

## Benefits Administrator Reduces Costs of New Client Connections

Employee benefits administrator used Cisco ACE XML Gateway to provide a cost-effective, secure platform for Web services.

EXECUTIVE SUMMARY	
<b>INDUSTRY</b>	<ul style="list-style-type: none"> <li>Financial Services</li> </ul>
<b>BUSINESS CHALLENGE</b>	<ul style="list-style-type: none"> <li>Eliminate technical barriers to winning new business</li> <li>Significantly reduce the cost of provisioning new client connections</li> <li>Help ensure high security for financial transactions, customer privacy, and data confidentiality</li> </ul>
<b>NETWORK SOLUTION</b>	<ul style="list-style-type: none"> <li>Flexible, cost-effective XML Web services gateway</li> </ul>
<b>BUSINESS RESULTS</b>	<ul style="list-style-type: none"> <li>Reduced time to deploy new clients for 401K plan administration from nine months to three days</li> <li>Reduced operational costs by 90 percent</li> <li>Helped ensure high transaction security and auditability for compliance</li> </ul>

### Business Challenge

One of the world’s largest 401K plan and employee benefit administrators, the Company provides a diverse, balanced selection of professionally managed investment offerings to companies with large 401K benefits plans.

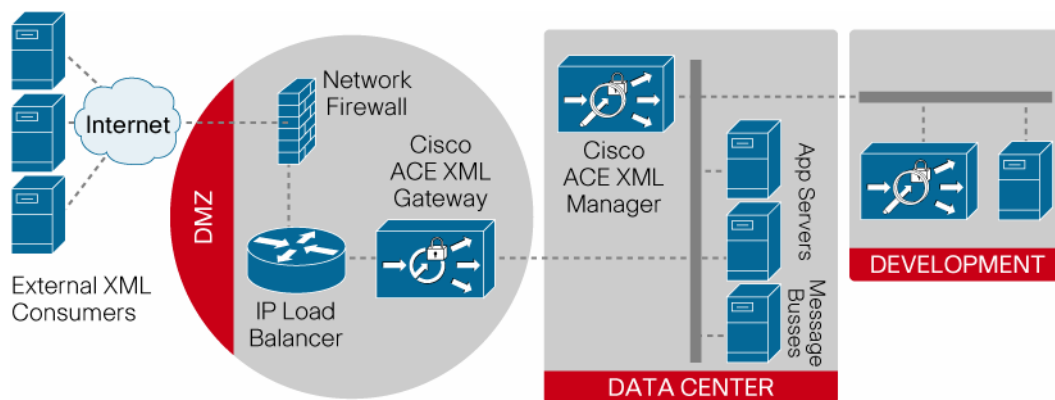
One significant obstacle was the fact that the client company had to bear the cost of installing redundant, dedicated leased lines for securing transactions. Not only did these connections incur high, ongoing monthly charges, they also required additional staff resources and could take several months to order from local service providers.

In addition, each new client connection required a large integration effort. The Company had to custom-code much of the integration software to help ensure the required levels of security and performance—and no two clients implemented their systems the same

way. Integrations typically required up to nine months, and the long lead times delayed delivery of plan benefits to clients’ employees, as well as delayed revenue to the Company.

“We needed to eliminate the technical barriers to doing business with us,” says the Company’s director of architecture. “This meant significantly reducing the cost and time required to bring up new connections while simultaneously providing highly secure transactions to protect clients’ transaction privacy, integrity, and confidentiality.” As the Company’s Employee Benefits Administration (EBA) group evaluated alternatives, it became clear that the most cost-effective solution would be to deliver 401K benefit plan services over the Internet using XML Web services. This solution would eliminate the client’s requirement to lease dedicated lines and custom-program integrations, and it could accelerate deployment of customer connections.

Figure 1.



As the EBA group evaluated its options, solving operational security and interoperability issues was an important requirement.

To achieve their goals for security and interoperability, the group could build security directly into XML Web services, or repurpose existing systems such as web servers and application firewalls.

Or, they could evaluate a new solution.

### Network Solution

The EBA group decided to deploy the Cisco ACE XML Gateway. The Cisco ACE XML Gateway provided a common Web services architecture, through which all of the clients' and Company's systems could communicate. Incoming transactions could be secured and transformed into a consistent format. The Cisco ACE XML Gateway then mediates transaction transport protocols and routes messages between systems using the appropriate services. With the Cisco ACE XML Gateway, the Company would significantly improve transaction processing, interoperability, and security, while reducing the time required to bring up new client connections.

The EBA group deployed Cisco ACE XML Gateway clusters in four North American data centers behind their regular network firewalls, centralizing management with the Cisco ACE XML Manager. Now when an employee logs onto a client company's benefit portal to purchase fund shares or reallocate assets, the transaction initiates a number of XML Web services activities, depending on the client's specific 401K program. XML Web services calls leave the client company over the Internet and are routed to the Company's data center. At the data center, they pass through an IP-based network firewall to the Cisco ACE XML Gateway.

Messages arrive at the Cisco ACE XML Gateway in various formats, including XML, and Simple Object Access Protocol (SOAP) on different transports – HTTP, HTTPs, even MQ. With comprehensive XML threat defense capabilities, Cisco monitors the transaction flow and performs a range of security checks, depending on the specific client's security requirements. It can verify that the message came from a trusted source, authenticate the user, and verify that the message body itself can be trusted. Next, it helps ensure that the message is formatted properly or transforms the format into one that is acceptable to the Company's back-end trading systems and manages all transaction reconciliation between systems.

As a turnkey, hardened appliance, the Cisco ACE XML Gateway is easily integrated with existing platforms and infrastructure. It is optimized with hardware and software for accelerated XML processing to maximize throughput and security performance. These features enabled the Company's operations group to confidently take over its operation and free application developers

and architects from ongoing maintenance tasks.

Like all financial institutions, the Company is subject to rigorous security and compliance requirements, including the Gramm-Leach-Bliley Act. With the Cisco ACE XML Gateway, the EBA group now can quickly and easily access a secure detailed audit trail for each transaction, simplifying compliance and auditing.

“The Cisco solution completely addressed our security and interoperability requirements and simultaneously improved transaction performance,” says the director. “We dramatically improved the ease with which our customers can do business with the Company and expanded our market opportunity.”

### **Business Results**

The Cisco ACE XML Gateway has been in use for over two years with no unscheduled downtime, and tens of billions of dollars of transactions have been handled by the system. Clients can now use the free public Internet to manage their 401K plans with the Company, eliminating the cost of leasing dedicated, redundant lines. Provisioning a new client no longer requires six to nine months—it can be achieved in less than three days without extensive custom coding, testing, and debugging.

“It took approximately 30 seconds to get to the ‘Pass SOAP fault through exactly as received from service’ check box,” says the director, “and another 30 seconds to deploy the policy. We love the new ‘Skip to final deployment page’ button.” We vastly simplified the steps to deploy new clients and saved considerable money by eliminating leased line connections. The ability to quickly and easily provision new client connections enabled the Company to add many more new customers in 18 months than previously.

In addition to increasing revenue, the Cisco ACE XML Gateway decreased operating costs by up to 90 percent. Now transaction formats do not have to change for every customer that connects. The EBA group can change services without having to change connections—or change all of its connections without having to change services or back-end systems. Systems and standards can be inserted or updated without changing the services, making it easy to accommodate different standards that clients use. In addition to almost eliminating the need to custom-code every new connection, demands on Website user support and the Company’s call center have diminished, reducing overall support costs.

Today, groups outside of the EBA group are clamoring for “operational XML” capabilities of their own. Thanks to the Cisco ACE XML Gateway, it is easy to extend XML Web services security and interoperability capabilities to other business units and applications. For example, the Company uses an outsourced firm for scheduling all meeting rooms and facilities.

Today, the Company and its clients are enjoying secure, efficient transactions as they provide for employees’ futures and well-being. The company is competing more aggressively and expanding their market opportunity because of the responsiveness and efficiency of their IT. And the director who championed the Cisco ACE XML Gateway? He’s now vice president.

### **For More Information**

For more information about Cisco and the Cisco ACE XML Gateway, visit <http://www.cisco.com/go/ace>.

## Product List

- Cisco ACE XML Gateway
- Cisco ACE XML Gateway Manager



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