



WALL STREET SYSTEMS BOOSTS REVENUES, CUTS COSTS BY MIGRATING TO RED HAT ENTERPRISE LINUX

FAST FACTS

Company	Wall Street Systems
Industry	Financial Services - Software
Geography	Global
Business Challenge	Create new revenue streams by responding to customer demands for treasury and financial management software available as a service 24/7. Cut costs and improve reliability and scalability of internal systems. Ensure market competitiveness by reducing the infrastructure investment required by customers.
Software	Red Hat Enterprise Linux 5 Advanced Platform with integrated virtualization, WebSphere, WebLogic, Apache Tomcat, Oracle DB
Hardware	Intel Xeon based x86 servers
Migration Path	Solaris on SPARC Servers to Red Hat Enterprise Linux 5 Advanced Platform with integrated virtualization on Intel Xeon servers
Benefits	Created new revenue opportunities and maintained its industry leadership position; Cut costs and boosted operational efficiencies and system reliability



BACKGROUND

If money is the lifeblood of businesses, Wall Street Systems keeps it circulating. An award-winning provider of functionally rich, integrated, and scalable financial applications, Wall Street Systems helps financial institutions as well as enterprises throughout a variety of other industries improve their workflows and increase control of corporate treasury, bank treasury, central banking, FX trading, and global back office operations.

With regional headquarters placed strategically in major financial centers around the globe – including New York, London, and Singapore – Wall Street Systems has a truly global reach, and its name has become synonymous with exemplary customer service and technical innovation. Founded in 1986, the firm employs 500 and serves more than 300 blue chip clients that routinely process millions of transactions and trillions of dollars daily.

BUSINESS CHALLENGE

Wall Street Systems saw opportunities on two fronts: revenue generation and cost cutting.

First, it saw that by offering Red Hat Enterprise Linux versions of its best-selling financial applications, it could create new revenue streams and sharpen its ability to compete aggressively against other financial software firms in its increasingly cost-conscious market niche. Secondly, Wall Street Systems was seeking – like most businesses in today’s economic climate – to cut costs itself by streamlining international operations.

Wall Street Systems’ products were first offered for the VMS environment. Over time, the firm migrated them to HP-UX, and then Sun Solaris. But beginning in 2001, customers increasingly began demanding Red Hat Enterprise Linux versions of its applications. “Our clients wanted the ability to replace their SPARC and specialized

UNIX boxes with standard based Intel Xeon based servers,” said Mark Tirschwell, chief technology officer of Wall Street Systems. “Businesses could see where the world was going, and the market opportunity for us was clear.”

That market opportunity soon prompted Wall Street Systems to re-examine its own internal Solaris-based infrastructure. Solaris 8 was nearing end of life (EOL) and Wall Street Systems was facing a major upgrade in any case. Then, a relatively small operational issue convinced Tirschwell that it was indeed time to migrate: building a demo of Wall Street Systems software to show to sales prospects. “We had seen the writing on the wall, and were beginning the port of our products from Solaris to Red Hat Enterprise Linux,” said Tirschwell. “We were able to shrink our software down to a demo form to run on x86 laptops. I was impressed at its efficiency and reliability. I decided to move all our in-house systems over to Red Hat Enterprise Linux on Intel Xeon based servers.”

“Our clients see that Red Hat Enterprise Linux is reliable. They are completely comfortable knowing that they can run their largest, most critical systems on Red Hat Enterprise Linux, and that they’ll get enterprise-class support. They also wanted the ability to replace their SPARC and UNIX boxes with standard based Intel Xeon based servers.”

**- Mark Tirschwell, chief technology officer,
Wall Street Systems**

SOLUTION

Today, Wall Street Systems offers Red Hat Enterprise Linux-based versions of all its flagship financial applications. Additionally, it runs Red Hat Enterprise Linux Advanced Platform running on Intel Xeon based servers internally for all development and quality assurance (QA) activities. And early on, Tirschwell committed to a virtualization strategy based on the integrated virtualization technology included as part of Red Hat Enterprise Linux Advanced Platform. Today, Wall Street Systems runs Red Hat Enterprise Linux Advanced Platform on top of more than 250 virtual machines on 70 physical servers.

BENEFITS

The benefits of moving to Red Hat Enterprise Linux Advanced Platform on Intel Xeon servers were immediate and substantial. First, there were the increased revenues from selling Red Hat Enterprise Linux versions of its software to customers – both new Wall Street Systems clients, and existing users that were migrating their own operations from proprietary RISC/UNIX to Red Hat Enterprise Linux on standard based Intel Xeon servers.

Cost is the primary driver. “Every single one of our sales prospects today that is on HP-UX or Solaris asks us for two bids – one for their legacy environment, and one for Red Hat Enterprise Linux,” Tirschwell said. The cost comparison can be staggering: The capital expenditures required for a Solaris installation – once software licenses and hardware costs are taken into account – can cost upward of \$1 million. “This can be compared typically to just \$250,000 for a Red Hat Enterprise Linux deployment,” said Tirschwell.

But the cost savings wouldn’t have been enough if Red Hat Enterprise Linux also hadn’t offered rock-solid reliability. “Our applications represent some of the most mission-critical systems our clients have,” said Tirschwell. “They require 99.999 percent uptime. If they go down, they have the potential to lose millions of dollars. Our clients see that Red Hat Enterprise Linux is reliable. They are completely



comfortable knowing that they can run their largest, most critical systems on Red Hat Enterprise Linux, and that they'll get enterprise-class support."

Internally, Wall Street Systems has experienced tremendous cost savings as well. "The combination of being able to use standard based Intel hardware and virtualization has really driven down costs in our data center," said Tirschwell. "We've gone from 15 racks of equipment down to 12, specifically because virtualization allows me to maximize hardware usage."

Additionally, there are indirect savings due to operational efficiencies. "My administrators love the Red Hat Enterprise Linux interface – it's intuitive and the tools are easy to use," he said.

Wall Street Systems has also committed to Red Hat Enterprise Linux in a critical new venture: moving some of its flagship products over to a software-as-a-service (SaaS) model. The infrastructure for those products is based upon Red Hat Enterprise Linux running on Intel Xeon based servers.

"I wouldn't be in the SaaS business if it weren't for Red Hat," he said. "If we'd had to make the capital investment in infrastructure that HP-UX or Solaris would have required, and the margins for achieving profitability with SaaS business just wouldn't be there."



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