

CASE STUDY



INSURANCE TRACKING SERVICES

"SWBC relies heavily on the use of innovative solutions to ensure the most efficient delivery of products and services to our customers. After being a Cognasys client for more than four years, we were so impressed with the efficiencies and the quality delivered by Cognasys - we decided to buy the company. The improvement Cognasys brings to SWBC allows us to increase our productivity and responsiveness to customers."

- Gary Dudley, SWBC President
- Charlie Amato, SWBC Chairman



Southwest Business Corporation (SWBC®), a diversified financial services company that provides

insurance tracking services for a wide range of auto and mortgage lenders in all 50 states.

SWBC heavily relies on the use of technology to deliver the highest quality of services to their clients. As part of their expansion in the market of complex document processing, SWBC sought a solution to replace their manual, paper-based processes that were labor intensive and at times, prevented them from achieving new growth and meeting their customer service level agreements.

THE CHALLENGE

Increase Production, Reduce Operating Cost

SWBC was processing up to 1.8 million documents per year and needed the flexibility to expand market share without impacting their quality levels or increasing their cost of services. One of the main challenges they faced was the cost and time associated with the hiring and training of the workers required to support the very diverse requirements of each new customer.

To address these goals, SWBC recognized they needed to find an economical solution that would not only improve their entire operator process



lifecycle, but would also permanently eliminate their staffing challenges.

THE SOLUTION

Emulate the Operator Processes

SWBC selected Cognasys ES®, a unique solution designed around the concepts of Artificial Intelligence, which can be trained to read, capture, evaluate and make decisions on the data derived from a document.

Cognasys is designed to emulate and automate the entire document operator process from data entry tasks to performing the expert- worker

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knowledge tasks that require specialized training in order to make decisions or clarify uncertainties.

Cognasys can extract information from any document regardless of the type of form, the format of the form, or how the form is received (e.g. fax, paper, email). Cognasys then uses its "knowledge base" that contains the accumulated experience of multiple expert-workers and a customer's unique set of business rules to read, identify, and process the document's critical information.

Higher Performance and Efficiencies

With Cognasys, SWBC was able to recognize an immediate return through a significant reduction in operating costs and by eliminating the limitations of the traditional methods of processing documents which require the use of standardized, predefine documents templates.

Foster Confidence and Remove Growth Barriers

Additionally, SWBC was now able to meet or exceed their customer quality and service level

agreements for every document, every time. The Cognasys solution offered:

- Knowledge that is permanent, unlike workers who may not operate at peak efficiency, take vacation, or change jobs,
- Consistent, accurate, and reproducible results since the variability of individual human reasoning and judgment are removed,
- Minimal training time by eliminating the need to educate new workers on each of the customer's business rules that can take months to learn, and
- An expert knowledge base that can learn from each new condition and stores what is learned for future use.

THE BENEFITS

SWBC gained significant benefits and advantages by utilizing the Cognasys expert system solution for their insurance tracking services. The value of these benefits was quickly and easily quantifiable in many ways;

- Increased their annual production of loans processed from 1.8 M to 2.9 M,
- Replaced 28 highly-trained workers with 8 verify operators saving \$440 K in FTE costs,
- Reduced their document error rate to 4%,
- Reduced the operator training time from 1 month to 5 days, and
- Improved their customer service level agreements from a 72-hour delivery to a 24-48 hour delivery.

"Implementing Cognasys ES in our Service Center provides us with cutting-edge technology solutions that take us out of the document processing business and into the verification realm. Gains in document throughput are off the charts and we are realizing tremendous staffing efficiencies. The lead time for training to full proficiency is greatly reduced, as knowledge is transferred from the document processors to Cognasys."

- James J. Vitali, Senior Vice President

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ABOUT COGNASYS

Cognasys, founded in 1991 by Dr. Steven Hofstein, a well-known scientist with over 40 patents. Dr. Hofstein gained notoriety through his inventions that included the Metal Oxide Semiconductor (MOS) transistor, Lithocon silicon storage tube, Liquid Crystal Digital (LCD) I Watch, the first graphical display computer (Princeton System 850), etc. Dr. Hofstein saw a great opportunity to apply his vast knowledge and achievements in the scientific and engineering imaging industry towards building a business application, using expert system technology, that would emulate a human's intelligence and reasoning for managing complex document-driven processes. Cognasys is well-known in the industry for providing artificial intelligence based solutions that are designed to process any type of document.

ABOUT SWBC

Headquartered in San Antonio, Texas, SWBC has served financial institutions and businesses across the country and individuals in the San Antonio area for more than three decades. Co-owners, Chairman Charlie Amato, and President Gary Dudley, began SWBC in 1976 to provide insurance to financial institutions. The company has since diversified to include a wide range of insurance and financial services. Today, SWBC is a multi-faceted company with more than 1,400 employees, offices across the country, total annual premium of approximately \$1 billion, and gross revenues exceeding \$300 million in 2009. SWBC is licensed to market and service a variety of financial products in all 50 states.

COGNASYS

a division of SWBC

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