

Buy Side

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GLOBAL IT DEPLOYMENTS

Western Asset Revamps Global Infrastructure

With the bulk of its reworked global IT infrastructure already in place, including a proprietary Global Data Repository, Western Asset Management Co. will bring an in-house developed trade capture system live today. While there may still be a number of peripheral applications and interfaces left to build, and even one or two more to buy, officials at the firm feel they have the core components in place to achieve straight-through processing.

The global project at Western is the culmination of an IT vision driven by the firm's rapid

growth (current estimates place the firm's managed assets upwards of \$50 billion), and business expansion (most notably, the mid-1990s acquisition of the global fixed-income management operations of Lehman Brothers). Its architect has been CIO Frank Barker, who came over to the buy side in 1997 from Donaldson, Lufkin & Jenrette.

"The goal was to integrate the London operation with the Pasadena operation and operate them both as one entity in terms of managing

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PORTFOLIO ACCOUNTING

National Mutual Rolls out Portia; Pulls The Plug On PMIS

National Mutual Funds Management recently went live with Thomson Investment Software's (TIS) Portia portfolio management and accounting system. The Melbourne-based fund management firm will eventually

use Portia to support its entire asset base, valued at over \$29 billion, when implementation is concluded, says a spokesperson for TIS. Full deployment, slated for completion later this year, will include a Citrix server-based real-time link to the

firm's Tokyo operations.

National Mutual is rolling out Portia to replace a number of systems—both in-house developed and off-the-shelf portfolio management and accounting software

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CONTACT MANAGEMENT

BlackRock Financial Expands Role of Avenue

BlackRock Financial Management Co. plans to expand its deployment of Saratoga Systems' Avenue client relationship management software. New York-based BlackRock Financial, the investment advisory arm of PNC Bank, manages some \$118 billion in assets

ship product Avenue 5.0 into full production at the beginning of January. Currently, some 45 staffers at the firm use Avenue. Laura Kiernan, marketing associate at BlackRock Financial, says that number will be doubled over the next couple of months.

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National

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applications. They include: ITS Associates' PMIS used by National Mutual for domestic fixed-interest assets; an in-house international derivatives overlay system; an in-house international all assets class system in Tokyo; and an in-house equity system called Maps to be replaced by Sept. 1999.

For now, National Mutual is using the system to manage its Australian fixed-income, international derivative overlay funds and Tokyo-based portfolios. Officials at the firm plan to bring the remainder of National Mutual's funds onto Portia some time later this year, including all Australian equity portfolios.

TIS incorporated certain customized features into Portia to meet the demands of National Mutual. These enhancements will enable National Mutual, as well as other Australian money managers using Portia, to consolidate management of capital index bonds, floating-rate notes, options and futures using Australian formulas.

The firm will link a number of proprietary applications to Portia, including: a fixed-income dealing system; an exposure reporting system; the general ledger system; a domestic futures and options clearing system; a system for fixed income pricing for swaps, yield curve and week-end pricing; and an international derivative deal approval and import system.

Meanwhile, National Mutual has invested 500 development days, with an addi-

tional 300 more development days scheduled, in the building of Nerrisa—a front-end application that will control all data flow into Portia. The firm also plans to eventually link its property trust tax system, equity settlement system and various other clearing systems and custodial interfaces to Portia.

During evaluations, National Mutual officials seriously considered two other systems—DST Systems HiPortfolio and an offering from Australian vendor CIM.

"One of the main problems was being able to interface HiPort to other national Mutual systems over a two year staggered implementation," says a spokesperson for TIS. "CIM's system only had one other user on the system so it was considered a high risk long term." ●

BlackRock

Continued from front page

"We're using Avenue as the central entry point for the account management group," says Kiernan. "We use it for contact management, specifically to track sales processes. We use it to maintain our pipeline of new business, and we also use it to store information on client requirements and reporting requirements."

Prior to the rollout of Avenue, BlackRock Financial relied on an off-the-shelf product that couldn't keep up with the firm's growing business demands. "We were using a smaller product called Maximizer," says Kiernan. "We've gone through tremendous growth over the last few years and have to run a lot more reports internally. With [Maximizer] we couldn't because the system was just terrible for reporting."

One characteristic that endeared Avenue to BlackRock Financial officials is its ability to link to the firm's Eudora e-mail system.

"One of our favorite things about

Avenue is the link to our e-mail," says Kiernan. "This allows us to write contact reports concerning accounts and e-mail that throughout the company."

Dissemination of contact and report requirement information at BlackRock Financial will be made even easier once Avenue is linked to the firm's intranet, says Kiernan. "Our intranet is really expansive and contains so much data, including reporting and compliance requirements that an entire contact management portion would have to have been built into it," she explains. "Avenue will be able to meet these needs."

While they were satisfied with the product, and its ability to link to the firm's in-house systems, that doesn't mean BlackRock officials didn't see room for improvement.

"I spent a good four or five months working with a third party consultant gearing [Avenue] to meet our needs," says Kiernan. "I knew what we needed and the consultant knew the system so we were able to get a product that everyone's happy with. There are fields in here that

are specific to BlackRock." The consulting firm Market Builders was brought in to help BlackRock customize Avenue. ●

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REAL-TIME BACKUPS

Navellier Rolls Out LiveVault

Reno, Nev.-based Navellier & Associates is currently wrapping up beta-tests of Network Integrity's LiveVault real-time tape-based backup solution for Windows NT servers. Impressed with the way it handled backup for a number of servers, officials at the investment adviser, with some \$1.8 billion in assets under management, also plan to use LiveVault to support the firm's Sybase SQL database.

LiveVault will replace a battery of manual processes previously performed daily at Navellier. "It used to be we were in high maintenance mode," says Patrick Seeber, director of information systems at Navellier. "I haven't had to touch this thing for two weeks."

LiveVault for Windows NT integrates real-time, byte-level replication with a self-managing storage archive that includes online disk and near-line tape library storage. Applications include real-time backups for 24-by-7 environments, protection against the loss of intra-day data updates, unattended branch office and remote facility data protection, and rapid disaster recovery.

"We're backing up application directories and home directories now," says Seeber. "My SQL guy just got back into town, so now

we're going to do active SQL database backups. That's what we're doing now, but eventually we'll also use LiveVault to backup [Microsoft] Exchange as well."

Network Integrity President and CEO John Butler adds, "They've been testing it with SQL and are planning to port their customer contact management system to SQL, and part of that plan is to use LiveVault to back it up."

Navellier is currently testing the second beta version of LiveVault. "December we got in our first beta and had a couple of challenges with it," says Seeber. "They upgraded us in January to beta-two and it's gone flawless. As far I know, this will be in full production at the end of the month."

Navellier officials considered other options before giving Network Integrity the nod. "There's a backup feature to NT, but it's not easy to automate," says Seeber. "This is actually working with a 280 gigabyte tape library where we install seven tapes and just let it run. When a tape is full, it even tells us what to label it and where to store it. It's brainless." ●

Western

Continued from front page

the data," says Barker. "I proposed this architecture, which at its core is the idea we store information once, and then there will be a database."

In order to implement the architecture that Barker proposed, Western officials first had to change the way they looked at IT. "It didn't take me too long to sell this idea," says Barker. "The biggest challenge with deploying this is we had to change the workflow to make it work."

Historically, small to mid-size buy side investment management firms have always had accounting-centric IT infrastructures, and Western was no exception. "Trades were done on the trading desk, they got keyed into the accounting system, and nobody really cared about the data associated with the trade until it was entered into the accounting system," says Barker. "I don't know how

someone in my position could solve the issue of straight-through processing with an accounting-centric architecture."

When Western's proprietary trade capture system in full production, the firm's workflow design will shift the emphasis on the data to before it enters the accounting system. The firm uses Princeton Financial's PAM for Securities at its Pasadena headquarters, and ITS Associates PMIS at its London operations.

"We had very little integration of the analytic data and we felt that was the biggest risk to the firm," says Barker. Data feeds Western subscribes to include Bloomberg, Salomon Bros., Wilshire Associates, Merrill Lynch and others. Western has been conducting parallel testing of the trade capture application for the past five weeks.

"By capturing the data electronically on the desk we can now do pre-trade real-time compliance checking and broker and custodian electronic confirmations," says Barker. "So, by the time the data goes into the

accounting system we can feed it real-time to the traders to let them do some position management within their environment, without having to wait for accounting."

The largest piece to Western's IT puzzle was the Global Data Repository—technology Barker would rather have bought than built. "We didn't want to build this," says Barker. "It's reasonably complicated to build a security master and a transactions database."

Western officials first looked at alternatives from Seer Technologies and Financial Technology Information (FTI). "Neither of them really had what we wanted," says Barker. "Seer didn't have the interfacing level and FTI came at from an accounting perspective, and not a trading desk perspective."

Once things settle down and Western officials work out the kinks, Barker says they will launch a search for a trading system, and consider subscribing to additional data feeds. ●