

Client Case Study: Managed Data Services

Meeting the challenge of regulatory demands and creating a value added client service

Broadridge developed a customizable asset valuation pricing solution that satisfied our clients' tailored data demands and global regulatory requirements.

Business opportunity

Like many in the financial industry, this large North American Fund Administrator, needed to comply with the FASB regulation FAS 157 — fair market value. They wanted an external partner to develop a “value added service” to their existing pricing model that allowed external fund managers to compare and select, at the fund level, the prices to be used when valuing their holdings. Our clients' requirements included:

- The quick adaptation of complex regulatory requirements providing pricing transparency
- Exceed clients' ongoing demands for fund administrators to provide fund specific pricing models
- Enable the collecting of and cleansing of data from multiple vendors while building automations for data usage and exception reduction and management
- Limited internal bandwidth and short time to market

Our solution

Broadridge's Managed Data Services provided our client with a complete solution balancing flexibility in pricing strategies with valuation oversight. The combination of Broadridge's best-of-breed products, Tier IV data centers, a global service team, and speed to market offered true value. Broadridge's solution enabled our client to continue offering the highest standards in support for investment managers while minimizing the risks associated with an in-house solution.

In a few months, the new pricing, analytics, and reporting capabilities were fully integrated into our client's platform. They are now able to offer their global clients multiple pricing sources with fund specific customization, including options from a hierarchy of more than nine sources of data, hard to price assets, and sophisticated price modeling. Our solution included:

- Enhanced service that delivers price calculation capabilities, including blended bid and offer prices and calculating depository receipt prices based on the underlying asset price. Client investment managers can quickly select, at a fund level, the rules to be used when valuing their holdings and ensure that funds are “fairly valued.”

Client Profile

A North American provider of asset management, fiduciary, banking, asset servicing, and fund administration solutions for individuals, families, corporations, and institutions worldwide that combines exceptional service and innovative technology.

- Asset managers can review pricing model effectiveness and analyze pricing exceptions and variances with improved analytics and reporting capabilities, enabling them to modify their internal pricing policies as regulatory changes and/or investment strategies dictate.

“We are delighted to support our client through our Managed Data Services. It is gratifying to see our clients benefiting from the significant investment in people, process, and technology that Broadridge has undertaken to make this service available to its customer base.”

–Nathan Wolaver, Global Head of Data Management Solutions, Broadridge

- Complex business rules are defined by the end client and validated against prices received from multiple data vendors. “Winning prices” are then made available to the appropriate accounting systems at various pricing points during the day to allow for portfolios to be valued.
- Data collection from multiple vendors, data scrubbing for inaccuracies, building and maintaining data usage rules, and exception management are handled entirely by Broadridge’s team of experts, freeing up resources to focus on business growth activities and lowering total cost of ownership.
- Broadridge’s Managed Data Services is available to all fund managers and fund administrators as an “off the shelf” solution to a problem that had once required a significant investment in technology and people.

About Broadridge

Broadridge is the leading provider of innovative technological and business process outsourcing solutions for the financial services industry, with expertise that encompasses every aspect of securities processing and investor communications. Our clients include global banks, retail, institutional, and discount brokerage firms, correspondent clearing firms, mutual funds, hedge funds, investment managers, and corporate issuers. All of our clients have one thing in common: They look to Broadridge for solutions that help to enhance performance, increase efficiency, reduce costs, and sharpen the focus on serving clients or shareholders.

About Managed Data Services

Broadridge’s Managed Data Services provides a complete solution to help firms meet increasing regulatory demands for data consistency, transparency, and accuracy, while avoiding the high costs and potential risks associated with a firm gathering, cleansing, and distributing such data on their own.



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