



Data Management Challenges Cause Concern about Lost Revenues for Nearly 70% of Executives, According to New Broadridge Financial Solutions Report

Released : 12 06 2012

LAKE SUCCESS, N.Y., Dec. 6, 2012 /PRNewswire/ -- A new report issued today by [Broadridge Financial Solutions](#) (NYSE: BR), "[Big Data: A Big Problem for Brokerages](#)," cites the vast data management challenge that mutual fund distributors – large brokerages, banks, trusts, medium-sized independent brokers and retirement plan providers – face when it comes to mutual fund invoicing, reporting and analysis. This challenge has the potential for a significant impact on business as a whole and specifically, finance, sales, operations and compliance teams.

(Logo: <http://photos.prnewswire.com/pmh/20110920/MM71626LOGO>)

Among the key findings of the report, 65% of firms currently accommodate some or all of their data and analytical needs by means of error-prone manual processing like spreadsheets, and 80% say that they worry about unnecessary staffing expenses from those manual processes. Worse, 68% of executives expressed significant concern about the potential for lost revenues due to inaccurate invoicing or difficulty in auditing fund company payments.

"In today's environment of slower growth, increased competition and stringent regulatory scrutiny requiring more information disclosure, firms distributing mutual funds must look for new innovative avenues to leverage their data for more accurate invoicing, revenue forecasting, and sales and compliance reporting, all while managing costs," said Thomas Quercia, Senior Vice President, Business Development, Mutual Fund and Retirement Solutions, Broadridge.

Noticing this industry challenge while working on data transformation issues for mutual funds, Broadridge commissioned Patpatia & Associates to lead in-depth interviews with 50 executives at 25 distributors; this research focused on information management in key business functions and their ability to derive critical insights from data to make effective business decisions.

"When speaking with executives in finance, operations, sales, marketing, and compliance roles, we saw a significant need and desire within the industry for distributors to improve enterprise-wide information on mutual fund sales to drive down costs, improve cash flow and revenues, drive sales, and reduce compliance risks," said Sunny Patpatia, Chief Executive Officer, Patpatia & Associates. "Most of these firms' leaders didn't shy away from telling us just how much this issue concerned them."

Sales and asset position data is critical to the success of mutual fund distributors, but managing this data is difficult to do well as it involves gathering, scrubbing and analyzing data on multiple investment products sold through different account types, as well as normalizing data taken in from multiple third party systems and reports (e.g., custodians, fund companies). Nearly 74% of the firms expressed a strong interest in changing the way they approached the data challenge.

Earlier this year, Broadridge unveiled the [SalesVision Distribution Manager Platform](#), a powerful suite of financial analysis and reporting solutions that enable broker-dealers to improve revenue management, monitor sales and asset trends across products, and manage regulatory compliance.

About Broadridge

Broadridge is a technology services company focused on global capital markets. Broadridge is the market leader enabling secure and accurate processing of information for communications and securities transactions among issuers, investors and financial intermediaries. Broadridge builds the infrastructure that underpins proxy services for over 90% of public companies and mutual funds in North America; processes more than \$4.5 trillion in fixed income and equity trades per day; and saves companies billions annually through its technology solutions. For more information about Broadridge, please visit broadridge.com.

About Patpatia & Associates

Patpatia & Associates is a financial services consultancy dedicated to providing innovative, practical, and executable business strategies that enable leading financial firms to maintain competitive advantage and capitalize on evolving market trends and dynamics. Patpatia & Associates provides a full spectrum of consulting services to provide strategic planning and clear, executable tactics to address the dynamic and challenging issues facing the financial services industry today. For more information about Patpatia, please visit: www.patpatia.com.

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