated to Sun open systems platform, providing lower cost and higher performance
- Reliable, scalable Sun platform provides business continuity assurance and growth options
- Kirchman Corporation finds new business opportunities and expands market share with Sun solution

“Migrating our established Kirchman Bankway application to the Sun open systems platform enables us to help our customers establish their core banking systems on a more cost-effective, high performance IT system. This has allowed us to assist a significant number of customers who are looking for ways to better manage and lower the cost of their computing environment, while achieving strategic business objectives.” – Mark Viselli, Senior Vice President, New Business Development, Kirchman Corporation

“Sun has been a terrific partner. The migration of Kirchman Bankway to the Sun platform gives us significant advantages by allowing us to deliver cost savings, performance improvements, scalability and reliability to our customers.” – Rachel Landrum, President, Kirchman Corporation

Globalization, increased competition, and new market opportunities are driving widespread changes in the way financial institutions use information technology. Leading banks and financial institutions with high-volume, large-scale financial software applications that are business-critical have increasingly opted for open systems platforms to realize lower costs and higher performance. A key factor in making this move is whether the software can be migrated from the current environment to open systems without the risk or cost of rewriting the application.

Kirchman Corporation, the leader in banking automation and compliance and the very first to offer a prepackaged software solution for financial institutions, wanted to offer its Kirchman Bankway software to customers seeking the advantages of open systems architecture. The company turned to Sun Microsystems to rehost the Kirchman Bankway application on the Sun open systems platform, without the time, expense, and risk of rewriting. Sun Mainframe Transaction Processing Software (Sun MTP) allowed Kirchman Corporation to rehost the comprehensive banking application onto Sun servers. This has allowed Kirchman Corporation customers to reduce software, maintenance, and operations expenses and still continue running their banking operations on the proven Kirchman Bankway software.

Kirchman Bankway Leads the Industry

Since 1968, Kirchman Bankway has been an industry favorite, running core bank processing at more than 1000 banks and bank service bureaus. Headquartered in Orlando, Florida, Kirchman Corporation is the global leader of core software to the banking industry, employing more than 400 bankers, programmers, and software engineers. More than twenty percent of corporate revenues are reinvested into automation research each year.

Kirchman Bankway, a scalable, total banking solution, meets the automation needs of its customers – from small de novo banks to some of the largest multi-billion dollar financial holding companies. The banking software provides the most comprehensive core bank processing available to banks (transaction processing, loan and deposit processing, customer information, regulatory compliance, general ledger, retail branch tools, and more). Its single system, customer-centric architecture and browser technology puts everything that a bank wants to know

about its customers at the fingertips of everyone in the bank, from the CEO to the teller. Kirchman Bankway scales from small to large implementations, and offers access to customer outlets such as ATMs, telephone and Internet banking, ACH and third party applications.

Kirchman Corporation Seeks Platform for Reliability, Availability, Scalability

When Kirchman Corporation considered which open systems solution to offer to customers, the firm wanted a hardware platform that provided reliability, availability, and scalability and a lower total cost of ownership.

After extensive industry research and discussions with open systems users, Kirchman Corporation knew that Sun hardware was a superior solution. In addition, Sun is well-known as the leading supplier of open systems for the worldwide financial community, offering the technologies and experience to help financial services institutions develop, deploy, manage, and support their critical business systems. Most importantly, Sun offers Sun MTP software, a high-performance, full-function transaction processing system that supports the CICS-API on UNIX® and migrates CICS mainframe applications to open systems without costly or risky re-engineering.

“We looked hard at Sun, and the more we looked the more we saw that Sun was the partner for us,” said Rachel Landrum, President of Kirchman Corporation. “You just can’t beat Sun for scalability, reliability, and conserving our customers’ budgets. The clincher was Sun’s acquisition of Sun MTP software, which was the solution we’d been using to rehost our mainframe applications and data to UNIX.”

Using Sun MTP, Kirchman Corporation was able to preserve the investment in its automation solution, with less than one percent

recoding necessary. Sun MTP makes it possible for Kirchman Bankway to run banks while lowering their maintenance and support costs.

Because Kirchman Bankway supports large-scale operations, it is a sizeable application, with 10 million lines of code, nearly 3000 online and 2000 batch COBOL programs, 1300 files, and 1500 screens. It can execute millions of transactions per day.

The migration project moved quickly and smoothly. It took Kirchman Corporation and Sun just a matter of months to move the full application to the Sun platform.

“The Sun alternative gave us all the new application functionality we were seeking while saving costs in many areas – maintenance, operating system license fees, floor space, electricity, and more. As a bonus, we got Sun’s renowned reliability, scalability and performance,” noted Jim Stock, Chief Information Officer and Senior Vice President of the Landrum Group.

Kirchman Corporation Customers Await Open Systems Solutions

Even before Kirchman Corporation migrated Kirchman Bankway to the Sun platform, Kirchman customers sought the open systems solution.

Kirchman Corporation shared its Sun plans with the Landrum Group (no relation to Rachel Landrum), which became the first to choose Kirchman Bankway on Sun. “The Sun alternative gave us all the new application functionality we were seeking while saving costs in many areas – maintenance, operating system license fees, floor space, electricity, and more. As a bonus, we got Sun’s renowned reliability, scalability and performance,” noted Jim Stock, Chief Information Officer and Senior Vice President of the Landrum Group.

Landrum, a privately owned holding company with four full-service consumer/retail banks in Texas, Oklahoma, and Missouri, replaced its existing system with a Sun Fire™ V880 server. The holding company will realize more than \$125,000 per year in savings in maintenance costs, operating system license fees, and storage costs. In addition, the Sun solution is providing Landrum with better IT performance; the time required for backups has been reduced by 50 percent. The smaller Sun hardware has also freed up space that can be used for other banking operations.

eBank Systems, a banking data center in Texas serving 21 banks throughout Texas and New Mexico, selected Kirchman Bankway to run on a Sun Fire V880 server as the foundation for its expansion in data processing services for banks.

Application Service Provider Intrieve, located in Cincinnati, Ohio also chose Sun and Kirchman Bankway to deliver services to more than 150 financial institutions across the U.S.

And, TowneBank in Virginia, a new bank which grew to \$700 million in assets in just four years, relies on the Sun and Kirchman products to manage its IT operations.

The successful migration of Kirchman Bankway to the Sun platform has created new business opportunities for Kirchman Corporation, allowing it to expand market share by offering a cost-effective open systems platform for its proven banking solution, and provide lower cost of ownership, reliability, and scalability to its customers.

And, Kirchman Corporation has made the strategic decision to feature Kirchman Bankway on Sun and is now a Sun partner selling a complete software/hardware/professional services solution for the financial services industry. The company expects that this partnership will be a key competitive advantage for them in the banking business.

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