

# FinTech 100

The annual ranking of  
vendors to the global  
financial services industry  
November 2007

A collaboration of  
American Banker and  
Financial Insights



# Overview

• BY JEANNE CAPACHIN AND DAVID LONGOBARDI

*American Banker* and Financial Insights are proud to present the fourth annual FinTech 100 special report.

The report emerges at a time when the environment for technology spending by financial institutions is not nearly as bleak as the overall gloomy conditions that have battered bankers in the latter part of the year.

Time will tell, of course, but as this goes to press, there is more equilibrium between growth and savings than at any other time in the last 10 years.

Controlling costs remains an important theme, and initiatives in the areas of data security and regulatory compliance are still nonoptional (story on page 20). But institutions are pursuing strategic projects that focus on customer needs and front-office applications. Against this backdrop, technology providers are jockeying for position and looking for growth opportunities.

The industry's continuing focus on service-oriented architectures is a case in point.

For outsourcers, SOA can be a boon as banking companies become more comfortable with cleaving off inefficient processes and routing them to low-cost geographies or specialist firms. For application providers, SOA raises other pressing questions: How can we price offerings in a componentized world? What can we expect in the way of industrywide standards? How can we manage and protect intellectual property?

One thing is clear, however: SOA — along with other broad-based initiatives such as enterprise infrastructure renewal, data management, and messaging — is influencing how institutions consume technology and how they form relationships with providers.

Not surprisingly, projects of this sort have begun to impact our rankings. Companies such as **International Business Machines Corp.**, **Infosys Technologies Ltd.**, **Accenture Ltd.**, **Tata Consultancy Services Ltd.**, and **Unisys Corp.** are assisting with application development and helping to build the road maps and standards necessary to move from the current state to a more efficient, less complex future state.

SOA's influence is also playing a role in some vendor alliances. **Metavante Corp.** has turned to **Temenos'** core banking application as the foundation of a next-generation one. Recognizing that the infrastructure of the future may look very different from what exists today, Metavante is investing in a component-based model that will fit into a more modern banking infrastructure (story on page 28).

This leads to the other big FinTech story for 2007: large banks' discussions with vendors about the future of core banking systems (story on page 33).

Technology has matured, complexity has increased, and some of the foundations have been laid to allow very large institutions to think seriously about core replacement and upgrade. Few are ready to jump yet, as the business case is tough to make and the costs of failure high. But they are ready to listen.

In this context, we expect vendors to benefit from their emphasis on channels and customer centricity, including **Fidelity National Information Services Inc.** with its Touchpoint application, **Oracle Corp.** with its SiebelCRM, and **Argo Data Resource Corp.** with its branch offerings.

## WHERE THE GROWTH IS

Looking at the Top 25 Enterprise Companies in FinTech, we see that these providers — ranked in terms of revenue — also lead in terms of growth. Financial institutions are increasing their IT spending at an average rate of 6.5%, according to Financial Insights research, yet revenue for this year's FinTech 25 grew 14.57% over revenue for companies on last year's list. The FinTech 100 also grew faster than bank spending, at a rate of just over 7%.

For many firms, acquisition was the growth driver. This is especially obvious when you consider the names, all well-respected, that have disappeared from the list over the last few years because of acquisition: Certegy, Carreker, IntraNet, Eontec, Baker Hill, Trema, Barra, and others.

The FinTech leaders now all have broad portfolios of offerings.

What else has changed in the FinTech 100?

After three years of sole ownership of the top spot, **Fiserv Inc.** now finds itself neck and neck with Fidelity National. Last year's acquisition of Certegy Inc. left Fidelity National with a \$500,000 edge in revenue from financial companies — and helped it edge out Fiserv for the No. 1 position.

*American Banker* spoke with Jeffery Yabuki, Fiserv's president and CEO, about his continuing transformation of the company, including a discussion of plans for its latest acquisition: **CheckFree Corp.** (story on page 15).

That deal closed too late to affect this year's standings but might help Fiserv regain the crown next year.

Or maybe Fidelity National will make a move of its own.

Other changes? **Broadridge Financial Solutions Inc.** made its debut on the list at No. 7 — a pretty high place to make an entrance until you realize Broadridge was spun off from FinTech veteran **Automatic Data Processing Inc.** last year.

Also, Tata cracked the top 10 for the first time, making it the only Indian-headquartered firm in that cohort. Like many offshore outsourcers, Tata had tremendous growth last year as more financial institutions took the "global sourcing" plunge.

Acquisitions helped a few companies jump up the list — **Wall Street Systems** (with its Trema acquisition), Transaction Systems Architects Inc.'s **ACI Worldwide** (P&H), and **Wolters Kluwer NV** (Bankers Systems).

Infosys is another Indian firm that has shown fast growth. It started in our 2004 rankings at No. 25, with about \$383 million of financial services revenue. Since then it has more than tripled in size, chalking up \$1055 million of financial services revenue and a No. 14 spot.

Speaking of high-fliers, **Open Solutions Inc.** leaped 18 rungs on the ladder in the past year, to No. 33, by increasing its financial services revenue to \$395 million. The provider of core banking systems for community banks and credit unions recently shifted from public to private ownership.

**Virtusa Corp.**, with a year of solid growth under its belt, made its debut this year at No. 80, after just missing the top 100 last year. (Last year it ranked No. 101.)

Some prior years' stars stalled.

**Stratus Technologies Inc.**, once the gold standard for high-availability computing, slipped from No. 67 to No. 72. And **S1 Corp.**, the poster child for multichannel systems, fell from No. 48 to No. 56.

And others fell victim to consolidation, of course.

Firms that were ranked last year but were acquired in 2006 include Carreker Corp., RoyalBlue Group PLC, Hyperion Solutions Corp., and Certegy. Others likely will depart next year as a result of acquisitions this year — CheckFree, **Corillian Corp.**, **Bisys Group Inc.**, and **Digital Insight Corp.**

We hope you enjoy this year's report. And, as always, we welcome your feedback.

*Ms. Capachin is research vice president for global banking at Financial Insights, an IDC company. Mr. Longobardi is the editor in chief of American Banker.*

# FinTech 100

For prior years' rankings, go to [www.americanbanker.com/fintech100](http://www.americanbanker.com/fintech100)

**INFOSYS  
RANKED  
#14**

Rank '07	Rank '06	Company	Location	Ownership	Total FY '06 (millions)	Revenue (CY '06)	
						Financial Services (millions)	% of total
1	2	<b>Fidelity National Information Services</b>	Jacksonville, Fla.	public	\$4,225	<b>\$3,805</b>	90%
2	1	<b>Fiserv</b>	Brookfield, Wis.	public	4,407	<b>3,238</b>	83
3	4	<b>NCR</b>	Dayton, Ohio	public	6,142	<b>2,381</b>	39
4	7	<b>Diebold</b>	North Canton, Ohio	public	2,907	<b>2,117</b>	73
5	3	<b>Sungard</b>	Wayne, Pa.	private	4,323	<b>2,075</b>	48
6	6	<b>Unisys</b>	Blue Bell, Pa.	public	5,757	<b>1,917</b>	33
7	-	<b>Broadridge Financial Solutions</b>	Jersey City	public	1,930	<b>1,832</b>	100
8	8	<b>Reuters</b>	London	public	4,850	<b>1,823</b>	38
9	5	<b>First Data</b>	Greenwood Village, Colo.	public	7,100	<b>1,769</b>	25
10	13	<b>Tata Consultancy Services (TCS)</b>	Mumbai	public	2,992	<b>1,641</b>	60
11	11	<b>CA (Computer Associates)</b>	Islandia, N.Y.	public	3,532	<b>1,342</b>	38
12	12	<b>Metavante</b>	Milwaukee	public	1,504	<b>1,339</b>	89
13	9	<b>Total System Services</b>	Columbus, Ga.	public	1,434	<b>1,219</b>	85
<b>14</b>	<b>18</b>	<b>Infosys Technologies</b>	<b>Bangalore, India</b>	<b>public</b>	<b>3,090</b>	<b>1,055</b>	<b>37</b>
15	16	<b>CGI Group</b>	Montreal	public	3,043	<b>1,044</b>	34
16	10	<b>DST Systems</b>	Kansas City, Mo.	public	2,236	<b>1,025</b>	46
17	14	<b>Misys</b>	London	public	1,697	<b>892</b>	51
18	15	<b>Bisys</b>	New York	public	887	<b>887</b>	100
19	20	<b>SAS</b>	Cary, N.C.	private	1,885	<b>735</b>	39
20	19	<b>CheckFree</b>	Norcross, Ga.	public	879	<b>721</b>	82
21	30	<b>Cognizant</b>	Teaneck, N.J.	public	1,424	<b>680</b>	48
22	25	<b>Jack Henry &amp; Associates</b>	Monett, Mo.	public	626	<b>626</b>	100
23	24	<b>Fair Isaac</b>	Minneapolis	public	825	<b>615</b>	74
24	26	<b>Equifax</b>	Atlanta	public	1,546	<b>541</b>	35
25	29	<b>ChoicePoint</b>	Alpharetta, Ga.	public	1,050	<b>514</b>	49

Note: All rankings are based on Finacial Insight's revenue estimates. Companies that derive at least one-third of eligible revenue from the financial services industry comprise the FinTech 100 ranking.

American Banker/Financial Insights FinTech 100 (2007)



# Win in the flat world

## Infosys Service Offerings

### Application Development

We help you develop turnkey solutions with a faster time to market and a lower Total Cost of Ownership. Our services range from building a business case to assessing your application portfolio to designing solutions to building and implementing the solutions.

### Application Support

Your business requires software applications and databases to be available on a 24x7 basis. Our service, covers application support and administration. We manage your applications with the industry-benchmark Infosys Predictability to meet the service levels.

### Technology Consulting

We work with you to develop and deploy architecture and technology solutions that help you leverage technology to enable business strategy. Our solutions help you make your IT more effective and better aligned to business.

### Business Process Outsourcing

Realize the power of Infrastructure Management, Application Management and BPO working in tandem for you. Dramatically lower your transaction cost. Consolidate your workforce and lower operational costs. Redesign your process to make it more effective.

### Business Consulting

Provides you with strategic differentiation and operational superiority, assessments, proprietary industry analyses & projects structured around beating the competition.

### Business Intelligence

As data volumes grow, extracting knowledge from the data will be a challenge. Our business intelligence solution is designed to deliver end to end program management right from strategy & architecture definition to implementing a robust BI platform.

### Independent Validation

Gives your applications the third degree treatment and tests their robustness and ability to survive your business growth. A "must have" service if you are serious about long term leverage of your application assets.

### Security Services

Data and Information are key corporate assets. Information integrity is vital for businesses. This service helps you to protect assets from theft and loss. It covers the security lifecycle from developing security strategy to auditing.

## Global Presence

### North America

Atlanta, Bellevue, Bridgewater, Charlotte, Detroit, Fremont, Houston, Lake Forest, Lisle, New York, Phoenix, Plano, Quincy, Reston, Toronto

### Europe

Brussels, Copenhagen, Frankfurt, Geneva, Helsinki, London, Milano, Oslo, Paris, Stockholm, Stuttgart, Utrecht, Zurich

### Asia Pacific

Beijing, Hong Kong, Mauritius, Melbourne, Shanghai, Sharjah, Sydney, Tokyo

### India

Bangalore, Bhubaneswar, Chandigarh, Chennai, Hyderabad, Mangalore, Mumbai, Mysore, New Delhi, Pune, Thiruvananthapuram

## About Infosys

Infosys Technologies Ltd. (NASDAQ: INFY) defines, designs and delivers IT-enabled business solutions that help Global 2000 companies win in a flat world. These solutions focus on providing strategic differentiation and operational superiority to clients. Infosys creates these solutions for its clients by leveraging its domain and business expertise along with a complete range of services.

With Infosys, clients are assured of a transparent business partner, world-class processes, speed of execution and the power to stretch their IT budget by leveraging the Global Delivery Model that Infosys pioneered.

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