



SUNGARD ACQUIRES MIS; BOWS NEW INSURANCE SYSTEMS UNIT

AS expected (IMT, Aug. 4), Sungard Financial Systems Inc. has joined forces with Market Investment Solutions Inc. (MIS), a rival in the hotly competitive insurance-company investment management technology marketplace. In a deal closed Aug. 9, Sungard acquired the assets of its competitor, and quickly announced plans to merge MIS's operations, products and services with those of its own ISA unit—also known as Sungard Financial's "insurance systems division." The merged entity has been dubbed Sungard Insurance Systems.

By purchasing MIS, Sungard not only gains all the assets of the Aurora, Colo.-based vendor—including much-needed PC-based portfolio management and accounting system products and services—but also acquires MIS's extensive client list. While officials at Sungard and at the former MIS decline to comment on the acquisition, a source close to the deal says that the combined installed base for MIS and ISA/Sungard now

CONTINUED ON PAGE 4



SUNGARD ACQUIRES MIS...

numbers about 1,500 companies. MIS's customers are predominantly small to medium-sized firms; ISA/Sungard's tend to be larger.

The acquisition of MIS is meant to give Sungard a much needed boost in its efforts to compete with investment software system rivals such as Magnus Software Corp., Princeton Financial Systems Inc. and Securities Software & Consulting Inc.—vendors of PC-based portfolio management systems that have picked off numerous ISA clients in the insurance sector. Sungard purchased the Atlanta-based ISA more than two years ago, from U.S. Sprint Corp. (IMT, June 11, 1993).

The MIS systems and services that are now available from Sungard Insurance Systems include two client/server PC-based investment management, accounting and regulatory reporting systems—Par Ex and Schedule D Investment Manager. Other MIS products the new Sungard unit will handle include: Portfolio Partners, an investment accounting service bureau offering; consulting services on investment accounting and regulatory reporting; and seminars on current investment, accounting and technology topics.

Carrying On, For Now

The new Sungard Insurance Systems will continue to sell ISA's product line, which includes the PC client/server-based EAS and Series I and the mainframe-based Prism portfolio management and accounting system. Sungard also continues to support its installed base of ABC and CDS—two general ledger accounting systems—and the older-generation mainframe-based Oscars portfolio management and ac-

counting system clients. However, according to source close to Sungard, the vendor intends to discontinue its support of Oscars some time later this year.

According to the source close to the deal, the purchase of MIS makes sense for Sungard technologically and strategically. The source says Sungard was attracted by MIS's extensive client list of small and medium-sized insurance operations. Sungard hopes that by pairing MIS with ISA—a vendor whose mainframe based investment support systems cater to larger insurance operations—will help the vendor garner a larger market share, says the source.

The source says that MIS will also "benefit from the strength of the Sungard organization, especially the financial backing."

According to the source, there are plans in the works to combine the best features of MIS's Par Ex and ISA/Sungard's Series I into a product "with an open and modular client/server architecture, support for standard SQL databases, platform and operating system independence, a Microsoft Corp. Windows-based user interface and an upgrade path from all existing MIS and ISA/Sungard products." The source says that a release date for this product has not yet been set.

Sungard Financial Systems—under whose umbrella Sungard Insurance Systems will operate—is one of several vendors and developers of computer service and software doing business under the aegis of Sungard Data Systems Inc. Its sibling vendors include Sungard Computer Services, Sungard Capital Markets, Sungard Trust & Shareholder Systems and Sungard Recovery Services. All are fully-owned subsidiaries of Sungard Data Systems, which reported 1994 revenues of \$437 million and net income of \$43 million.

Sungard Insurance Systems will develop, market and support its products out of existing offices in Aurora and Atlanta.