



EQUINIX AND MODEX CASE STUDY

ModEx

Simplitium leverages Platform Equinix™ to offer scalable, reliable and secure cat risk modeling services, ModEx, to its (re)insurance clients. The platform increases efficiencies while reducing model licensing cost and onboarding.

“The Equinix solution is ideal for ModEx, as it allows us to bring flexibility, reliability and cost efficiencies to a marketplace that needs new technology and innovation. By using Equinix data centers, our clients can be confident that their data is safe and that the solution can meet their capacity needs.”

James Lay, ModEx Commercial Director, Simplitium

Business results

- Facilitated the building of an ecosystem for companies in the insurance sector
- Cut licensing costs through efficiencies achieved via the shared service model
- Reduced new model rollout time from 6-12 months to a month
- Lowered barriers to new model adoption
- Provided stable, reliable and secure environment with zero downtime
- Reduced risks of international expansion, with the option to move into new Equinix locations

Executive overview

ModEx is the cat risk modeling platform for the (re)insurance industry, delivered by Simplitium (formerly known as Boat Services), powered by Oasis Loss Modeling Framework (LMF). Simplitium needed a reliable colocation partner with an established, state-of-the-art data center, as well as a strong presence in the insurance sector to help grow its customer base. They required a solution that would offer clients faster roll outs, lower costs and zero downtime, which is why Equinix was the obvious choice for its reliable, agile and global data center environment.

Business challenge

Insuring against natural catastrophes, such as hurricanes, is a multibillion-dollar industry. (Re)insurance companies in this market rely on mathematical models to analyze risks and the potential damage of events. These models help (re)insurers calculate the financial implications of catastrophes to ensure they have enough capital to pay the claims and remain solvent. The marketplace for cat risk models has remained unchanged for the better part of three decades and so has the technology. This has meant that while the cloud and hosted environments have developed significantly, (re)insurance companies have had to settle for resource-heavy, legacy in-house hosting systems.

Operating on the Oasis LMF, ModEx delivers an independent and transparent platform that encourages model development and provides the (re)insurance industry with a cost-effective and reliable way to meet its cat risk modeling requirements. The platform delivers a flexible, scalable and secure shared cat risk modeling service via a hosted and fully managed environment, enabling firms to improve their internal risk assessment processes. While (re)insurers can still use legacy cat modeling platforms, a more effective solution is to use a shared service approach in a hosted environment with a presence near the industry's London hub and the global scale to handle potential future growth.



EQUINIX

[Equinix.com](https://www.equinix.com)

The solution

Simplitium's partnership with Equinix goes back a long way through Simplitium's parent company Cinnober, who is a technology partner and has also been a client of Equinix for many years. The platform is hosted at the Equinix LD5 International Business Exchange™ (IBX®) data center in London.

Value realized

With the shared service hosted by Equinix, insurance companies have been able to cut new model rollout time from typically 6-12 months to just a month. The shared service model also means that license costs are 75-90% lower than with traditional catastrophe modeling solutions. Additionally, by using an interconnection-first approach on Platform Equinix, ModEx now has unparalleled access to the markets and ecosystems to drive digital business worldwide. Together with the proven security and reliability found on Platform Equinix, ModEx is protected as it revolutionizes the cat risk modeling marketplace globally.

Key take-aways

With the ModEx platform hosted on Platform Equinix, its insurance customers benefit from lowered risk and improved security. By directly connecting to industry partners out at the edge, closest to data and users, ModEx has the greatest opportunities for expansion and revenue growth.

The system is reliable, with zero downtime to date, backed by an Equinix global service level agreement (SLA) of 99.9999% uptime. While currently hosted in the UK, ModEx plans to expand globally, and to host its shared service in other Equinix locations around the world.

About ModEx

ModEx, formerly known as Boat Oasis, is a catastrophe risk modeling platform for the insurance industry, operating on Oasis LMF. The platform is delivered by Simplitium (formerly known as Boat Services), a UK company wholly owned by Cinnober, a financial technology specialist.

About Equinix

Equinix, Inc. (Nasdaq: EQIX) connects the world's leading businesses to their customers, employees and partners inside the most interconnected data centers. In 52 markets across five continents, Equinix is where companies come together to realize new opportunities and accelerate their business, IT and cloud strategies. In a digital economy where enterprise business models are increasingly interdependent, interconnection is essential to success. Equinix operates the only global interconnection platform, sparking new opportunities that are only possible when companies come together.

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