

## Case Study



### A Triple Play for Westbury Bank

Westbury Bank achieves success with a trio of Fiserv solutions before, during and after a merger

As part of its long range planning, West Bend Savings Bank identified a merger with another financial institution as the best strategy to help it achieve its goals. Fiserv provided the necessary solutions and advisory services, assisting the bank at every stage of the project.



West Bend, WI is a city of 28,000 located forty miles northwest of Milwaukee. Like many communities its size, it offers the quality of life advantages of a smaller town, but its proximity to nearby Milwaukee and Waukesha County offers extensive employment opportunities.

Indeed, published studies confirm that 50 percent of Washington County residents, where West Bend is located, work outside of the immediate area. The management of long-time Fiserv client West Bend Savings Bank, with assets of just over \$400 million at the time, was well aware of this trend and of its significance to the bank's long-term vision. Kirk Emerich is Chief Financial Officer of the bank. "We needed a way to maintain a connection with our customers. For example, the young people who banked with us when they were growing up were going off to college and then finding jobs in Milwaukee and establishing banking relationships there. Many of them eventually come back to raise a family but we were losing those in-between years. We needed to go where they were to maintain the relationships."

The bank's management decided that the best course of action was to pursue a merger with a financial institution that already had a presence established in the markets they wanted to pursue. They set



#### Client Profile

Westbury Bank  
West Bend, WI  
Assets: \$619M  
18 Branches  
92,500 Accounts  
Fiserv client since 1978

Westbury Bank offers a wide range of financial services throughout southeastern Wisconsin. The bank takes pride in making business decisions locally, taking into consideration the individual communities and neighborhoods it serves. Throughout its 90 year history, Westbury Bank has built long term relationships with its customers by offering innovative solutions to meet their evolving financial needs and goals.

their sights on Continental Savings Bank, a \$200 million community bank with seven offices in Milwaukee and surrounding areas – just the locations in which West Bend Savings Bank wanted to be, and friendly discussions between the two parties began.

### **Solution One – Bank Intelligence**

As part of the due diligence and decision-making process, Kirk Emerich contacted Bank Intelligence Solutions from Fiserv. He had worked with this group in the past and was well aware of its BankAnalyst® online advisory tools. “We used BankAnalyst to give us a picture of what the combined bank might look like from a market penetration standpoint. They played a critical role in helping us evaluate the markets Continental was in.”

Bank Intelligence used its BankAnalyst® Market module to perform a detailed evaluation. With BankAnalyst Market, West Bend Savings Bank was able to instantly, objectively and accurately quantify the realistic growth potential of their entire organization. They were able to identify business drivers, quantify realistic growth potential, prioritize resourcing options and analyze their branch network. And West Bend Savings Bank was encouraged by what they saw. Notes Emerich, “The results we got meshed with our internal analysis and validated our findings.”

Knowing the merger made sense from a market standpoint, the next phase of the project was a financial analysis of what the combined West Bend Savings Bank/ Continental Savings Bank might look like. Another Bank Intelligence solution, BankAnalyst® Financial, was used to provide

that analysis and a final decision was made to pursue the merger. BankAnalyst Financial automates advanced financial ratio analysis, integrating comprehensive, current data with its own applied intelligence and delivers it online, anytime. Using BankAnalyst Financial, West Bend Savings Bank was able to identify the strengths and weaknesses of the proposed merger, quantify potential earnings enhancements, prioritize opportunities that require resource allocations and recommend solutions to address the specific priorities identified in the merger.

Once the preliminary analysis was completed and the project received the go-ahead, there was one more major decision to be made — which core service provider to go forward with — Continental’s current provider or West Bend’s banking platform, Cleartouch from Fiserv? Demonstrations of the two solutions were arranged and representatives from both organizations had an opportunity to compare. After reviewing the alternatives, it was apparent the Fiserv solution was best suited to support the newly combined organization’s current needs as well as its plans for future growth.

### **Fiserv Implementation Expertise in Action**

Once agreement on the merger and bank platform was reached, the Cleartouch Implementation team sprang into action. Drawing on our experience working with a wide range of servicers from all manner of financial institutions, our team relied on a structured, methodical approach which leaves nothing to chance.

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"We've had a great relationship with Bank Intelligence over the years – they're very consultative and collaborative and very generous with their time. We appreciate their insight and guidance."

Exhaustive project plans ensure that even the smallest detail is considered and documented and communication with the client is constant and comprehensive. Supported by those time-tested processes and an experienced staff, the conversion to Cleartouch was completed at the same time the merger was finalized and the newly combined entity became Westbury Bank on January 26, 2009.

Now that the two banks were one, Emerich faced a new challenge – he needed to better understand the new organization and what it was capable of.

### **Solution Two- iVue for Cleartouch**

That's where another Fiserv solution came in, our business intelligence tool, iVue for Cleartouch. Powered by Oracle, iVue's relational database is complemented by a business analysis component that is used to create reports, charts, and pivot tables. Its full range of analytic functionality allowed the new Westbury Bank to assess revenue generation activities and expense reduction scenarios and identify operational efficiencies in the new organization.

Even before the merger, Westbury Bank was an enthusiastic user of iVue, according to Kirk Emerich, "We do an incredible amount of analysis and reporting through iVue. Month-end reporting is fully automated and our staff can turn out an analysis of pretty much everything I ask at the drop of a hat. We absolutely love iVue!" Post-merger, among other tasks, Westbury Bank used iVue to generate personalized welcome letters to their new customers, introducing them to and explaining the benefits of the new organization.

### **Solution Three – Fiserv Risk and Performance Solutions**

Now that the dust has settled, Westbury Bank has called upon yet another Fiserv solution to help them with their analysis and planning. They've deployed the Organizational Profitability and Product Profitability modules from our Risk & Performance Solutions.

Organizational Profitability helps them evaluate profitability department by department, and make sound business decisions based on a thorough understanding of the dynamics of the new organization. Because performance is measured in an organizational context, it's consistent with Westbury Bank's view of their bank, such as their branch network or other profit centers.

The Product Profitability module helps Westbury evaluate the profitability of individual products, going so far as determining the unit cost of their related activities and identify the most effective delivery channel for those products. The bank can anticipate what expenses will be incurred with the creation and delivery of specific products and activities compared to their anticipated revenue.

So what lies ahead for the new Westbury Bank? The bank will turn its focus on creating and marketing new products to its expanded customer base. Plans in 2010 again call for more collaboration with Bank Intelligence and the integration of psychographic data. They plan to use both Bank Intelligence and Product Profitability to not only market new products but to do it differently than they have previously. Notes Emerich, "We're moving toward a rifle shot as opposed to the shotgun approach we've used in the past. We used to do a lot of direct mail, but we're trying to be more streamlined in

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2010, and the Bank Intelligence and Risk & Performance tools are going to be critical in that effort.”

Further down the road, there may be more acquisitions if they make sense for the bank, and Westbury Bank will once again turn to Fiserv for help. According to Emerich, “There’s no doubt we’ll be using Bank Intelligence to evaluate any opportunities that show up on the horizon. We’ve had a great relationship with them over the years – they’re very consultative and collaborative and very generous with their time. We appreciate their insight and guidance.”

### Challenge

Break into new markets to recapture lost customers and win new ones.

### Solution

Pursue growth via merger with assistance from Fiserv.

### Proof Points

- BankAnalyst online advisory tools clarify market shifts and merger potential
- The Fiserv Implementation team delivers expertise during conversion
- iVue for Cleartouch provides analysis and reporting to identify opportunities and evaluate progress
- Relationship Profitability solutions target resources to opportunities with greatest potential

### Connect With Us

For more information on Cleartouch, iVue or Bank Intelligence, call 800-846-6681 or contact your account manager.



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