

OpenLegacy and the API Economy



White Paper

OpenLegacy and the API Economy

The quickest way to satisfy a business requirement using your company's information assets is a modern-day Application Programming Interface (API). APIs have become a primary customer interface for technology-driven products and services, and a key channel for driving revenue and user engagement. In the API economy, long standing systems and applications can create extraordinary value to drive quick response, provided you know how to unlock them and connect them to the digital world.

If this sounds too good to be true, please continue reading to discover more about APIs and the API economy, and how they might be the best solution to unlock value in your existing business systems and applications.

API's provide timely solutions.

The quickest way to satisfy a business requirement using your company's information assets is a modern-day API.

A Quick API Primer

Simply put, APIs "reveal" parts of an application's internal functions to the outside world, within limits and controls. Through the use of APIs, applications that were once closed off are now able to share data and processes with other applications and business systems running in a variety of computing environments like enterprise servers, distributed and cloud environments.

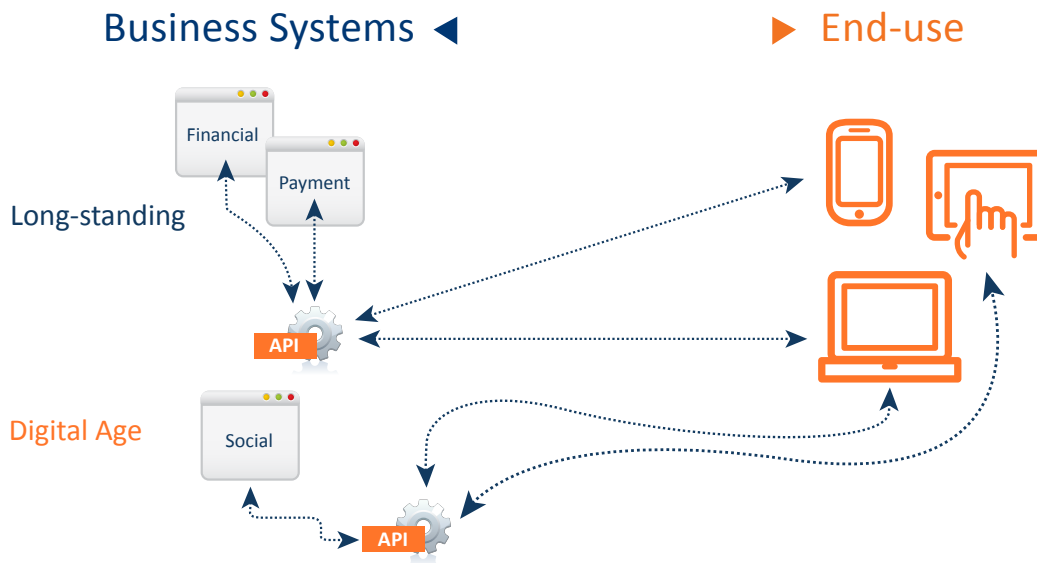


Figure 1. APIs work with the application and user

APIs are far from a new development. In fact, they have been around since the beginning use of structured programming techniques. So what's different now? Why is there so much industry energy and investor excitement around APIs? The excitement has been caused by a few innovative companies that have shown by example how to monetize APIs and use them brilliantly in Web commerce using mobile devices. Their success has shifted the conversation about APIs from a technical protocol to a business enabler. Today, APIs help companies innovate faster and lead to new products and new customers. APIs enable enterprises to create and offer products and services that others want. And, APIs support focus on specific technologies like mobility, which is expected to continue 10% annual growth* through 2019.

API's are becoming products and services

"APIs started as enablers for things companies wanted to do, but their thinking is now evolving to the next level. APIs themselves are becoming the product or the service companies deliver." -- **Eduardo Espinosa**, Founder Seis Delta

The innovation agenda across many industries is rich with opportunities to exploit APIs for competitive advantage. APIs can be seen as indirect digital channels that provide access to intellectual property, assets, goods, and services previously untapped that are suitable for new marketplace models.

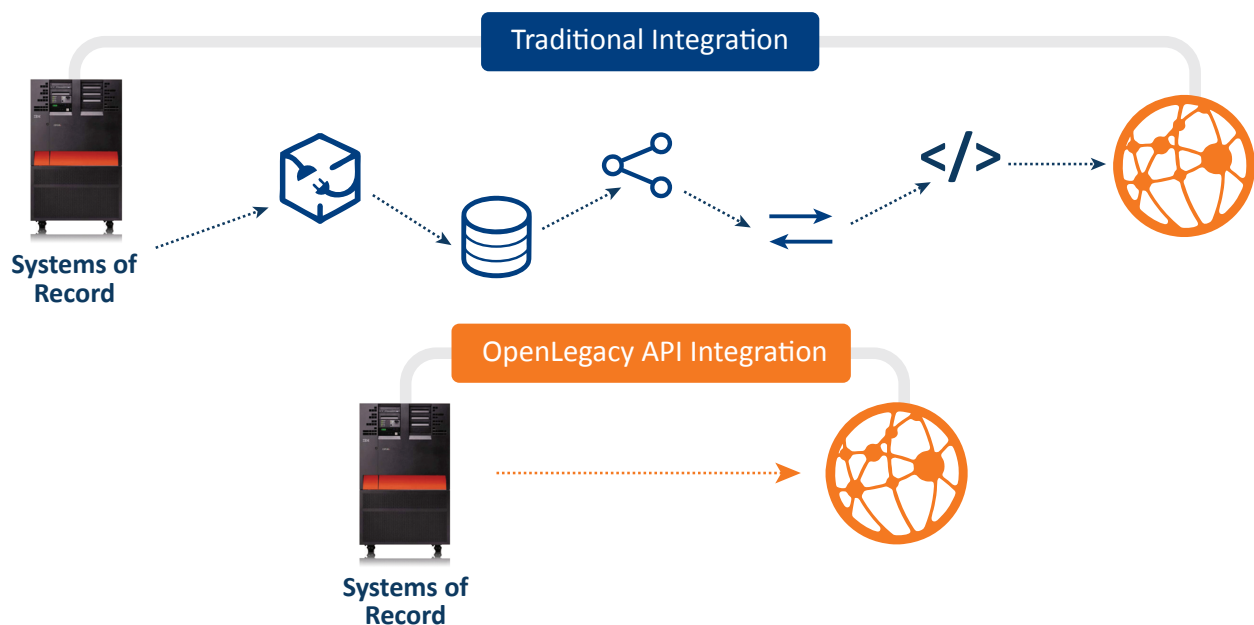
What is the API Economy?

The "API Economy" is focused on the digital, automated exchange of business competencies, allowing organizations to re-use, share or monetize core technology assets overlooked in many of their current business systems.

Often when discussing this new and evolving world, the focus is on public APIs like those offered by Netflix, Salesforce, and Google Maps. These public APIs enable services to be integrated into third party solutions, apps and websites, creating value for both parties. New branding opportunities and new sources of revenue are fueling the need for APIs that deliver solutions based on open standards, in real-time.

APIs are designed to be simple and standard mechanisms for exchanging data. The data exchange does not need to be from one "big," public company to many smaller ones, as in the case of Netflix, Amazon, or Google. APIs can be employed by businesses of any size and industry. APIs are very effective when used for internal communication between different applications and teams and externally with partners and customers.

APIs solve business problems that enable nimble enterprises to respond better to partners and customers. APIs help to address market demands, reduce supply chain costs, speed up product and service delivery, accelerate order processing and develop new business channels. Simultaneously, APIs are now the preferred exchange method of markets and a competitive asset that companies must have.



The shortest line between a business need and your company's information assets is an API.

API's fit any sized company

APIs can be employed by businesses of any size and industry. APIs are very effective when used for internal communication between different applications and teams and externally with partners and customers.

There was a time when a company's market reach was limited to its direct sales organization, distributor channels and perhaps a website or two for e-commerce. With the rise of the social and mobile web, and an application-centric business and consumer cultures, virtually every developer is a candidate for your APIs and every application they create is a channel to reach new customers.

That is the promise of the API economy.

The business need for APIs

In today's mobile-everywhere world, the need is clear for digital services that connect to back-end systems. Organizations today must be mobile and customer centric.

- **Mobile-centric:** The emphasis on a mobile first strategy, along with embedded sensors and connected devices, places significant demands on back-end systems that provide the underlying data.
- **Customer-centric:** Today's customers demand convenient access and updates from whatever device they happen to have handy, and will not be satisfied by being directed to a call center, or required to log in to a native 3270 application. They expect a personalized customer experience that takes into account their preferences and history across all channels and applications they have ever interacted with.

The API Economy is now a reality

The API revolution is here. According to Deloitte Consulting, public APIs have doubled in the past 18 months, and more than 12,000 have been published to date. APIs are now pervasive. Beyond pure technology companies, a spectrum of industries has embraced APIs, from telecommunications and media to finance, travel and tourism, and real estate.

Darwin on survival—applies to business as well

“Intelligence is based on how efficient a species became at doing the things they need to survive.” **Charles Darwin**, Naturalist

The revolution doesn't stop in the commercial sector. States and nations are making budget, public works, crime, legal, and other agency data and services available through initiatives such as the US Food and Drug Administration's openFDA API program and New York City's Open Data initiative.

APIs in Finance

Entrenched players in the financial services are exploring open banking platforms that unbundle payment, credit, investment, loyalty, and loan services to compete with new entrants such as PayPal and Amazon. These new players are riding API-driven services into the payment industry: Amazon Web Services processes over 1 trillion transactions annually on APIs. The volume is a factor in both the rise in usage of the company's services and its valuation.

APIs and the Internet of Things

Platforms and standards that orchestrate connected or intelligent devices—from raw materials to shop-room machinery, from HVACs to transportation fleets—are the early battlegrounds in the Internet of Things (IoT) arena. APIs are the backbone and enabler of this opportunity; whoever manages—and monetizes—the underlying services of the IoT could be poised to re-shape entire industries.

APIs and Government

Since openFDA launched in June 2014, the drive for the project has been to make it easier to get access to publicly available Food and Drug Administration data. FDA's goal is to make it simple for an application, mobile device, web developer, or researcher to use data from FDA. In NYC, APIs support the NYC Open Data that is a collection of 750 New York City public datasets made available by city agencies and organizations. Some of the popular data includes parking facilities, federal stimulus expenditures and electric consumption by zip code. Also included are Open 311 service requests, health and education data.

OpenLegacy has benefits for you

APIs provide rapid access to data and functions that were previously “locked” in hard-to-access business systems of record. What makes APIs so appealing to organizations with core, mission-critical legacy applications? Here are three significant benefits--

- 1. The CIO's competitive advantage – Faster Integration:** API integration the fastest integration option since it does not involve re-writing or creating new code on the legacy side. It provides new services in just days or weeks, instead of months or years. APIs enable creative new projects that would otherwise never have been considered since their timeline and complexity would have been too great.
- 2. Non-invasive, low-risk solution:** APIs open up data and processes from within the legacy system, without having to change it. They create access points, working within the complexities of transaction processing without changing the existing IT footprint.
- 3. Flexibility and lower Total Cost of Ownership:** Developers do not need to know how to program legacy applications, or even understand how or what that back-end legacy application does. APIs open up “windows” to the required back-end applications, accessing just the necessary data and functions. These windows are clearly defined in terms of how the application will interact safely, securely, and reliably with the rest of the world. This extends the value of the back-end application environment, extends the applicability of in-house resources, and speeds up time to market. APIs contribute to lower overall costs.

API ecosystem is here

API is the new IT. We no longer simply buy technology software or hardware, we plug into a growing open ecosystem of API-driven services. API World Conference and Expo 2016

OpenLegacy offers a simple, safe, fast and effective way to create and manage APIs that open up incumbent, often legacy applications to the digital marketplace. Its unique API platform is rapidly impacting the time-to-market of many customers in various industries, creating value-based offerings in their marketplaces.

Adopting an API platform that capitalizes on the current legacy infrastructure is key to timely meet market and customer demands, without the challenges, and risk, of re-designing or re-engineering. With OpenLegacy, the complicated aspects of creating an API based on legacy business processes are fully automated; simple wizards automatically deliver the extracted data and processes. The result is an open standards object that can connect with any mobile, web, or cloud application.

Just imagine: A 30 year old supply chain application becoming an iPhone app within days, using only open standards. That is the OpenLegacy uniqueness in the Legacy marketplace.



API improves the value of assets

By using APIs to simplify access to systems of record, these systems are transformed from an IT obligation into an IT asset.

API legacy integration has many use cases

APIs & Insurance: Within a few hours, the team at this insurance company was able to bring a complex iSeries transaction (with multiple screens and business flows) into the agent portal using OpenLegacy's open-standard API solution. [Read more in our Clients Case Study document.](#)

“OpenLegacy let us connect our iSeries applications to our insurance agent portal without changing our COBOL applications, which would have been a huge, expensive headache. We couldn’t believe OpenLegacy was able to conform to all of our security, performance, and design constraints - and do so within days.” Insurance Company IT Director

APIs & Financial Services: A leading credit card provider using OpenLegacy took just two-days to fully convert a complete business process from the zSeries application to a responsive web page, using Angular JS and REST API. [Read more in our Clients Case Study document.](#)

“OpenLegacy helped us develop web services on top of our mainframe transactions at a fraction of the cost of IBM. Coupled with its performance, security, and fast time to market, the ROI was instant” Credit Card Company CIO

About OpenLegacy

OpenLegacy has pioneered a rapid API-based approach to enterprise application delivery by focusing on business needs instead of on replacing existing solutions. The company believes in building on the value of systems of record, quickly extending them into the cloud, mobile and web applications using agile open-standard API technology.

The OpenLegacy team is comprised of professionals who have devoted their careers to solving legacy modernization and integration challenges. The result is a new paradigm that is fully compatible with today’s, yesterday’s and tomorrow’s business systems, lean in both time and material requirements, leverages the strengths of on premise systems, and empowers enterprises to succeed quickly, inexpensively and flexibly.

OpenLegacy is revolutionizing the market by putting power into the hands of partners and customers. Together, they are extending the life and value of their legacy and other on premise systems, achieving mobilization, web enablement, and cloud integration through standard APIs.



* Worldwide Smartphone Market Will See the First Single-Digit Growth Year on Record, According to IDC. 03 Dec 2015.
<http://www.idc.com/getdoc.jsp?containerId=prUS40664915>