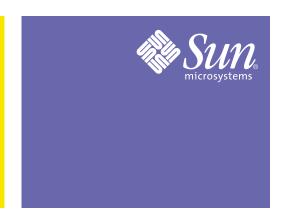# Lloyd's of London, Canada

Sun Mainframe Rehosting Success Story.

Lloyd's of London is without a doubt the world's leading authority on risk solutions. Best known for insuring unusual risks for more than 300 years, Lloyd's underwriters have often been willing to insure new and difficult risks. The first burglary insurance coverage, the first auto insurance, the first aviation insurance, the first satellite insurance — all of these were placed at Lloyd's.

Lloyd's Canada faced a challenge to provide better service to its brokers and attract new business. These needs could best be met with an IT system offering flexibility, security, improved productivity and performance, support for new technology, and reduced costs. To protect their huge investments in legacy software, and move critical business operations to cost-effective and flexible open systems while delivering the performance and productivity that an operation the size and stature of Lloyd's requires, Lloyd's chose Sun Microsystems.

Insurance Market Requires Fast Access to Information

Lloyd's is actually not an insurance company, but a unique marketplace of individual businesses providing risk solutions. Lloyd's brokers bring business to the market from clients and other intermediary brokers around the world. Individual underwriters accept risks on behalf of some 155 syndicates comprising corporate and individual members, whose resources provide the security behind Lloyd's policies.

Lloyd's Canada provides essential services for this broker's market. It produces accounting and statistical reports for Canadian and London brokers and for London underwriters; cash movement control between parties; and reports to various bodies which govern the Lloyd's market.

The insurance market requires a flexible IT system and fast information access. Lloyd's is the market leader in Canada in premium volume in aviation and marine insurance, and also handles a very large part of the property, liability, and energy insurance markets. Lloyd's Canada has annual revenues of more than half a billion dollars, representing business from 500 brokers across Canada.

Company

Lloyd's of London, Canada

TELUS Enterprise Solutions, Inc.

Industry/Market

Insurance

Products/Services

- Sun Mainframe Transaction Processing Software
- Sun Mainframe Batch Manager
- Sun Enterprise™ 3000 server
- Solaris™ Operating Environment
- UltraSPARC® processors

Key Business Challenges

- Improve information services to brokers and expand Lloyd's market share

- Reduce IT costs while maintaining legacy applications

Key Business Solutions

- Reduced processing time by 10 percent or more

- Have capability for IT expansion to meet new business challenges

- New IT functionality and better access to information

- High level of performance and stability

"The Sun Mainframe Transaction Processing Software enabled Lloyd's to gain new functionality and flexibility in its IT system, allowing the business to grow."

Mainframe System Limits Growth

Lloyd's was operating its business on an IBM mainframe, running its own applications in VSE. The existing system was limiting business expansion and new tools were needed to adequately service the broker community. The organization needed a more open system to provide large amounts of data quickly to the broker network spanning the country.

Lloyd's approached planning for its IT system with the initial idea to purchase an AS400. While planning, the IT staff was advised that it would be impossible to run VSAM with COBOL in a non-legacy environment. But, Lloyd's did a benchmark with the Sun Mainframe Transaction Processing Software and Sun Mainframe Batch Manager, and found it could run its own JCL files on an open system, an enormous time and money saving endeavor. When the Sun benchmark was complete, it showed that the Sun Mainframe Transaction Processing Software and Sun Mainframe Batch Manager were the best choice.

Sun Solution Offers High Performance, Reduced Costs

Lloyd's purchased a Sun Enterprise™ and UNIX® server and moved 2,628 programs, 703 screens, 1,050 files, 3,514 batch jobs and over 2 million lines of code to the new server using the Sun Mainframe Transaction Processing Software in just over a year. During the migration, Sun consultants were always available and understood Lloyd's issues. This knowledge and expertise was especially important during critical times.

Since the migration was completed, the IT system has delivered many of the benefits Lloyd's sought: new functionality, reduced processing time, especially for development, easier access, scalability, a high level of performance and stability, and improved productivity and integration. The organization has found that their production time has improved by 10 percent or more, they now have the capability for expansion that was not possible with VSE, and are able to add new tools.

Lloyd's is using the Sun Mainframe Transaction Processing Software and Sun Mainframe Batch Manager, which are key to improving performance and reducing production time. The reduced cost of operations of the open environment versus the mainframe enabled Lloyd's to offset the cost of the migration project rather quickly, allowing them to use these cost savings for additional development and new technologies, which are essential to serving their brokers well and expanding the business.

We make the net work.