

CASE STUDY



PARTNER:

Real-time Data, Inc.
Citrix® Systems, Inc.

RESELLER:

Real-time Data, Inc.
Roing Corporation

SAFLINK SOLUTION:

Customized biometric
authentication platform
SAFremote Authenticator™
with SAFmodule

PARTNER PRODUCT:

Real-Time Kiosks
Citrix® MetaFrame XP™
Novell Modular Authentication Service

BIOMETRIC TECHNOLOGY:

Fingerprint scanners:
LifeView® scanner
with AuthenTec sensor
Veridicom sensor

Fingerprints Provide Fast Access to Credit Union Cash, Services and Data

PURDUE FEDERAL EMPLOYEES CREDIT UNION

INTRODUCTION

West Lafayette, Indiana's Purdue Employees Federal Credit Union faced a substantial challenge in the late 1990s as it looked to offer banking services to members on remote campuses of Purdue University. PEFCU planned to deploy kiosks at these locations in order to avoid the prohibitive expense of opening a brick-and-mortar branch on each campus. At the time, kiosks were convenient, but had significant limitations. Like most credit unions, PEFCU was extremely sensitive to ensuring the best possible banking experience for its members.

Automated kiosks are an important customer tool for credit unions and other financial institutions, providing a cost effective method for extending and expanding service locations and hours of operation. These kiosks, however, came with their own set of challenges, as it was difficult to remotely and securely offer a broad range of financial services beyond the simple deposit/withdrawal functions of a basic ATM. This limited the effectiveness of kiosks – a traditional brick-and-mortar presence was required for any sort of significant interaction between a customer and the financial institution. This was expensive for the institution and inconvenient for the customer.

REMOTE CUSTOMER SERVICE

In 1998, existing ATMs and kiosks were not ideal locations for customers to open an account – new members would have to wait 3-5 days to access funds or perform additional transactions. The delay was due to the need to process a transaction and physically mail a new ATM access card and PIN. For a credit union priding itself on customer service, this sort of delay was unacceptable.

In addition, the type of transactions that could be performed at a typical ATM were limited by the need to absolutely verify and authenticate the account holder for complex services or high-value transactions. Taken together, these two considerations explain the service limitations of ATMs today and highlight the difficulty faced by an institution looking to leverage kiosks to expand its service network.

ATMs ON STEROIDS

Fortunately for PEFCU, there was an answer: biometrics. By incorporating biometric technology (specifically, fingerprint recognition) into its kiosks, PEFCU is now able to initiate accounts instantaneously. A new customer's fingerprint effectively became his or her personal ATM card, for use at any PEFCU kiosk.

In short, kiosks can now serve as branch offices, providing rapid and straightforward self-service banking. From the customers' perspective, this not only makes PEFCU more accessible, but it also dramatically improves the convenience of accessing their accounts and performing complex transactions. It is now possible to bank 24 hours a day, seven days a week. For a credit union dedicated to meeting the banking needs of a university population and their unpredictable schedule – this was a critical win.

For PEFCU, biometric kiosks are also a business revelation. The credit union can now offer services in remote locations that would be cost-prohibitive for traditional branch offices. PEFCU can also use kiosks to service the majority of customer banking needs – further improving overall customer service – and freeing credit union staff to deal with more complex banking requirements.

PHASE I INSTALLATION: KIOSKS

In 1998, PEFCU selected kiosks from manufacturer Real-time Data and a biometric authentication system from SAFLINK. SAFLINK's software provided a robust platform for tightly coupling biometrics with the complex kiosk software, and SAFLINK worked closely with the both PEFCU and RTD to ensure the completed solution met the credit union's expectations.

The credit union chose to perform a test installation at a branch on the main Purdue campus so that it could closely monitor the deployment. This test period went smoothly, and standalone kiosks were quickly deployed to remote campuses. In fact, the overall customer reaction to the new kiosks was so enthusiastic that PEFCU chose to expand the deployment with additional kiosk locations near the main Purdue University campus.

One interesting development occurred during the early phases of the initial deployment. Before deployment, PEFCU assumed that the kiosks and biometric security features would primarily appeal to the University's student population, reflecting their greater comfort with new technology. While the students did embrace the technology, one of the primary beneficiaries turned out to be the credit union's older membership. These customers were more sensitive to the problem of fraud and identity theft and had a substantially larger asset base to protect – making the heightened security of biometrics especially attractive.

PHASE II INSTALLATION: NETWORK AUTHENTICATION

PEFCU was the first financial institution in the country to incorporate biometrics-based authentication into its customer banking system. Biometrics proved to be so successful for PEFCU – the secure kiosks have now been online and reliable for five years – that the credit union is now in the process of expanding its use of biometrics to its internal network.

The driving element for this internal deployment was a need for two-factor authentication for PEFCU employees with remote access to internal systems. The credit union had previously deployed Citrix MetaFrame XP to provide remote, password-based access for employees. One of the credit union's routine procedural audits noted the weakness of this single-factor login method and recommended an increase in their level of authentication security.

After an extensive product evaluation – including competitive products – PEFCU chose SAFLINK's SAFremote Authenticator™ and has rolled this product out for remote Citrix users with the help of Roeing Corporation, a systems integrator.

"Since our initial experience with SAFLINK's software was a positive one, we had a lot of confidence in selecting its SAFremote Authenticator product for use within PEFCU's internal network," said Gail Koehler, Vice President of Technology & Retail Delivery, Purdue Employees Federal Credit Union.

In fact, the credit union has been so pleased with this solution that it is in the process of rolling out a more extensive biometric security solution for all employees – not just remote users.

"Through the kiosk deployment, we learned that a fingerprint is much more convenient for our customers than a PIN and an ATM card, and it's more secure. Now, we want to provide that same level of convenience to our employees through biometrics – which will also ensure additional security for our network," said Bill Arnold, PEFCU's Information Technology Manager.

ABOUT PEFCU

Purdue Employees Federal Credit Union (PEFCU) was founded in 1969 by a group of concerned Purdue University employees searching for a place where they, their families, and their fellow employees could save and borrow money safely, confidentially, and at a fair rate of interest. Today, PEFCU has grown to proudly serve more than 56,000 members around the world, and is known for implementing leading-edge technology in its IT and banking systems.

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