

Stratford invests in Miramo

An automated document production system based on Miramo is slashing the time taken to produce performance reports and freeing up analysts' time for more valuable activity at a Chicago-based investment consultancy.

What investment consultancy clients pay for is not so much the collection and presentation of market information relevant to their existing or proposed investments, but the timely and informed analysis of that data to help them plan and execute their investment strategies to best effect.

This is very much the case at Chicago-based full-service investment consultancy Stratford Advisory Group. Established in 1982, the firm has approximately 100 clients, mostly organizations and corporates, and distinguishes itself by a proactive consulting approach. A key part of the reporting requirement for these clients is a quarterly performance analysis, which can typically run to 50 pages and which includes a range of tabular material, graphics and charts to illustrate performance and market movements in the sectors relevant to the client's portfolio, combined with the analyst's comments and recommendations.

Until early 2004 these reports were being produced manually by Stratford's investment analysts. Some of the relevant market data was exported from a FoxPro database into a spreadsheet where charts and graphs were produced as necessary, and other data keyed in manually. These were then imported to a presentations program for positioning and the addition of the analyst's commentary. Once reviewed and approved, the reports were printed in-house on high speed mono or color laser printers for binding and mailing to clients.

"It was not a great way of doing things," admits Director of Information Services Scott LaBoda. "It was very time-consuming for the analysts, and prone to errors as they were copy-typing figures. The presentation software wasn't a page layout program and there were printing issues as it didn't support PostScript output," he elaborates.

Problems could arise in getting the tabular content right as well. Because each new report would be started by saving a copy of

the previous quarter's file in order to use its formatting and boilerplate content, there was a risk that outdated spreadsheet files might still be linked to the new report, an error that would not be immediately obvious.

On top of these logistical issues, there was an unavoidable variation in the visual styling of reports. "Each was done by a different person, and each developed their own pseudo-format," comments LaBoda. As these reports are effectively a commodity, LaBoda and his colleagues were looking for a greater degree of standardization as well as ways of speeding up and simplifying the report generation process.

"It had to be a quality publishing solution, able to support both print and PDF for posting on our web site."

Better things to do

It was clear that some kind of automated solution was desirable, both to standardize content and appearance and to free up analysts' time for more useful activities. But production values were important too, as LaBoda comments: "It had to be a quality publishing solution, able to support both print and PDF for posting on our Web site."

An Internet search for automated publishing tools presented a variety of options to LaBoda and his colleagues. Some offerings from the financial industry were rejected on grounds of being insufficiently automated or unable to support the quality publishing features necessary. A solution based on a page layout program popular with graphic designers was too closely linked to the raw market data and would not have allowed the flexibility that Stratford needed.

"We wanted to control the database and keep the report generation a separate matter," explains LaBoda. "The majority of

PROFILE

Stratford Advisory Group

Independent full-service investment consulting firm providing active oversight, specific recommendations and assistance. Producing client reports was time-consuming for analysts and error-prone.

Miramo allows data to be imported via XML for automatic formatting and production of reports, keeping database and publication separate.

The system is accessed via the company intranet and generating a report is not much more complex than pressing the 'print' button.

Report generation has been cut from around three days to about 30 seconds.

solutions we considered were ODBC-based but we wanted to use XML, which doesn't require all the data in the referenced fields to be available at the time the file is created. By creating a generic XML file we also gain flexibility, as that data can be repurposed in several ways, such as for presentations as well as printed reports."

Self-sufficiency

Another key factor for Stratford was the desire to become self-sufficient as soon as possible with any adopted solution. As LaBoda explains, "If it's 8pm and a report has to go out, we need people there who can make that happen, not have to phone a consultant who will fly in two days later."

The search led to Axial InfoSolutions, a West-Coast systems integrator and experienced Miramo solution provider. "Axial was happy to provide just the bits that we wanted," recalls LaBoda, "which meant that we could implement and learn the system piece by piece. This also allows for a more flexible response to changes in requirements, which I expect to happen as we progress."

Axial InfoSolutions accordingly designed templates for Adobe FrameMaker which provides the page composition engine in Miramo, plus XML translation facilities to convert Stratford's generic XML code into a form suitable for input to Miramo. The firm also worked with LaBoda to generate the generic XML structure that would be created from the corporate database, while LaBoda developed a utility to extract the required information from the database using Macromedia's ColdFusion.

Implementation of the Miramo-based system went smoothly. It's initially being trialled for the quarterly reports and will be extended to other reports types in the near future. LaBoda is finding that the biggest implementation issue is not a technical one but getting analysts used to the more standardized form of reporting. "We could customize their options indefinitely," he says, "but it would give too many choices at report generation time. The simplest method is just to choose the client and the date, but other options can be saved as preferences so that subsequent reports will follow the same profile."

Push-button publishing

The analysts at Stratford access the Miramo automated publishing system via intranet using standard Web browsers. This allows them to select the client and to input their market commentary and recommendations. Generating the report is then not much more complicated than pressing the 'print' button. Market performance data is drawn from the corporate database or online services, graphs and charts are created by Corda Technologies' PopChart and placed together with the analyst's text into a FrameMaker

MANAGER EVALUATION

International Fund

As of March 31, 2004

Cumulative Performance

	Fund	Russell 2000	Median ¹
3 Months	6.3%	6.3%	5.3%
1 Year	50.5%	63.8%	57.6%
3 Years	12.1%	10.9%	11.1%
5 Years	15.6%	9.7%	12.2%
10 Years	17.0%	10.4%	11.7%
Since Inception	29.5%	32.7%	29.9%
9 Months			

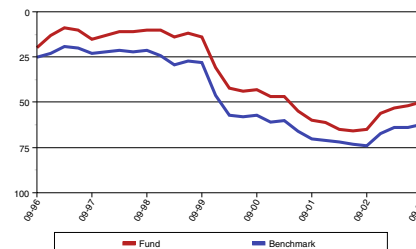
Calendar Period Performance

	Fund	Russell 2000	Median ¹
2003	39.8%	47.3%	43.1%
2002	-12.7%	-20.5%	-19.3%
2001	-5.7%	-2.5%	3.6%
2000	11.9%	-3.0%	7.4%
1999	38.5%	21.3%	8.5%

Portfolio Characteristics

	Fund	Russell 2000
Wtd. Avg. Cap. (\$bil)	44.7	0.1
Median Cap. (\$bil)	26.6	0.1
Cap Distribution		
Large (>\$10.0 bil.)	-	-
Mid (\$1.5 - \$10.0 bil.)	-	0.1%
Small (<\$1.5 bil.)	-	0.9%
Dividend Yield (%)	2.3%	1.0%
P/E (ex. negative earnings)	17.4	21.90
Stocks in Portfolio	-	-
Allocation to top ten stocks	-	2.4%
3 Year Beta	0.95	-
Information Ratio	0.13	-
Sharpe Ratio	0.12	0.00

Quarterly Rolling Three-Year Rankings¹



1. Stratford Small Cap Equity Peer Group median.

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document by Miramo. From here a print-ready PDF file is automatically produced and emailed to the analyst for review.

"From entering the commentary to receiving the finished PDF takes about 30 seconds, a vast improvement over what previously could take three days to achieve," reports LaBoda. "A rough projection I made suggests that over four years and after costs, the system should save \$450,000, which is about a 400 per cent return on investment."

Another benefit of the Miramo implementation is that because the XML route effectively decouples the database from the publishing system, it's possible to generate a report with empty fields. This might not sound like a useful thing to do but it provides a quick and easy way for analysts to identify which information is missing at any given time by quickly generating a preliminary report.

The automated report generation system

"From entering the commentary to receiving the finished PDF takes about 30 seconds"

also decreases the marginal cost to the firm of adding new clients. "Before Miramo we had to add staff to meet the reporting requirements when we gained new clients," says LaBoda. "Additionally, Miramo will help smooth out the workload, as we no longer have to staff up to meet peak requirements only to have those people under-employed at other times." ■

Miramo combines market performance data with graphs to produce fully-formatted investment reports on the fly (sample document shown).

Miramo[®]

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