



First National Bank of Omaha

First National Bank of Omaha had a disparate infrastructure that was growing at a rate of 30 percent a year. By moving to SUSE® Linux Enterprise Server, the bank saved \$1.8 million in the first year and estimates a savings of \$9.6 million through 2011.

Overview

First National Bank of Omaha (FNBO) is the heart of First National of Nebraska, one of the largest and most highly respected regional banking institutions west of the Mississippi. With a 150-year history, FNBO has more than \$16 billion in managed assets and more than 7,000 employees.

Challenge

As the financial industry transitions from paper to electronic-based transactions, banks are tasked to handle enormous volumes of electronic data. This shift is requiring financial institutions to make significant investments in security, network capacity, system performance and storage, which can significantly impact IT budgets.

FNBO was weighed down with the costs of managing 600 servers, including 40 Sun® Solaris® boxes with 80 processors and multiple operating platforms. To keep pace with company growth, the bank was adding servers at the rate of 30 percent a year and every 20 servers required additional administrative staff. FNBO turned to a Linux® solution to get its expanding and expensive infrastructure under control.

Solution

To replace its UNIX® environment, FNBO chose to partner with Novell® and IBM® for a solution consisting of SUSE Linux Enterprise Server running on an IBM zSeries® mainframe.

“We already knew we wanted a mainframe environment and it was evident to us that SUSE Linux Enterprise Server is the best option for the IBM zSeries,” said Kenneth J. Kucera, Senior Vice President and CIO of First National Bank of Omaha. “Unlike Sun Solaris or Microsoft® Windows®, Linux gives us the option to scale up, down or across platforms—mainframe, midrange and PC desktop. Novell and IBM make terrific partners for us.”

In its previous environment, FNBO had a nearly one-to-one ratio of machines to applications and yet each machine was using only a fraction of its processing power. Using virtualization, FNBO consolidated 40 Sun Solaris servers to five Linux engines using Integrated Facility for Linux (IFL) processors on the IBM zSeries mainframe running under SUSE Linux. The bank also migrated the rest of its 600 servers to 70 IBM Blade Servers.

FNB Omaha at a glance:

Bank holding company with more than \$16 billion in managed assets

■ Industry:

Banking

■ Location:

United States

■ Solutions:

SUSE Linux Enterprise Server

■ Results:

- Consolidated 40 Sun Solaris servers to five virtual Linux servers on an IBM mainframe
- Reduced administrative costs by nearly 70 percent
- Reduced software licensing costs more than 90 percent
- Realized a \$1.8 million savings in first year and estimates a savings of \$9.6 million through 2011

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Kenneth J. Kucera

*Senior Vice President and CIO
First National Bank of Omaha*



“We now have fewer people managing fewer physical devices and yet we can deliver new applications in days instead of weeks. With SUSE Linux Enterprise Server, we no longer have the delays of waiting to acquire and configure an expensive server. We just carve out more virtual machines on our mainframe and we are off and running.”

Kenneth J. Kucera
Senior Vice President and CIO
First National Bank of Omaha

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“With SUSE Linux Enterprise Server on IBM zSeries we not only consolidated all our Sun servers, but we also have tremendous room to grow on our 32-way IBM mainframe,” said Kucera. “I haven’t had to buy a new server in the past two years—how many CIOs are able to say that?”

The five virtual SUSE Linux servers run all of the bank’s mission-critical Web applications for online customer banking, call centers and branch automation services. FNBO has nearly 600,000 online users and a large percentage of these users visit a Web site twice a month on payday to pay their bills. It was critical for the bank to respond to increased transaction volumes on those days.

“With our previous UNIX environment, we never had capacity on demand, so we ended up paying too much overhead just to be prepared for two days a month,” said Kucera. “With our SUSE Linux/IBM zSeries environment, we can handle periodic increases in transaction volumes without constantly paying for excess capacity.”

With fewer physical servers to manage, FNBO has dramatically reduced its security risks as well as administration costs. Linux gives the IT staff flexibility to respond quickly to business requests.

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acquire and configure an expensive server. We just carve out more virtual machines on our mainframe and we are off and running.”

FNBO is also considering Novell Linux Desktop as part of its Linux enterprise to dramatically reduce software licensing costs.

“Linux is our target architecture so we are moving everything possible in that direction,” said Kucera.

Results

By migrating its UNIX environment to SUSE Linux Enterprise Server and IBM hardware, FNBO consolidated its environment by more than 95 percent. The bank has reduced its administrative costs by nearly 70 percent and reduced software licensing costs by more than 90 percent.

Overall, the bank saved \$1.8 million in operating expenses its first year and estimates a savings of \$9.6 million through 2011. Most important, FNBO can easily handle business growth and increasing transaction volumes with the ability to set up virtual Linux servers in hours.

“The whole e-commerce world demands greater convenience and faster service,” said Kucera. “Our customer service simply can’t be limited by technology. SUSE Linux Enterprise Server gives us the technology to grow our company, but without the high overhead of other platforms. Our IT budget has actually remained flat this year.”



Contact your local Novell Solutions Provider, or call Novell at:

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