



*Secondary Marketing &
Risk Management System*

Mortgage Tech Applications: Huntington Bank Decides Not to Reinvent the Wheel

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WHO:

The Huntington National Bank, a subsidiary of **Huntington Bancshares Inc.**, provides innovative retail and commercial financial products and services through more than 600 regional banking offices in **Indiana, Kentucky, Michigan, Ohio, Pennsylvania** and **West Virginia**.

Associated Software Consultants, Cleveland, Ohio, a provider of third-party mortgage technology software.

CHALLENGE:

For six years, Huntington National Bank relied on its internally developed **proprietary software** to help the institution manage its secondary marketing processes, which included loan sales to both mandatory and best efforts markets. While its software worked well and provided solid functionality and support, Huntington secondary market executives, asserting that the company was ready to take its program to the next level, believed it could not do so without additional functionality, including sophisticated analytical tools.

"The bank needed a solution that could do much more than house its loan pools," said **Bryan Neitzelt**, Huntington's vice president of secondary marketing. "We wanted a software solution that would provide advanced, robust secondary marketing support while being closely aligned with Huntington's current and future business goals."

SOLUTION:

Since Huntington's proprietary secondary marketing software successfully served its needs for several years, the bank considered developing a new in-house secondary marketing product that would accommodate its changing business needs. Huntington began by outlining exactly how it wanted the new solution to work. From there, it started initial programming of the new secondary marketing solution.

Around the same time programming commenced, Huntington acquired **Unizan Financial Corp**. Upon evaluating Unizan's existing processes and technology, Huntington discovered that Unizan used a third-party software to manage its secondary marketing processes, **PowerSeller** by **Associated Software Consultants**.

Huntington executives were familiar with PowerSeller, having seen it demonstrated a few times over the years, though at the time the bank was satisfied with its in-house software. However, it had been several years since Huntington last looked at PowerSeller in depth. "The acquisition gave Huntington the opportunity to take a closer look at PowerSeller to see how it stacked up against the new secondary marketing software in development," Neitzelt said. "We saw that PowerSeller functioned nearly identically."

Still facing months, if not years, of programming and testing to finalize its proprietary system, Huntington considered the advantages of foregoing its system development efforts and implementing existing

technology instead. During that time, Huntington decided to evaluate secondary marketing software from MIAC in addition to PowerSeller to make sure it had a clear view of what was already available in the market.

“After careful consideration, Huntington determined that continuing the development of an in-house secondary marketing system would be a costly way of reinventing the wheel,” Neitzelt said. “PowerSeller was already available to provide Huntington with nearly everything it needed to ensure accurate data and perform detailed loan level analysis in a manner that was a natural fit for the bank’s processes. In addition, PowerSeller offered an open database design that would give Huntington the flexibility, scalability and ease-of-use we desired.”

Huntington suspended in-house development of a new proprietary secondary marketing software and implemented PowerSeller. ASC worked closely with Huntington to assess its secondary marketing process management needs and to establish an implementation plan. Once this foundational work was accomplished, ASC implemented PowerSeller and had it up and running within four months, in less time than it would have taken to develop and implement a proprietary system.

In addition, bank executives wanted to further customize the software to be more closely aligned with its operations. ASC continued to work closely with the bank to implement the requested customized functionality.

RESULTS:

“Implementation of PowerSeller has yielded many benefits for Huntington,” Neitzelt said. “It allowed the bank to avoid the long, arduous and costly process of developing and maintaining a proprietary secondary marketing software system.”

Implementation also has given Huntington advanced software functionality it needed to manage its current and future secondary marketing processes. PowerSeller has allowed the bank to easily account for all the value changes and the pricing structures of the various investors, Neitzelt said. “As a result, Huntington benefits by selling its loan pools with the strong confidence that its numbers are correct.”

Additionally, using “what if” models, the bank can look at its pipeline and plug in various characteristics it might consider implementing. Huntington can now look at option transactions to see how those types of trades or transactions could impact the pipeline.

Since implementing PowerSeller, Huntington has upgraded the application to take advantage of newly available functionality. The decision to upgrade provided another opportunity to review existing processes and identify where efficiencies could be gained, Neitzelt said.

Associated Software Consultants, Inc. 800-628-4687 or www.powerseller.com