



KEMPEN & CO

One of the leading Dutch firms for asset management, securities, and corporate finance, serving corporations, financial institutions, government organizations, and high-net-worth individuals.

Industry: Financial Services
Geography: Europe, United States

Deployment Summary

- TIBCO's enterprise application integration (EAI) solution integrates disparate best-of-breed applications.
- Kempen used TIBCO to implement a solution that receives and distributes real-time market data using different applications.
- TIBCO's business process automation solution enables straight-through processing (STP) for trade operations.

Benefits

- EAI enables Kempen to deploy various best-of-breed applications without writing custom integration code.
- Scalability and flexibility of TIBCO's solution enables Kempen to modify its infrastructure easily and quickly, often adding new features within one week.
- STP reduces trade order errors significantly and increases trader productivity, profitability, and customer satisfaction.
- TIBCO's solution helps Kempen provide more channels for customers to enter their trades, which can expand the bank's customer base.



"Our TIBCO implementation saves us money, helps us satisfy customers, and enables us to do more business. Because of TIBCO's solution, we started to think about integration differently, and change the way we conduct business. TIBCO has enabled a very positive change of mindset in the company, especially within IT."

Richard Valk, IT Developer, Kempen & Co

At Kempen, Business Integration Becomes a Major Asset

Founded in 1903, Kempen & Co is one of the leading Dutch asset management, securities, and corporate finance firms. It provides a range of specialty financial services to a client base that includes corporations, financial institutions, government organizations, and high-net-worth individuals.

Kempen combines carefully researched financial advice with personal, long-term relationships. To grow strong customer relationships and compete with other financial institutions, Kempen needed a flexible IT infrastructure that would enable the company to quickly execute trades and build new services. Kempen had been using a mainframe application that acted as a single super-application. In time, Kempen realized that its mainframe application was growing old and did not offer the flexibility to keep pace with the company's rapid growth and increasingly competitive marketplace.

Implementing a newer mainframe application could take several years. For that reason, Kempen shifted its IT strategy and opted to replace the mainframe application with several best-of-breed, stand-alone

applications that were less expensive, easier to implement, and faster to deliver.

"Instead of using a single mainframe system, which lacked the flexibility we needed, we decided to get the best available applications to do the job," says Richard Valk, an IT developer at Kempen & Co. "That means we get software from several vendors, so we needed to tie everything together."

Kempen invests in enterprise application integration

One option for Kempen was to link all of its applications together by creating point-to-point connections. Valk says Kempen did not really consider this option because it could cost the company more time and money in the long run. "First, it takes a long time to write custom code. Then, the next time you want to change something – add a new application or add new links between existing applications – you have to modify all of your code. Early in our initiative, we knew that point-to-point integration would not be a cost-effective choice."

Instead, Kempen chose to integrate its applications with an EAI solution to enable more efficient communication

among systems, accelerate the development of new functionality, improve data integrity, and automate business processes. Kempen also wanted a solution that could support its plans for a new market data system, which would enable the firm to obtain real-time market data from major financial news sources. Kempen evaluated major integration vendors, and ultimately chose Reuters and TIBCO Software Inc., a leading enabler of real-time business – partly because TIBCO provides solutions that both deliver real-time market data and integrate enterprise applications. TIBCO technology would enable Kempen to capture market data and easily feed it to any systems or applications linked to the TIBCO information bus – thus distributing real-time market data to all areas of the company that need access to it.

Additionally, Valk drew on his 10 years of experience with TIBCO software at previous employers. “Because I had used TIBCO’s solutions successfully in the past, I knew that TIBCO offered the technology that could best help us accomplish our integration goals,” Valk says. “TIBCO’s solution makes it very easy for us to build stable, fault-tolerant systems that scale easily, without requiring us to perform a lot of difficult configurations. That’s important because we need the flexibility to add new services as quickly as possible – often within one week.”

Kempen reaps the benefits of automation

Using TIBCO’s solution, Kempen integrated its core systems, such as a Bank/View back-office system, GL TRADE™ electronic trading system, FMC™ asset and portfolio management system,

and BIS multimarket order-management system. In addition, Kempen used the automation capabilities in TIBCO’s solution to create an order routing system. Before the order routing system, traders needed to manually process all orders, including those that were small and not very profitable. Now, traders process only large orders manually, while TIBCO’s solution uses STP to route smaller, less profitable orders automatically. This automated process frees traders to spend their time on more profitable orders.

Before the TIBCO project, a salesperson had to accept a phone call from a customer, and then call the customer back after the trade had been executed. That process could take from 15 minutes to a half-hour, depending on how busy the trader was. Using TIBCO’s Gold Certified SWIFT solution to connect to the SWIFT™ financial network, Kempen can accept electronic trade orders from its customers. “Now, customers can place orders electronically, and our system executes it within one minute,” Valk says. Not only does the automatic system enable traders to make more trades in a single day, but it also helps to avoid any errors that might occur when trades are taken over the telephone.

In addition, process automation has increased customer satisfaction noticeably. For trading customers, Kempen can send automatic e-mails about the status of their orders and explain why, for example, an order was rejected. In addition, using TIBCO’s solution, the bank established an electronic link between the asset management department and the

trading room, so portfolio managers no longer have to telephone their clients’ orders to the trading room – TIBCO’s solution automatically sends those orders to the appropriate systems and executes them immediately.

TIBCO gives Kempen a direct link to new and faster trading

TIBCO’s solution has given Kempen the ability to proactively create new business opportunities. For example, the company can easily connect other systems that give customers more electronic trading channels. Kempen also is building a new system that uses

TIBCO’s solution to connect foreign exchanges to the order management system – something that was not possible before the TIBCO implementation.

Valk says TIBCO’s solution gives Kempen the flexibility to implement improved services at anytime. “In the future, using TIBCO, we can directly connect our systems to businesses such as Bloomberg,” Valk says. “This gives us the ability to offer our customers even more trading options, which also helps us to attract new customers.”

Moreover, Valk says EAI has not only saved money, satisfied customers, and increased productivity, but it also has changed the way the company operates. “Because of TIBCO, we started to think about integration differently and change the way we conduct business. TIBCO’s solution has enabled a very positive change of mindset in the company, especially within IT.”



TIBCO Software Inc. (NASDAQ: TIBX) is the leading independent business integration software company in the world and a leading enabler of real-time business, helping companies become more cost-effective, more agile and more efficient. TIBCO has delivered the value of real-time business, what TIBCO calls The Power of Now®, to thousands of customers around the world and in a wide variety of industries.

www.tibco.com

Global Headquarters
3303 Hillview Avenue
Palo Alto, CA 94304

Tel: +1 650-846-1000
+1 800-420-8450

Fax: +1 650-846-1005