

Macquarie Wraps growth supported by Garradin

New investment management system scales effortlessly to accommodate new customers via automated bulk-processing.

Macquarie Wrap Solutions continues its strong growth (from \$3.9 billion to \$6.3 billion for the year ended March 2003), and has completed its transition to Garradin's asset management and investment accounting software product suite (Garradin Portfolio).

Our Wrap business is growing rapidly and it's obviously important that all elements of what is a complex systems environment are able to handle large numbers of online and batch transactions efficiently, explained Neil Roderick, Executive Director, Macquarie Wrap Solutions.

We implemented Garradin Portfolio to replace an older component system that was becoming a constraint on growth. Since going live six months ago, Garradin has proved its worth and scalability, enabling us to easily take on additional clients without having to increase staff, and we have significantly improved the performance of a number of our core processes. The success of the implementation showed that, with the appropriate project structure and processes in place, replacing a portfolio administration system can definitely be worthwhile.

Macquarie Wrap Solutions, part of Macquarie Bank's Financial Services Group (FSG), is a provider of wrap account and administration solutions to financial intermediaries and advisory dealer groups. The division specialises in superannuation, pension and non-superannuation services for back office and practice management needs.

Steve Thomas, Executive Director from Macquarie's Information Services Division, explained that the financial services market segment in general, and wrap solutions in particular, were very dependent on technology both to deliver services over the web and to administer the back office in the most cost-effective manner.

Our key performance indicator is service, and it's the technology that in large part facilitates that service, and as such is a critical element in our ability to serve our customers and so grow our business, said Thomas. Garradin is clearly coping well with the increasing client base and should continue to help us control costs as the business grows even further. By greatly reducing bulk-processing time, we have also been able to focus our energy on providing better customer service.

Macquarie Wrap Solutions went through an extensive selection process, carefully assessing six vendors, both local and international, before deciding on Garradin Portfolio, essentially for its scalability and architecture. Macquarie Wrap Solutions needed a scalable solution that would be able to cope with future growth and could also be integrated seamlessly with the other systems making up the Wrap architecture. Performance benefits were also obtained. For example, one particular interface improved by 50% once Garradin had been implemented.

Besides its scalability and architecture, Garradin Portfolio was chosen for its local ownership and design, assuring Macquarie of ongoing compliance with local tax and regulatory requirements.

Macquarie Wrap showed that with a well structured implementation and a true partnership approach, they were able to not only have an invisible transition for their clients, but they were also able to significantly add new business at the same time, said Garradin Director, Business Development, Simon Dominguez.

Dominguez said the Macquarie deal was particularly significant for Garradin because it marked its move into the retail investment management space. Although we have long been a big player in the wholesale investment management marketplace, the Macquarie contract has enhanced our competitive advantage by adding another significant string to our bow, he said. At present, we are the only local provider of a proven, fully integrated retail and wholesale investment management solution.

Macquarie and Garradin worked closely together to develop and include enhancements tailored to Macquarie's particular needs. These enhancements will now be incorporated into future versions of the Garradin Portfolio system.

About Garradin

Garradin is an Australian developer of a comprehensive multi-currency investment management system, Garradin Portfolio, which is designed for professional investment managers to manage their portfolio and trading activities in major domestic and international markets. Key features include the ability to manage securities trading and settlement, analyse the composition of portfolios, value and track their performance, check their compliance against preset rules and mandates, generate accounting entries, and produce a variety of operational and management reports, as well as customer documents.

Garradin Portfolio also incorporates a comprehensive Unitised Funds subsystem that manages the unit registry and unit pricing processes. These modules are designed for use in either stand-alone mode or as an integrated part of Garradin Portfolio. Garradin has a significant market share of some 30 percent of the Australian marketplace, with enterprise-level clients including Macquarie Bank Wrap Solutions, Perpetual Trustees, Alliance Capital and JP Morgan. Garradin also services the boutique management market with clients including Hunter Hall Investment Management, Parker Asset Management, Austock Brokers and Alpha Investment Management.

Further information on Garradin can be found at www.garradin.com