



Rogue Wave® Hydra: A Case Study

Case Study: Cachet Solutions Delivers Scalability and Processing Speed to a Top Five Bank—at a Fraction of the Cost—with Rogue Wave Software

Overview

Cachet Solutions selected Rogue Wave Software to rapidly develop a scaleable, end-to-end Software as a Service product solution for its invoice and payment processing project with one of the top five commercial banks in the U.S. The technology needed to be high-performance but cost effective so the company would be able to add a large number of corporate customers in the future. This adaptability requirement plus the need for speed of implementation made Rogue Wave Software's HydraSCA service grid the best solution, even when compared to larger technology providers. Rogue Wave also had credible experience with the needs of large financial institutions. By partnering with Rogue Wave Software, Cachet is now able to automatically apply cash payments in with increased scalability to end-customers of the bank. Rogue Wave's solution helped Cachet and its banking partner build an ongoing source of revenue by providing them the technology needed to develop a valuable invoice processing and management service.

Background

Cachet Solutions is a provider of a Software as a Service (SaaS)-based application that is marketed as an extended suite of receivables management services to handle deductions management and automated cash application. The application has been specifically designed to be integrated and sold by commercial banks to their corporate customers as a private-label offering that leverages and extends existing services in wholesale lockbox and treasury management.

Cachet provides functionality to automate cash application and expedite deductions management processes for sellers, automatically matching payments received by the bank against open invoices that have been transmitted from the seller's financial system. Typically, sellers are manufacturers that have a high volume of invoices and invoice lines. The service enables companies to reconcile cash payments more efficiently, as well as increase their collections through expedited workflow processing, resulting in significant savings.

The Challenge

Cachet needed to rapidly develop a scalable, end-to-end processing application that would take seller invoices and lockbox payments and provide automated matching. The solution needed to be adaptable and affordable, as the company had the potential to add thousands of customers over the next few years through bank distribution channels.

Cost-effective scalability was also a necessity in order for Cachet to provide the required service levels to banking customers. Each night a “batch window” is required to perform the automated cash matching process. A given customer can have tens of thousands of open AR records on any given night, yet all transactions must be complete by the time the customer’s accounting staff arrives for work each morning.

In addition, Cachet needed the ability to address multiple data formats, since bank and customer data comes in an unpredictable mix of legacy and newly developed systems.

And lastly, a method of capturing and transforming enterprise resource planning (ERP) data was in order. Every Cachet customer has its own ERP system, with different data formats and mapping requirements. The requirements allowed for placing a single server in the customer’s data center to manage the communication, data capture, and data transformation between the ERP application and the centralized Cachet gateway processing system. Data formats include XML, Text and EDI/X12.

The Approach

After researching the alternatives, Cachet selected Rogue Wave Software’s HydraSCA and HydraSDO because they offered superior capability for cost-effective scaling and management of disparate data formats when compared with more traditional and limited approaches such as application server clustering. In addition to supporting applications written in C++, HydraSCA also worked with their existing J2EE application server and Java Spring components. This was unique among the other technologies available and Rogue Wave Software’s cost-effective flexibility would prove to be crucial as Cachet’s large banking partners added more corporate customers to their roster.

Furthermore, the need to deploy a co-located server at each customer site also demanded a cost-effective, easily managed solution. HydraSCA’s lightweight distributed architecture fit the bill.

A benchmark test of Cachet’s system after it had been redesigned to incorporate Rogue Wave’s HydraSCA and HydraSDO products convinced the CTO at Cachet that it could meet these demands.



The Solution

Using Rogue Wave's Software Pipelines technology, Cachet is now able to cost-effectively scale its solution as a high volume of new customers are added, maintaining the required service levels demanded by its commercial banking partners and customers.

HydraSCA provides Cachet with the lightweight, cost-effective service grid it needs for both its centralized gateway server and the co-located customer servers. As Cachet grows and develops solutions with additional banking partners, the cost will be a fraction of that compared to other more traditional architectures.

The HydraSDO components provide Cachet with a single API for all customer data, regardless of format, making it both quick and easy to perform customized mapping of data elements between disparate data formats.

Results

The very core of the Cachet solution is in allowing customers to automatically apply cash payments without manual intervention and in a shorter time span. Cachet's banking partners also benefit from a new source of recurring revenues by delivering a valuable service already embedded in their customers' daily operations.

Using Rogue Wave Hydra Suite, Cachet is now able to manage increasing data volumes, to provide a cost-effective method for application scalability, and to take full advantage of the latest advances in multi-core technology.

This solution is being deployed at pilot customers over the next few months through a relationship between Cachet Solutions and one of the top five commercial banks in the U.S., and will be expanded to potentially thousands of customers and several other major banks over time.

The solution will be initially deployed in the U.S. but is being architected for international deployments to support a pilot endeavor with a major bank that operates across Europe and Asia. Future plans include expansion of the Hydra deployment as Cachet's business continues to grow—adding additional features, scalability and management capabilities as the solution demands.