

First Citizens banks its online channel on IBM technology.

Overview

■ Challenge

Replace the bank's retired Internet banking platform

■ Solution

Replacement of Internet banking front end, providing out-of-the-box functionality, open-standards technology and backend/third-party integration capabilities

■ Why IBM?

First Citizens chose IBM Business Partner Financial Fusion as its online banking solution provider based upon its industry prominence and close alignment with IBM technology

■ Key Business Benefits

300% increase in concurrent user capacity; 30% improvement in system uptime; 20% reduction in overall system maintenance costs; added functionality; enhanced performance; flexibility to grow and evolve

■ IBM Business Partner

Financial Fusion, Inc.



The largest family-controlled bank in the United States, First Citizens Bank offers a complete line of financial services, including personal and business banking, and investor, trust and insurance services.

Successful institutions have a way of turning setbacks into opportunities and taking advantage of every chance that presents itself to enhance their business systems and tools. Such was the case with the Raleigh, North Carolina-based First Citizens Bank (First Citizens), a \$12 billion regional bank serving consumers and small-to-midsize businesses in North Carolina, Virginia and West Virginia.

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– Jeff Ward, Executive Vice President, Retail Segment, First Citizens Bank

e-business success—redefining the image of business leadership

With more than 5,000 employees and 350 branches, First Citizens (www.firstcitizens.com) serves its customers with a contact center, ATMs and an online banking site. Based on the Edify e-business banking platform, the online banking site provided customers with a wide range of banking functions, including bill payment through services from CheckFree Corporation.



By leveraging its mainframe-based systems with IBM's robust messaging server, First Citizens' online banking solution provides the realtime data that other banking Web sites cannot offer.

The successful online channel, however, faced a dubious future when Edify was sold and taken off the market by its new owner. "When we learned the Edify platform was being retired, we needed to see what other vendors were offering and what more we could do with our online banking site using another platform," explains Jeff Ward, First Citizens' executive vice president, Retail Segment.

In replacing the Edify solution, First Citizens sought improved out-of-the-box functionality and the ability to customize the site—especially the user interface—with open standards-based technology it could master in-house. The bank further knew it would need to integrate any new solution with the core banking and marketing systems on its IBM mainframe. "We wanted to leverage our mainframe and the applications that run on it to provide our new systems with all the functionality we have developed for online banking," says Jim Cook, Internet banking manager, First Citizens Bank. "We also wanted integration with CheckFree's WebPay product so that customers could enjoy enhanced bill payment services seamlessly within the online banking environment."

Choosing a best-of-breed solution

To ensure it would gain a flexible solution that could be easily customized and enhanced, First Citizens looked for an online banking solution provider with in-depth experience in Java™ technology. After an extensive vendor evaluation, First Citizens chose IBM Business Partner Financial Fusion, Inc. as its online banking-solution provider. Based in Concord, Massachusetts, Financial Fusion provides integrated financial solutions to more than 200 of the world's leading financial institutions.

"Financial Fusion gave us the functionality and flexibility we wanted. And IBM provided a total solution for servers, application server and database software components."

—Jeff Ward

Once the solution went live, the bank experienced a 300 percent increase in concurrent user capacity, a 30 percent boost in system uptime and a 20 percent reduction in system maintenance costs. "Financial Fusion gave us the functionality and flexibility we wanted," says Ward. "And IBM provided a total solution for servers, application server and database software components. Since we already had a longstanding relationship with IBM, we were pleased to find a solution provider so closely aligned with IBM technology."

Powerful consumer banking tool

With their user IDs and passwords, First Citizens customers can access a full range of online banking functions. They can view account details, perform fund transfers, pay bills, stop payments, request check and statement copies, view check images, and reorder checks.

These transactions access the core banking functions on the mainframe that are used by ATMs, branch tellers and contact-center representatives, so customers get an identical, up-to-date and accurate picture of their accounts across all of the bank's channels.

Java solution provides realtime data

The Financial Fusion online banking product runs on the bank's powerful IBM server, along with IBM Web application and database software. IBM's Web application software runs the Java code for the new solution, communicating with the backend systems by passing transaction data back and forth using the IBM messaging solution.

To provide a seamless experience for customers using the CheckFree WebPay application, Financial Fusion created a secure session with the CheckFree site, transparently passing account login and session information to CheckFree. In the background, the Financial Fusion application also creates a user "ping" session that keeps the banking connection live for the duration of the bill-paying connection, allowing users to return to banking after they pay their bills. XML files are used to store and maintain configuration information for the CheckFree connection and enable Financial Fusion to create applications that are easily enhanced or changed.

"Over the long run, we expect these applications will benefit from the performance, reliability and scalability of the IBM platform and database software."

*— Jim Cook, Internet Banking Manager,
First Citizens Bank*



First Citizens leverages its experience in online banking by outsourcing its Internet banking solution to seven other regional banks.

Building more applications with WebSphere software

Following the success of its new online banking site, First Citizens successfully migrated another product application to its IBM software platform. In fact, as it develops new online banking or interactive data applications, the bank plans to continue to tap into its Web application and database software-based infrastructure.

"Over the long run, we expect these applications will benefit from the performance, reliability and scalability of the IBM platform and database software," says Cook. "We are also confident that our current stable solution will enable us to manage change profitably in the future as our customer base grows and new needs emerge."

For more information

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