



Bremer Bank increases automation, flexibility with Alliance Lite2

Direct SWIFT connection increases straight-through processing, provides basis for future growth



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Jesse Zellmer, Technical architect, Bremer Bank

Bremer Bank serves individuals, large and mid-sized corporations, agribusinesses, non-profits, and public and government entities across three states in the U.S. Midwest.

Until recently, Bremer Bank, which averages 500+ wire transfers per month, would use a third-party service provider to interface with the SWIFT network on its behalf.

It was tedious process, with staff having to manually re-enter inbound wire transfers as well as notify clients. The process would take about three hours per day. As the bank looks to continue to grow, the time-consuming process was not viable.

The solution

Bremer Bank made the business decision to move to another vendor for its core payment application, and took the opportunity to change its wire provider and connect directly to SWIFT.

Bremer Bank wanted to increase automation and straight-through processing of financial wire flows. Susan Bork-Ditlefsen, electronic services manager at Bremer, said the best route to bring the process in-house was Alliance Lite2, SWIFT’s cloud-based connection, which allows the bank to directly exchange messages over the SWIFT network.



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Susan Bork-Ditlefsen, Electronic services manager, Bremer Bank



Alliance Lite2 provides a secure connection to the SWIFT network, and related applications and services. It's the simplest way to connect to SWIFT, requiring minimal upfront investment and little infrastructure to maintain. Alliance Lite2 is easy to use, cost-effective and reliable, allowing users to exchange all SWIFT messages and file types.

With standardised messaging for payments, account statements, trade, FX, securities and more, Alliance Lite2 helps combine multiple transaction streams into a single, secure channel.

Bork-Ditlefsen said the bank had not connected to SWIFT directly in the past due to resource constraints, but with the change of its core payment system, it was the perfect time to make the move.

Bremer Bank began discussing the adoption of Alliance Lite2 in May, installation began at the end of June and the go-live was in September.

SWIFT provided help at various stages throughout the project. The cooperative assisted with the design of the tailored solution remotely, looking into what the bank needed in terms of routing and users. Once the design was completed, SWIFT began to help with the implementation, customisation and testing the interface to make sure it worked well.

The results

SWIFT also ensured all the steps to implement Alliance Lite2 were done and all staff received the proper training.

Jesse Zellmer, technical architect at Bremer Bank, who worked on the technical implementation alongside the experts at SWIFT, said the process went really well, noting the smooth transition between providers.

"We frequently reached out to the project manager and the technical resources that were assigned with the product team," Zellmer said. "The person we worked with was always available to answer questions and held technical design calls."

Zellmer said SWIFT, through project manager Mathieu Cattafesta, helped with setting up new users and installing tokens for access. He assisted with the different types of wires that the bank wanted to test.

"Ultimately when we went live, we really didn't have any issues," he said. "Moving to Alliance Lite2 was not complex. Final preparation occurred over a weekend and we were live on the following Monday. It was really just a matter of SWIFT setting up the software and the tokens."

Bork-Ditlefsen found the support of SWIFT staff invaluable during the migration. "The project manager really walked us through everything. It was so simple and he was always available and very knowledgeable."

Benefits

With Alliance Lite2 now up and running, and Bremer Bank directly connected to SWIFT, Bork-Ditlefsen said the team has less interaction with the banks' wire system.

"With the interface we are able to completely eliminate that manual re-entry of an inbound wire transfer as well as a notification generated. We basically have two fewer manual steps to do. All of that is done systematically for us," she said. "It has been a seamless process for us. It's made things really easy."

Bork-Ditlefsen said Alliance Lite2 has not only helped with automation of a previously manual process, but has also given the bank flexibility for further growth. "In the long-term as we grow it will be easy to handle that volume, without any additional resources," she said.

Zellmer said there is very little technical intervention required, compared to when the bank was using a third-party provider. "We certainly don't have to touch the system on a day-to-day basis. It's implemented, automated and we just monitor certain components of the application."

Without the middleman to upload files, Zellmer said the process was also more secure.

Next steps

Bremer Bank signed up for SWIFT's Alliance Lite2 Peace of Mind package, which includes handholding support after the go-live and entitlement to additional configuration changes. The bank is able to receive SWIFT support if any problems were to arise by contacting the SWIFT Support Centre.

The bank has not made any Peace of Mind requests to date, but they are able to seek help whenever they need it. Bremer Bank also signed up for SWIFTRef, a single source for all reference data needed for payment processing and accurate regulatory reports.

Bork-Ditlefsen said the ability to access SWIFT services and solutions is endless. "There are other features that I would say we haven't even begun to explore."

SWIFT's Cattafesta said institutions often see SWIFT as a big company for big banks. "If you don't have significant traffic, some firms think it doesn't make sense to use SWIFT directly, but this is a misconception.

"Bremer Bank made the move successfully to alleviate some of its costs. You can be a small institution and connect directly to SWIFT today, paying probably the same or less than using a third-party provider."

For more information please contact your SWIFT account manager or visit www.swift.com