Ocwen Technology Exchange

Sun Success Story.

Ocwen Technology Exchange (OTX) is saving millions of dollars annually as a result of consolidating the applications that ran on many small systems onto a pair of Sun Fire™ 15K servers. By standardizing on Sun Microsystems Inc.'s Fire technology and the Solaris™ 8 Operating Environment as its exclusive UNIX® solution, OTX avoids the costs of supporting redundant skills in the IT staff while saving substantially on maintenance, software licensing, support tools, personnel time, and floor space among other factors. Cost savings and avoidance are over and above the many other benefits of Sun Fire servers, including massive scalability, improved immunity against downtime, and high speed communication among the applications that run in multiple domains on a single server.

The Sun Fire servers replaced many small servers from Sun and IBM. Before selecting Sun Fire servers, OTX briefly considered the IBM Regatta and other options. Sun Fire technology's scalability and performance made it so clearly the right solution, however, that OTX chose not to waste valuable time with benchmarking or detailed evaluations. With its immense capacity and multiple domain capability, the Sun Fire 15K server is ideal for OTX's massive application consolidation project.

E-Commerce and Software Solutions Leader For Mortgage and Real Estate Applications

OTX brings advanced e-commerce and software solutions to the mortgage and real estate industries. Through the practical experience and servicing expertise of Ocwen, a lending institution that is OTX's parent company, OTX has created e-commerce and software solutions that automate time-consuming mortgage and real estate processes. OTX's solutions allow mortgage and real estate companies to operate on a higher level of efficiency, with a wealth of benefits including streamlined servicing management, faster real estate transactions and closings, and dramatically reduced operational costs.

OTX offers e-commerce solutions for everything from managing the loan servicing lifecycle to facilitating the electronic ordering and delivery of real estate products and services via the Internet. Product offerings include the REALTrans vendor management system, REALServicing residential loan servicing software, and REALSynergy commercial loan servicing software. REALTrans and REALServicing are offered as services under the Application Service Provider model, while REALSynergy is designed for internal deployment by enterprises. Additionally, OTX Professional Services creates and implements innovative technology and business process solutions for financial services organizations.

Consolidation Promises Enormous Cost Savings and Much More

By 2001, there were approximately 140 servers in use throughout the company, mostly small to mid-sized Sun Enterprise™ servers and IBM RS/6000 and AS/400 systems. Each type of system required its own unique system administration staff and special tools for purposes such as backup and recovery, system management and performance monitoring. OTX had to purchase third party

Company:
Ocwen Technology Exchange

Industry/Market
Financial Services/Real Estate

Applications/Solutions
- Two Sun Fire™ 15K servers running Oracle and Progress databases with internally developed industry applications

Products/Services
- Sun Fire 15K server (48 UltraSPARC® III microprocessors, 5 domains)
- Sun Fire 15K server (28 UltraSPARC III microprocessors, 4 domains)
- 2 Sun Fire 280R servers
- Solaris™ 8 Operating Environment software
- Oracle database
- Progress database

Key Business Challenges
- Save and avoid costs
- Increase scalability
- Maintain 24x7 availability
- Improve communications between applications

Key Business Solutions
- Two Sun Fire 15K servers plus Sun Professional Services' Performance Analysis & Capacity Planning, Data Center Readiness, Application Readiness, and SunSkills™ services

Key Business Results
- 100 percent ROI in 2+ years, with up to 35 percent lower TCO
- 30 percent reduction in end-of-day cycle time
- 80 percent reduction in data center footprint
- Annual cost savings and avoidance well into the millions of dollars from maintenance alone
- Vastly increased head room for growth
- Excellent reliability and protection against downtime
- Substantially increased ease and speed of inter-application communications

The Sun solution offered a 100 percent ROI in 2+ years, with up to 35 percent lower total cost of ownership, a 30 percent reduction in end-of-day cycle time, and an 80 percent reduction in data center footprint.

"We determined that by consolidating onto Sun Fire 15K servers we would save up to 35 percent per year of our ongoing costs for administrative personnel, software licenses, hardware maintenance, disaster recovery, data management, and other areas. We have estimated that the cost savings and avoidance would quickly approach several million dollars over the life of the 15Ks. We also computed what the cost of the consolidation would be for equipment and application migration, and determined that the entire investment would be repaid in just over two years. After that the entire 35 percent per year savings go straight onto the bottom line."

Mark Dangelo,
Chief Information Officer,
Ocwen Technology Exchange

application licenses for each server they ran on. All platforms required their own maintenance contracts, as did the applications running on them. Many of the applications were for mission-critical, 24x7 purposes, and therefore provisions for sustaining high availability added even more costs.

Besides direct costs, the multiplicity of smaller systems impacted OTX in other ways. As a result of growth in the business, several of the systems were in danger of hitting their scalability limits. The applications that ran on these disparate systems frequently had to communicate with each other, often a difficult and time-consuming process – especially when different operating systems were involved.

With pressure from executive management to find ways to conserve IT budgets, OTX brought Mark Dangelo on board as Chief Information Officer to help solve these problems. Dangelo's CIO services are provided on a contract basis by VandornVentures, a company that specializes in providing IT services to financial services organizations.

Dangelo and his staff drew on their experience to identify the answer – consolidate. As he explained, "Our analysis showed that consolidation of our server environment, from a heterogeneous configuration on small- to medium-sized servers to large servers, would help us lower total cost of ownership while increasing application performance. The only question was which platform to use. We were predisposed toward Sun because of the excellent experiences we'd consistently had with Sun technology, the Sun skills we'd acquired, and Sun's reputation around the industry for excellence. We were confident that porting our many Sun applications from one Sun server to another would be easy because of the complete binary compatibility up and down the Sun line that results from Sun's consistent Solaris Operating Environment strategy."

Massive Scalability and Multiple Domains Make the Sun Fire 15K Server the Ideal Platform

"When we learned about the Sun Fire 15K server, we knew we'd found our solution," Dangelo continued. "It has tremendous capacity, with as many as 18 domains to which we could migrate our existing applications. With up to 106 900-MHz UltraSPARC® III processors and the Solaris 8 Operating Environment, its performance is outstanding. Scaling is easily accomplished either through dynamic reconfiguration of domains or by adding processor boards. Consolidating many small systems onto the Sun Fire 15K server lets us replace a bunch of low ceilings with one very high ceiling. The 15K even has substantial built-in high availability, with features like automatic failover between domains."

Nonetheless, before finalizing the decision for the Sun Fire 15K, OTX took two steps to be sure the investment was the right one. First, they examined alternative platform choices from IBM, HP, and others. "Performing a comparative benchmark would have taken 30 or 45 days, time we really didn't want to spend that way," said Dangelo. "So before making that time commitment we carefully studied the features and specifications of all the candidate machines, including the IBM Regatta, and read analyst reports on each of them. Based on this research, we concluded that the Sun Fire 15K server was so clearly superior that we could dispense with head-to-head benchmarking."

TCO Study Shows Millions in Savings and Complete ROI within Two Years

OTX's second justification step was to perform a detailed total cost of ownership study. "A decade ago, capital expenditures on computer equipment represented the vast majority of IT costs," Dangelo said. "Now the situation has reversed itself. The cost of the equipment itself is dwarfed by the costs of the people, services, and ancillary products required to run that equipment. In a business like ours, for every dollar you spend on a system, you spend anywhere between four and seven dollars on peripheral costs over a three year period. That means it's straightforward to justify purchasing a large system if it will save significantly in other areas – and indeed it did. With help from Sun Professional Services' Performance Analysis & Capacity Planning Service, we determined that by consolidating onto Sun Fire 15K servers we would save up to 35 percent per year of our ongoing costs for administrative personnel, software licenses, maintenance, disaster recovery, and other areas. On hardware and software maintenance alone the savings and avoidance are projected into the millions of dollars annually. Then we computed what the cost of the consolidation would be for equipment and application migration, and determined that the entire investment would be repaid in just over two years. After that, the entire 35 percent per year savings and avoidance would go straight onto the bottom line."

In October of 2001 OTX finalized the decision, began preparing for the migration, and placed an order with Sun for two Sun Fire 15K servers, with 48 and 28 UltraSPARC III microprocessors respectively. OTX also procured two Sun Fire 280R servers for special purposes.

Get the details.

Ocwen Technology Exchange is saving millions by consolidating from IBM and smaller Sun servers onto a Sun Fire 15K server.

www.sun.com/servers/highend/Sunfire15K/

Sun Professional Services Provides Expert Assistance

Sun delivered the Sun Fire servers in January of 2002. Sun Professional Services helped OTX configure the larger Sun Fire 15K server into five domains and installed it in the firm's Orlando, Florida office. The team then configured the other Sun Fire 15K server into four domains and installed it in the OTX West Palm Beach office. The two systems are set up to fail over to each other in the event of a disaster such as a terrorist attack – one of OTX's motivations to install them in different cities.

A Sun Professional Services' Data Center Readiness Service helped OTX ensure that the Sun Fire 15K servers were configured and tested to meet quality-of-service requirements, and an Application Readiness Service helped with the migration and configuration of applications on the new server environment. "Sun Professional Services provided expert assistance and guidance," said Dangelo. "We had a very aggressive schedule and found that we had to work long hours, sometimes into the late hours of the night or early morning. The consultants from Sun Professional Services were invariably there at our side, demonstrating a professional commitment to our success."

For the consultants from Sun Professional Services, this was the beginning of a nine month engagement during which they are performing system administration while at the same time cross training the OTX staff to become self sufficient. Sun Professional Services is augmenting the OTX staff via its SunSkills™ service, which allows OTX to focus on mission-critical objectives associated with the consolidation project.

Because OTX had spent late 2001 planning and preparing for migrating the applications, the process of bringing them up in Sun Fire domains was relatively straightforward. Dangelo reported that the applications that were previously on Sun servers were very easy to migrate. Soon the Solaris Operating Environment will be OTX's exclusive implementation of UNIX systems, and OTX will be able to completely shed the costs of AIX-specific skills (from the IBM platforms planned for migration) and tools. Some of the AS/400 based applications are proving more challenging because they are structured for that machine's proprietary architecture and operating system. In all, the applications from nearly 15 smaller servers have been completely ported to date, with many more planned or underway.

One Sun Fire 15K server entered production in March of 2002, while the other is planned to go live in April 2002. Dangelo reports that their performance and reliability have been excellent, just as expected. To keep availability high, OTX has engaged Sun Support Services to provide SunSpectrum[sm] support at the Platinum level. "SunSpectrum Platinum[sm] service is a terrific value when you compare it with the total maintenance costs of all the systems we replaced," said Dangelo.

Sun – An OTX Strategic Technology Partner

"Our consolidation project has been a complete success," Dangelo said in conclusion. "We've met our goals and expectations to date, and we're right on track to experience all the cost savings and other benefits we anticipated. Already our end-of-day cycle has been reduced by up to 30 percent, freeing up personnel time. The Sun Fire 15K's footprint is only 20 percent of the total of the machines it replaces, freeing up data center floor space. The Sun Fire 15K gives us the power we need for today and the scalability we need for tomorrow. Furthermore, Sun has proven to be a superb technology partner with the assistance and support they continually provide. Sun people helped us from the outset of the project, where they helped us understand the economics of system ownership and the tradeoffs involved, all the way to keeping the systems running smoothly today. Sun is one of the small handful of companies that we consider a strategic partner."

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Sun Microsystems, Inc. 901 San Antonio Road, Palo Alto, CA 94303-4900 USA 1-650-960-1300 or 1-800-555-9sun www.sun.com

Africa (North, West and Central): +33-13-067-4680 • **Argentina:** +5411-4317-5600 • **Australia:** +61-2-9844-5000 • **Austria:** +43-1-60563-0 • **Belgium:** +32-2-704-8000 • **Brazil:** +55-11-5187-2100 • **Canada:** +905-477-6745 **Chile:** +56-2-3724500 • **Colombia:** +571-629-2323 • **Commonwealth of Independent States:** +7-502-935-8411 • **Czech Republic:** +420-2-3300-9311 • **Denmark:** +45 4556 5000 • **Egypt:** +202-570-9442 • **Estonia:** +372-6-308-900 **Finland:** +358-9-525-561 • **France:** +33-134-03-00-00 • **Germany:** +49-89-46008-0 • **Greece:** +30-1-618-8111 • **Hungary:** +36-1-489-8900 • **Iceland:** +354-563-3010 • **India: Bangalore:** +91-80-2298989/2295454 **New Delhi:** +91-11-6106000 **Mumbai :** +91-22-2018141 • **Ireland:** +353-1-8055-666 • **Israel:** +972-9-9710500 • **Italy:** +39-02-641511 • **Japan:** +81-3-5717-5000 • **Kazakhstan:** +7-3272-466774 • **Korea:** +822-2193-5114 **Latvia:** +371-750-3700 • **Lithuania:** +370-729-8468 • **Luxembourg:** +352-49 11 33 1 • **Malaysia:** +603-21161888 • **Mexico:** +52-5-258-6100 • **The Netherlands:** +00-31-33-45-15-000 • **New Zealand: Auckland:** +64-9-976-6800 **Wellington:** +64-4-462-0780 • **Norway:** +47 23 36 96 00 • **People's Republic of China: Beijing:** +86-10-6803-5588 **Chengdu:** +86-28-619-9333 **Guangzhou:** +86-20-8755-5900 **Shanghai:** +86-21-6466-1228 **Hong Kong:** +852-2202-6688 • **Poland:** +48-22-8747800 • **Portugal:** +351-21-4134000 • **Russia:** +7-502-935-8411 • **Singapore:** +65-438-1888 • **Slovak Republic:** +421-2-4342-94-85 • **South Africa:** +27 11 256-6300 **Spain:** +34-91-596-9900 • **Sweden:** +46-8-631-10-00 • **Switzerland: German:** 41-1-908-90-00 **French:** 41-22-999-0444 • **Taiwan:** +886-2-8732-9933 • **Thailand:** +662-344-6888 • **Turkey:** +90-212-335-22-00 **United Arab Emirates:** +9714-3366333 • **United Kingdom:** +44 0 1252 420000 • **United States:** +1-800-555-9SUN OR +1-650-960-1300 • **Venezuela:** +58-2-905-3800

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