

Raymond James

Brokerage firm achieves regulatory compliance and enhances mail server performance.

CUSTOMER PROFILE

INDUSTRY

Financial Services

SIZE

10,000+ EMPLOYEES

HEADQUARTERS

St. Petersburg, FL

BUSINESS REQUIREMENTS

SEC 17a-4 & NASD 3010
Compliance

SOLUTION SUMMARY

SOLUTION

Unified Compliance Manager
Unified Discovery Manager
Unified Storage Optimization

DATA TYPES

Microsoft Exchange
Lotus Notes
Instant Messaging
Bloomberg

RESULTS

Now has enhanced existing mail system, full search and indexing capabilities for all email, and complies with SEC/NASD regulations.

BACKGROUND

Recognizing that compliance requirements have been stricter for financial services than most other industries, the fullservice brokerage firm Morgan Keegan, based in Memphis, has been actively using compliance management systems since 1998. Owned by Regions Bank at the time, Morgan Keegan first purchased a program from a vendor that had one of the only available early compliance management systems. But the product was inflexible, and the investment firm's compliance reviewers could not manually change things to fit their workflow.

"ZL's scalable and flexible architecture is its greatest strength."

"Basically, that vendor didn't put enough time into its product to keep up with what clients need," said Parker Mabry, senior vice president of IT for Morgan Keegan.

In 2000, Mabry's IT department found a second company with a more flexible technology that offered more control and the ability to customize the features.

However, after an initial honeymoon period, Morgan Keegan experienced some troublesome stability and speed issues

with the second compliance system. "The servers and software would prevent mail from flowing in and out of our world," said Mabry, who acknowledged that that was a risk faced by organizations requiring pre-review, the ability to catch outbound email before it leaves the company.

Why Legacy Systems Fail

Today's leading archival solutions were not designed to support today's mail volumes, as they were designed 10-15 years ago, when email was still in relative infancy. To support current-day email volumes, these solutions require complete architectural re-writes and a minimum of 18 months or more of uninterrupted development.

The Key Issues

Morgan Keegan came to ZL with several key issues that they wanted to solve:

- 1 Replace legacy archival solutions with one that could support current email loads, prove scalability and flexibility as well as high availability and clustering.
- 2 Support pre-review and compliance review at the gateway.

3 Support Microsoft Exchange and Lotus Notes simultaneously from a single deployment for multiple group companies under the overall parent company.

4 Migrate multiple legacy archival data types into the new system so that data could be searched with a single interface.

5 Support multiple data types including IM, Bloomberg, Lotus and Exchange simultaneously.

Morgan Keegan's efforts were further hindered because most of its systems leveraged multiple OEM components and were in the midst of development team shifts or schisms due to reorganization, according to Srinivasan. "ZL's scalable and flexible architecture is its greatest strength," he said.

Pre-Review

"Pre-review is our biggest requirement and that had filtered out a lot of potential suppliers when we were looking for our second vendor. But when support from this second vendor started to fall off, we were facing emergency situations.

One of the biggest reasons that Mabry rejected other vendors was because the ZL team could competently migrate the firm's data. "Our data never had to leave our premises."

When your email has been cut off, you need someone fast," said Mabry. But Morgan Keegan finally found what it needed, and not from a customary software purchase. "[ZL] had a very talented pool of developers that had been successful with secure messaging," recalled Mabry. "They knew they could get into compliance because they already had some pieces of the technology with what they had been doing."

Compliance Training

"We have 150 compliance reviewers in our company -- anyone from a branch manager to someone in the legal department, to a department head who is responsible for the reports and what they might say," Mabry explained. "So 150 people needed to be trained. The product was pretty intuitive and required only a one-hour training session. These compliance reviewers have had experience with other vendors so it was just a new interface. We didn't have to change any work practices."

Why ZL Technologies?

One of the biggest reasons that Mabry rejected other vendors was because the ZL team could competently migrate the firm's data. "This was a very expensive proposition with some of the vendors, but the ZL people write the code, so our data never had to leave our premises," he said. "The data archives into their database, preserving all information like time and header details. It has really worked out for the both of us."

Upcoming Features

Morgan Keegan is considering incorporating a few more of the ZL's best-of-breed technologies. For instance, the use of "stubs," a kind of technology pointer where messages are represented in the mailbox, but physically located in the archive, would free up a lot of space on the mail servers.

"We've made quite an investment making our archives searchable. We would like the end-user to have the ability to search the archives for their own mail. We originally gave everyone a 100-MB mailbox, and people don't like to delete anything. We can't keep doing that. It's a storage nightmare. All these messages now go to the archives so they don't need to be saved in personal folders. As long as they provide a who and from and time, they get back the letters."

THE ZL ADVANTAGE

KEY BENEFITS

Scalable and flexible architecture to support huge archives

Ability to migrate data from legacy system without ever taking it off-premises

Pre-review and compliance review capabilities

Single interface from which to search

Intuitive, easy-to-use solution requiring minimal training

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