

Broadridge rethinks the OMS

Through its partnership with Glue42, Broadridge is bringing together the best components of its agency trading and market-making solutions. By Wei-Shen Wong



Major change often provides companies with the impetus to return to the drawing board, examine what works and what doesn't, decide what to keep or toss out, and reimagine and redesign products and processes.

Having finalized its acquisition of Itiviti—now rebranded as Broadridge Trading and Connectivity Solutions (BTCS)—Broadridge Financial Solutions is taking that opportunity to choose what remains and what changes for its order management system (OMS).

This could mean combining components from separate systems, essentially making workflows between the two more seamless.

In January, Broadridge announced that it is using desktop application interoperability provider Glue42 to make the trading experience more seamless. Glue42's technology will link applications together and provide clients with a framework to link interfaces from multiple Broadridge products, including the Ullink OMS and Tbricks.

The Ullink OMS is a multi-asset agency trading platform for the sell side, while Tbricks is an automated solution for principal risk trading and market-making.

Ofir Gefen, head of sales and revenue for Emea and Asia-Pacific at Broadridge, says there are many similarities between the Ullink OMS and Tbricks stacks. "They're both very flexible, they're both componentized, and as I like to describe them, they're essentially like Lego bricks that you can put together for a particular solution," Gefen says.

He sees the market pushing for an OMS multi-asset platform coupled with a derivative EMS platform, particularly to support increasing collaboration between desks at user firms—such as market-making and agency trading desks. Traditionally, these would live in separate silos, but now, when margins are squeezed, he says desks need to work more collaboratively.

But also, some workflows are starting to make sense from both sides, such as the request for quote (RFQ) workflow.

Two in one

When Ullink was absorbed into Itiviti, Gefen says there was work to connect certain things in the back end. But on the front end, the Ullink OMS and Tbricks system were two distinct systems with separate logins and their own look and feel.

"The reason is that clients were using them for separate things. One is geared toward agency, cash and some derivatives trading, and the other is geared toward derivatives market-making. Now, what we want to do is keep the advantages that we've built into these user interfaces, but make them more interoperable," he says.

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Once the combined OMS is live—which will likely be later in 2023—clients won't have to leave one system and go to another to, say, get an RFQ. Instead, the two screens would talk to each other.

"One thing we have done is looked at our overall OMS components and the Tbricks components, and see where, on the back end, the Tbricks stack could actually replace some of the things we were doing with the old [OMS] stack and do it better," Gefen says.

Another example is the vendor's smart order routers (SORs). He says Ullink had one that was "okay," but Tbricks was built for automation from the ground up to do things like smart order routing and market-making.

"So, we said, 'Let's take that component from that stack and push it across the board.' It's not like in all these years we haven't done anything to try and collaborate the stacks. But a lot of it was done on the back end. What we're doing now is bringing it also to the front end, and that's where Glue42 comes into the picture," he says.

Eiichiro Yanagawa, senior analyst for financial services at research firm Celent, says interoperability is a key technology for system modernization as market participants work to optimize the overall trade lifecycle. "Seamless API connectivity and interoperability between different modules is an opportunity to explore new trading alphas. We highly appreciate this initiative," he says.

A typical use case for interoperability would be establishing seamless connections between different front-office systems to back-office processes and middle-office control functions.

"Increasing interoperability is an important initiative for technology com-

panies that provide integrated solutions at the front, middle, and back offices. It is expected that integration layers, middle layers, and other solutions that help end-to-end architectural innovation will evolve in the future," Yanagawa says.

The glue that connects it all

Broadridge's approach is to provide clients with a toolbox from which they can pick and choose the tools that suit them, be it

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for the front office, market-making, the middle office, the back office, regulatory reporting, collateral management, and so on. Gefen says Glue42 is helping Broadridge put everything into one container, so clients can have an agency OMS solution and a market-making solution that they can use interchangeably.

"It's all connected through a component layer that helps it communicate. But you can pick and choose the components. Maybe you want the front office but not the back office. It's up to you," he says.

The technical challenges and opportunities facing Broadridge are common among companies that have grown through acquisitions, says James Wooster, COO at Glue42.

"What that presents to the acquirer is a bit of a technical nightmare because

these acquisitions have different kinds of products built with different technologies, different user interface styles. Bringing those in, such that where appropriate, they can work with each other, is a non-trivial problem to solve," he says.

According to Wooster, Broadridge has a "well thought-out" vision of how its front-to-back offering will work. First, from a client's perspective, Broadridge has mapped out typical use cases and workflows and how they span their existing applications. Then, it looked at how it involves third-party applications—which are non-competitive—that are already on the client's desktops.

"Broadridge, like many vendors of its age, has quite old technology in some of its products and very brand new technology in others. So, the first problem is, how on earth do you go about integrating .Net and Java applications with modern JavaScript applications? So Broadridge is using Glue42 to integrate what they've got. But at the same time, what they're doing is encapsulating their existing applications and decomposing their existing applications such that in the future, they can swap out a small component, which is legacy in terms of its construction, and then replace it with a new version of same written in modern technology," Wooster says.

He says the idea there is that all application components are in a single workspace, then firms can, from the beginning, define the user experience and user interface. Then, over time, firms can take parts of those applications and either dispose of them or replace them with something new.

"But all the while, the users' journey and interface look almost the same," he says. [wt](#)