Traxpay creates financial transactions service for global corporates

Reinventing payments for the B2B market with high-speed financial transactions service

traxpay

Overview

The need

Traxpay saw an opportunity to create a new super-fast financial transaction service for midsize and enterprise corporations. Would it be possible to start small and grow fast to meet global demands?

The solution

Traxpay worked with IBM® Business Partner EFiS EDI Finance Service to build and deploy an innovative transaction platform, based fully on cloud services that scale up and out at the touch of a button.

The benefit

Traxpay keeps pace with demand for its hugely popular financial transactions service without the need for large capital investment, and yet offers speed, security and reliability at less than one tenth of the cost of traditional services.

Traxpay is an innovative financial services company headquartered in Mountain View, CA (United States) with international offices in Cologne and Frankfurt (Germany). Traxpay specializes in providing real-time, 24/7 financial services for corporate clients, and offers companies unparalleled speed, visibility and control of their transactions to help optimize cash flows.

Non-financial business transactions between companies have been accelerated by technology such as electronic data exchange (EDI), and corporations are familiar with real-time information flows. Financial transactions, on the other hand, rely on the relatively cumbersome and expensive processes of the traditional banking sector.

David Desharnais, Chief Marketing Officer and Senior Vice President, Product Management at Traxpay, says, “We noticed an imbalance between business processes and financial transactions, and saw an opportunity to provide reliable and secure financial transaction services in real-time for the B2B market, to enable companies to optimize cash flows at a new level and to drive new revenue streams.”

Reinventing business-to-business financial transactions

To achieve this goal, Traxpay looked to redesign the B2B payment process to offer an innovative financial transactions platform, aiming to create the first global real-time payments processing and clearing system enabled 24/7 for corporate and small to midsized enterprise customers.

To make the payments solution possible, Traxpay wanted to build a system that could start relatively small and would not require very large capital investment, yet could scale rapidly to support a global customer base processing billions of transactions securely, reliably and – above all – fast.

IBM

Solution components

Software

- IBM® WebSphere® Application Server
- IBM WebSphere MQ
- IBM DB2® for Linux, UNIX, and Windows
- SUSE Linux Enterprise Server for System z® with SUSE Linux Enterprise High Availability Extension

Hardware

- IBM zEnterprise®

IBM Business Partner

- EFiS EDI Finance Service AG

David Desharnais explains, "We needed a very elastic, scalable and highly reliable infrastructure to operate this innovative transaction platform. To meet all our requirements, we selected proven IBM® zEnterprise® hardware and IBM middleware operated and managed by our trusted IBM Business Partner EFiS EDI Finance Service, a specialist in the payments business."

The cloud solution is built on solid IBM zEnterprise technology, taking advantage of its advanced virtualization features. To provide database reliability, Traxpay relies on IBM DB2® for Linux, UNIX, and Windows on SUSE Linux Enterprise Server for System z®, and deploys IBM WebSphere® software to enable universal connectivity. Banking connections are implemented in Java using IBM WebSphere Application Server, including features unique to the IBM zEnterprise platform. Highly secure point-to-point communication links to payment providers are established with IBM WebSphere MQ software. This advanced messaging solution improves information flows and enables EFiS EDI Finance Service to adjust its hosting services dynamically to changing business requirements, reducing maintenance and integration costs and seamlessly connecting different technologies.

The core Traxpay solution components run on the SUSE Linux Enterprise Server for System z® operating system with the SUSE Linux Enterprise High Availability Extension. The company benefits from the efficient systems management provided by the IBM zEnterprise platform, and from the flexibility of SUSE Linux Enterprise Server. Traxpay runs its applications on infrastructure in a private cloud data center, managed by EFiS EDI Finance Service.

Delivering real benefits from the cloud

The new Traxpay solution offers a comprehensive service that allows companies to make rapid payments to other companies without delay. Using the Traxpay solution, companies can attach additional fully structured and unstructured information such as scanned invoices and other business data to minimize reconciliation efforts and payment exceptions and enable faster and more efficient processing. Companies can communicate directly with each other over the Traxpay solution, providing a quick way to request additional information or resolve issues, within the secure financial environment.

Because the Traxpay solution is cloud-based and flexible, companies can integrate it into existing ERP systems using widely-supported banking interfaces, or choose to manage their payments and cash flows through a modern web frontend. Traxpay customers gain real-time, 24/7 insights into their exact cash position, at less than one tenth of the cost of traditional transactions. The speed of financial information delivery and analysis is now aligned with business information generated by EDI and related interchanges.

"With reliable IBM zEnterprise technology, powerful IBM WebSphere software and our trusted hosting partner EFiS EDI Finance Service, we have created a new and innovative payment solution. We have reinvented financial transactions by enabling real-time cash flows between companies."

— David Desharnais, Chief Marketing Officer and Senior Vice President, Product Management, Traxpay

The IBM solution enables Traxpay to provide financial transaction services at competitive rates while ensuring highest security. The Traxpay private cloud is regularly checked against security threats and has been tested and optimized for high throughput and performance.

"We benefit from a flexible and highly scalable platform that offers the highest reliability and supports future growth," says David Desharnais. "IBM WebSphere Application Server provides interoperability and portability, reducing costs and downtime. Consolidating workloads to a single platform and providing enhanced failover features saves time in system administration and improves system operations substantially."

In the past, processing payments took hours or even days, and while cash was not cleared the corporations lost possible interest income. With the Traxpay solution, transaction processing time is reduced to virtually zero, and cleared funds are available almost instantly, earning interest more quickly than before.

David Desharnais concludes: "With reliable IBM zEnterprise technology, powerful IBM WebSphere software and our trusted hosting partner EFiS EDI Finance Service, we have created a new and innovative payment solution. We have reinvented financial transactions by enabling real-time cash flows between companies. Rapid corporate adoption of the Traxpay solution clearly demonstrates its value and unique selling proposition irrespective of size, industry, and geographic area. The IBM platform ensures that we can dynamically grow our business without taking risks as the demand increases."

John Bruggeman, CEO at Traxpay, states: "Having our Traxpay private cloud platform built on the latest IBM zEnterprise hardware and powered by IBM WebSphere allows us to deliver the utmost in online performance, reliability, and security for our customers."

About EFiS EDI Finance Service AG

EFiS EDI Finance Service AG is a member of the Paymentgroup, which comprises the software house ABK Systeme GmbH, ABK-EFiS (Schweiz) AG in Zurich and the EFiS Polska Sp. zo.o. The Paymentgroup provides IT services to financial institutions and corporations and currently employs 73 people. The group has revenues of €10 million, growing at approximately 10 percent annually.

To learn more about products, services and solutions from EFiS EDI Finance Service AG, please visit **www.efis.de**

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