Meritz Fire Insurance reduces costs and increases ROI with OpenFrame

Meritz Fire Insurance offers car, bundled, health, and accident insurance, along with pension and savings products.

Its annual revenue is in the billions of dollars, with annual growth at about 10%, and its number of contracts is in the millions.

The insurer has close to 100 online trading partners, located all over the world, and Its core business systems serves tens of thousands of users.

INDUSTRY

Insurance

TMAXSOFT SOLUTION

OpenFrame

TmaxSoft

MERITZ

- Inefficient core business system (1,600 MIPS) residing in an IBM mainframe
- System inflexibility affecting availability, performance, reliability, and capacity
- Costly mainframe technology impacting agility
- Infrastructure not optimal for batch processing, transactions, and online trading partners

RESULTS

- $17.5 million cost reduction in five years
- Enhancements in CPU capability to 10,000 MIPS
- 4x improvements in transaction per second
- Response time of 200 milliseconds
- High performance and reliability during mass transaction processing

The challenge

Meritz Fire Insurance's core business system (1,600 MIPS) was housed in an IBM mainframe. Each year, there was a noticeable increase in the costs of maintaining the mainframe and its footprint of 19,000 batch processes. In addition, concurrent processing and sub-optimal transaction application speed were affecting the insurer's bottom line and business agility.

The company needed a different and more efficient approach that could address policyholder and transaction growth with high availability and capacity, increased stability, and expandability. They wanted a lower-cost, more manageable environment, and they wanted it fast. Therefore, they decided to migrate applications and data from their IBM mainframe to an open system environment.

The solution

Meritz Fire Insurance chose TmaxSoft OpenFrame to migrate its mainframe. The scope of the project included migration, data conversion, and system replacement. As part of the project, 7,000 online programs, 19,000 batch programs, and 22,000 JCLs were migrated and compiled. More than 2,100 database tables, 1,500 tapes, and 35,000 SAMS were refined and converted. The insurer decided to implement a phased production rollout, with final phase applications fully turned on in production in 12 months.

As a result of the migration, the insurance carrier has a lower-cost, more manageable environment. Service reliability is ensured, around-the-clock system operation is guaranteed, and overall performance has improved. They reported enhancements in CPU capability (10,000 MIPS), improvements in transaction per second (4x), a response time of 200 milliseconds, and optimized batch processing. The quantifiable benefits were cost reductions that were estimated to be $17.5 million in the first 5 years after the project.

Rehosting an IBM mainframe on an open system helped the insurance carrier rapidly respond to new business and service requirements, including the rising demands for tailored customer services. Thanks to OpenFrame, the insurer is seeing a significant reduction in TCO compared to the mainframe with no impact on user experience.

TmaxSoft is a global software innovator focused on data management, middleware and mainframe modernization, with solutions that offer enterprise CIOs viable alternatives to support their global IT powerhouses and drive competitive advantage. TmaxSoft has based its growth on a strong foundation of research and development, along with a sustained commitment to innovation. Today, we work with over 2,000 customers around the world.

TmaxSoft was founded in 1997, and today we have over 1,700 employees in 20 strategic centers around the world.

OPENFRAME

OpenFrame is a proven solution for quickly moving legacy mainframe applications and data to an open system environment with a significant reduction in annual run costs and no changes to the business logic.

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