

CLIENT CASE STUDY

Profile

Client: Alpha Fiduciary
Generational Wealth Management

Location: Phoenix, AZ

Description: Independent RIA
Firm

Clients: High Net Worth
Individuals and Families, Mid-Level
Institutions

Year founded: 2007

Assets under management:
\$100+ Million

Staff: 4

Background

- ▶ Founder left major wire house to go independent.
- ▶ Needed portfolio accounting system, but did not want to grow operational infrastructure or staff.
- ▶ Tried a competing system to Advent, but found it lacked critical functionality.

“We outsourced and found a company to help us manage the technology so that if something goes down, I can just make a phone call and have the problem fixed. I can do that with Advent.”

Arthur Doglione, *President, Alpha Fiduciary*

With Advent OnDemand,SM Alpha Fiduciary is Free to Focus on Clients

Arthur Doglione decided he could serve clients better as an independent investment advisor than he could in a big wire house. After working with some of the largest Wall Street firms for several years, he founded his own RIA practice, Alpha Fiduciary, in 2007.

A Unique Investment Model

Alpha Fiduciary offers a unique investment concept Mr. Doglione calls the Modified Endowment Model. “It’s based on the successful endowments at elite universities,” he explains. “We’ve taken their approach to asset management and modified it to be applicable to high net worth individuals. The benefits are much more significant diversification, non-correlated returns, and using non-traditional asset classes that protect funds on the downside while still generating growth over time.”

A Focus on Clients

Mr. Doglione knew he needed a robust portfolio accounting system, but he didn’t want to get bogged down in technical and operational issues. “When you read about successful RIA firms, the one thing that is consistent is that they make sure they’re spending the majority of their time on client-facing activities,” he says. “To the extent that I have to go back and double-check all the portfolio accounting, or deal with issues of a back-end nature, that means I’m not spending that time on critical functions that grow the business.”

Solution

Advent Portfolio Exchange® (APX) through Advent OnDemand:

- ▶ Provides industry-leading portfolio accounting and reporting in a fully hosted environment with outsourced data management.
- ▶ Advent's back office experts manage operational functions, including custodial downloads, reconciliation, exception management, and performance updates.

Benefits

- ▶ Access to award-winning technology with minimal upfront investment.
- ▶ Reduces internal IT, software and hardware requirements, costs, and risk.
- ▶ Frees time for advisors to spend with clients, without worrying about technology maintenance or back office processes.

The Solution: APX through Advent OnDemand

After trying out a competitive system that lacked critical functionality, Alpha Fiduciary turned to Advent OnDemand. Through Advent OnDemand, firms can take advantage of Advent Portfolio Exchange® (APX), Advent's award-winning integrated portfolio management solution, delivered in an outsourced environment. APX offers:

- ▶ Fast and easy real-time access to portfolio data for decision making
- ▶ Enhanced performance measurement and reporting
- ▶ A scalable architecture to accommodate growth in assets and accounts
- ▶ Streamlined report generation and packaging, with a full range of standard reports plus custom capabilities

In addition, for independent advisors with no in-house IT expertise or operations staff, Advent OnDemand offers a complete outsourced back office solution, including:

- ▶ Custodial downloads
- ▶ Daily reconciliation, including exception management
- ▶ Performance measurement updates

The Outsourcing Alternative

With a new and growing firm, Mr. Doglione realized that outsourcing technology and back office functions would give him capabilities that he could not develop internally within a reasonable cost and timeframe.

"If I can get what I need at a competitive cost by outsourcing compared to hiring people to do the work internally, I'm much better off doing it that way," he says. "I know Advent is going to keep their offering as current and competitive as possible and they'll continue to improve it. If I were to try to do that in house, we would probably have a fraction of the functionality."

Data Conversion: The Critical Link

A major concern in changing portfolio accounting systems is converting data. Many firms believe they need to bring all their historical client data from their old system to the new one, which can be a long and costly process.



“We’re very well positioned to double or triple the size of the firm with very few additional staff members.”

In fact, the SEC does not require all data to be converted. The main determinant of which data needs to be converted is continuity of reporting. Mr. Doglione wanted to be sure his clients could continue to receive performance reports with no disruptions or delays.

“Advent took the time to see exactly what our data looked like, so they could tell us whether we could get it converted to where we could use it,” he says. “We didn’t want to go from showing a time-weighted return number to a dollar-weighted return number simply because we lacked the appropriate data. Advent did a very good job of outlining the conversion process and working with us to manage through each step.”

A Targeted Approach

Advent advised Alpha Fiduciary on a targeted approach to data conversion based on the firm’s critical reporting needs. “We provided them with month-end data for every client for every month,” Mr. Doglione recounts. “We were pleased that they were able to do the conversion behind the scenes and tax our system as little as possible. They put the necessary data in the proper format, and we were up and running in a matter of two weeks with an uninterrupted performance report.”

Mr. Doglione was also impressed that Advent was willing to offer advice and make a realistic project assessment during the discovery process, even before entering into an agreement. “Before we ever signed anything to do business with Advent, we were confident that we were going to be able to get where we needed to go.”

An Advisor’s Advice

At a time when the idea of independence has a lot of appeal among investment professionals, Mr. Doglione has some words of wisdom borne of his own experience.

“Get good help with regard to technology,” he says. “We outsourced and found a company to help us manage the technology so that if something goes down, I can just make a phone call and have the problem fixed. I can do that with Advent. With the right solution, I think you’ll solve 80% of your problems before they actually occur.”

It’s also important to think through your decision carefully. “Had we chosen Advent at the beginning, we would have saved considerable time and effort,” added Mr. Doglione.

Outsourcing as a Long Term Solution

For Alpha Fiduciary, outsourcing to APX through Advent OnDemand is not merely a short term fix, but rather part of a long term growth strategy. "We have more than \$100 million in assets," says Mr. Doglione, "but that's still a very small RIA compared to where we want to be."

The choice of Advent, he says, is part of the plan to help the firm reach its ambitious goals. "Between our unique investment models, the custodian that we work with, and Advent's technology, we feel that we're very well positioned to double or triple the size of the firm with very few additional staff members."

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