



Open Technology Empowers Member-facing Business Units at Fairwinds Credit Union

Fairwinds Credit Union (Fairwinds) is the type of financial institution that exemplifies the benefits of open technology. The growing Orlando-headquartered credit union had struggled with an aging core system that lacked commercial account functionality. Being tied to a consumer-based, single checking account system limited its ability to expand product lines to accommodate commercial lines of business for members' loans and deposits, a valuable area it had been interested in growing. The problem of aging rigid technology extended into the company's culture. Reflecting on the development process, CIO Charlie Lai said, "Our business lines knew it was a challenge for us to develop new products, so for the most part, they didn't even ask."

To add the product lines members demanded and to empower its business units to grow and expand member relationships, Fairwinds sought a partner whose technology could support its ambitious goals. It was already serving 128,000 members from 26 branches in 2006 and it would soon launch plans to nearly double that number of locations by 2009.



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- Charlie Lai, CIO,
Fairwinds
Credit Union



Technology Solution

Identifying the right core processing solution focused as much on interviewing Open Solutions' clients as it did on studying its technology. After an outside consultant assisted with selecting alternate core processors, Fairwinds conducted extensive due diligence to find the right fit.

Lai and his team's observation of peer clients factored heavily into their selection of *The Complete Credit Union Solution*® (TCCUS). "Vendor demonstrations really didn't tell us the value of the system, but visiting the larger, more established Open Solutions clients really was the selling factor." Further validating Open Solutions was the culture of those peer institutions. Lai continued, "We looked at similar credit unions running TCCUS and we found similar-minded progressive institutions that charted their own way of doing things and were getting results. In looking at clients from the other providers, we didn't see many progressive institutions." The progressive culture among Open Solutions and its clients carried over into the client conferences, which Fairwinds' staff attended before their conversion. They valued the mix of bank and credit union clients who attended as well as how deeply participants explored business requirements and how they then applied technology to them.

Open, relational technology solidified Fairwinds' choice. Lai and his staff saw a significant benefit in Open Solutions' underlying Oracle database and the way the technology has been programmed in common languages that are accessible. Today, Fairwinds is applying its IT talent to high value activity, such as the development

of clustered environments and a real-time redundant data center. Prior to conversion, Fairwinds' IT staff focused on data processing operations, networking and desktop support.

"In our experience," Lai explained, "it's technically a very capable and flexible system ... and we have the expertise to really take advantage of the things the open technology brings to the table." Open Solutions' technology enabled Fairwinds to do some work with real-time business continuity. "We're actually running a real-time data center right now that spans two new clustering environments between our corporate location and our backup facility," said Lai. "Open Solutions' technology facilitates that and gives clients a choice to be able to do it. We've experienced a cultural change by embracing the flexibility of the Open Solutions application. You can do a lot of different things with the application based on how you build the parameters, structure and the modules."

The credit union has also successfully tied several best-of-breed third-party applications as well as integrated data from its third-party rewards system and its investment platform into TCCUS. Regardless of the developer, be it another vendor or the credit union's internal development staff, the applications best suited to Fairwinds' members can connect seamlessly to its core processor.

Results

Fairwinds continues to grow, fueled by business units that can rapidly deploy products as members demand them. Since 2006, Fairwinds has grown to 135,000 members with \$1.6 billion in assets. It opened six new branches in 2007 and plans to open nine more in 2008, supporting its position as the largest locally-owned financial institution in central Florida. Compared to its peers' growth for loans at 18% and savings at 5%, the credit union has more than kept pace, expanding with 25% growth in loans and 25% in savings. In its first year after conversion, Fairwinds deployed 10 new products: 3 consumer checking accounts, 3 new business checking products and a variety of certificates and money markets that have helped it compete in the market. Lai describes the speed to market as "night and day" citing development times as one or two days.

Initial cultural challenges have also been overcome, as business units adopt the new technology. "Pre-conversion, our credit union was IT-centric. If our lending area wanted a new loan product they told IT what they wanted and IT built it. They ultimately received IT's interpretation of the product," said Lai. "Now they build their own."

Pairing progressive open technology together with business units that are motivated to tweak and adjust the technical parameters of products has helped Fairwinds grow and prosper. Lai is quick to point out that open technology may not be for everyone. He cautions, "If a credit union just wants to make minimal investment in technology and guaranty a low risk posture then it may not make sense." But, for a credit union that needs the flexibility to change with the demands of the market, Open Solutions and open technology provides the right foundation. As Lai explains, comparing *The Complete Credit Union Solution* to other solutions, "Instead of being enabled by a small number of features you're now enabled by hundreds of options."

For more information about Open Solutions and our full suite of products and services, please go to www.opensolutions.com or call us at 800.226.5674.



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