

ADP and Citi Finally Cut Deal For Crossmar

Following months of intense negotiation—and industry speculation—Citicorp and ADP have struck a deal for some of the assets of Crossmar Inc., the bank's foreign exchange and fixed-income market data vending unit. However, the particulars of the deal may not be exactly what some have anticipated: ADP purchased only Crossmar's Global Report market data feed, leaving the remainder of the vendor's operations in Citi's hands.

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Officials at ADP and Citicorp decline to comment on the cost of the purchase, but one source close to the deal says ADP paid more than \$5 million for Global Report. Word that an ADP/Citi deal for Crossmar was in the works emerged last month (*IMD*, Sept. 12).

ADP has for some time made it clear to the market that it is looking to add more contributed data to its service, as part an effort to expand its market outside the equities area. However, sources say that ADP would at first work to expand the audience for Crossmar's data within its existing customer base. Later, the vendor would use the Crossmar data to make its service attractive to other financial institutions, particularly buy-side firms, which are increasingly interested in currency data (*IMD*, Sept. 12).

Though the deal finalizing the transfer of Global Report to ADP was signed Sept. 30, it was to be kept under wraps until Oct. 6, according to ADP and Citicorp spokespeople. The scheduled delay served to stoke further speculation, to say nothing of frustration among the parties involved. "There has been so much erroneous information about the sale of the unit itself floating around," says the bank's spokesperson. "Crossmar, a Citicorp subsidiary, has not been sold." (At press time Citi and ADP had missed their Oct. 6 deadline.)

The deal with ADP may be the last in a series of sales of Citi-owned information services. Last June, Citi sold the assets of Fame Software Corp. to a joint venture consisting of E.M. Warburg Pincus & Co. and startup Silberstein & Co. The collaborative result is