

# CLIENT NEWS

Save these dates for the  
**Fall 2001  
Conference**

September 5 – 7  
Washington, D.C.  
<http://connection.advent.com>

Log on and be counted! The new Web site **www.AdvisorBenchmarking.com** provides investment advisors with a free interactive survey that allows them to compare their business practices with the practices of others in the RIA community. See the article on **page 6** to learn more about this exciting new resource.

Check out Advent Connection for the new online **Platform Matrix**. Get the latest information on all past, current and upcoming Advent product releases and the underlying platforms each release supports. Just go to the Software Center and click on the "How to Upgrade" section on the right.

Watch your e-mail for **Advent e-News** — Advent's online client newsletter. This monthly newsletter is designed to keep you informed about products, services, events, educational offerings, product upgrades, Alliance partners and more within Advent.

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## Folio Investing: An Attractive Alternative to Mutual Funds and Traditional Stock Portfolios

In March of 1924, three Boston securities executives pooled \$50,000 to create the Massachusetts Investors Trust. Little did they know that this shared investment, which they named the mutual fund, would become the single most popular vehicle in the history of the investment industry. It has taken more than 75 years, but the industry may have finally come up with an idea that matches their remarkable invention.

It's called folio investing, an online vehicle that merges the convenience and risk diversification of the mutual fund with the control and flexibility of owning individual stocks. Steve Wallman, a former Commissioner of the Securities and Exchange Commission, gets credit for introducing the idea of folio investing through FOLIO*fn*, the Virginia-based company he founded in 1998.

Last May, FOLIO*fn* launched its new Internet-based FOLIO *Investing* service, followed in January by a service specifically designed for professional investment advisors. The professional version, called FOLIO *Advisor*, integrates with Advent Office™ and is part of the Advent Alliance Program.

### New Advent INX Enables On-Demand Client Reporting

Advent recently announced the release of Advent INX™, the newest exciting addition to our ever-growing roster of investment management solutions. Advent INX is a highly scalable component of the Advent Office suite that enables firms to add Axy's® content to an investor Web site.

Data is extracted from Axy's on demand, allowing investors to view their accounts online with the most up-to-date information that a firm chooses to provide. Via the Advent INX flexible XML interface, this account information can be further processed by the Web site to apply styles that match the look and feel of the other information on a firm's Web site, or to perform new calculations on the Axy's data. You can even filter, combine, or augment the data with additional information. The level of customization applied to the Axy's information provided by Advent INX is at the discretion of the firm, and can change over time as business needs evolve.

For most firms, the investor Web site is a part of their overall information delivery strategy for clients. Investor Web sites provide information to the user on

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### Overcoming the Drawbacks of Traditional Vehicles

"Technology has allowed us to create a better way to invest," says Wallman. "FOLIO *Advisor* gives investment professionals a tool to easily and affordably combine diversification with the control and tax advantages of direct stock ownership—while eliminating many of the drawbacks of mutual funds and individual stock picking."

What exactly are the drawbacks of these twin pillars of the investment industry? As an investment professional, you may be all too familiar with them. With mutual funds, for instance, the year-end capital gains distributions and resulting tax consequences can take a bite out of after-tax performance. In addition, mutual fund investors often complain that their funds rarely out-perform the market on a year-over-year basis; indeed, last year's superstars are frequently this year's under-achievers.

These issues, together with the management fees that funds charge to stay aligned with a model, often

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### Advent TrustedNetwork Roll Out Continues

Over the past year, we have been busy both sharing our excitement about Advent TrustedNetwork<sup>SM</sup> and rolling out our new business-to-business solution to the financial services community. You may recall that Advent TrustedNetwork consolidates the various investment accounts that make up an investor's total portfolio (401Ks, managed broker accounts, online broker accounts, annuities, and so forth) across the numerous institutions where they're held.

On an operational level, Advent TrustedNetwork uses a secure, scalable network infrastructure to transfer system-of-record information directly from custodian back-office accounting systems to Advent TrustedNetwork's systems of financial advisor firms. Once the advisor firm receives the account data from the various custodial institutions, the advisor and investor can see a consolidated view of all the accounts and gain a detailed understanding of each account's current status and history.

But Advent TrustedNetwork allows advisor firms to deliver more than consolidated information to their

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# The Right Tools Can Help You Thrive in an Uncertain Market



By Peter Caswell  
President and CEO  
Advent Software, Inc.

It has been quite some time since the stock market has seen the level of uncertainty that it has over the past 12 months. Yet investment professionals know better than anyone that the current market phase is a natural and temporary ebb in a long-established economic cycle. And while no one knows for certain when the current weakness will end, many analysts remain optimistic about a late-year turnaround. In the meantime, however, what can you do to continue to grow your business and increase your profits in an uncertain market?

As an Advent client, you have already positioned your business to run efficiently whether the market is growing briskly, slowly, or not at all. As a result, you're almost certainly weathering the current slowdown better than organizations that don't have the benefit of the kinds of solutions that Advent offers. But is there something else you can be doing to help ensure your continued success in the slow-moving market of 2001? We think there is.

The periodic breathers the market takes after torrid growth spurts present different opportunities than the ones we've become accustomed to. In fact, in discussions with clients it is apparent that many of you are using this correction as a tool to remind your clients why they have a professional advisor managing their money. The slowing market also gives you a chance to focus on your internal system infrastructure. Filling the automation gaps in your systems can lead to greater efficiency now and put you ahead of the curve when the market begins to accelerate again. One operational area whose enhancement can yield especially important returns in this market is client management.

## Client Management Should Take Center Stage

Client service has always been a key to success in the investment business. Of course, in slow periods, managing and communicating with clients becomes even more critical. Investors, naturally, want to know that you understand their concerns, anxieties and specific goals in a changing economy. They want to feel that their investments are doing as well as possible given the current circumstances.

We designed Qube® our client relationship management software, to simplify the process of communicating this information. Qube integrates with Axys to track multidimensional data on clients, their investments, and the network of people related to those investments. This allows you to access impressive details instantly while a client is on the phone. Our newest edition, Qube Release 3.5 (scheduled for release in July), also integrates with the Advent Office suite's MyAdvent™ Web portal. With this capability, you can

have client information from Qube, such as next/last call dates, retirement distributions, and birthday alerts, appear automatically as alerts on your personalized MyAdvent page.

## Improving Your Image to Customers

To further improve client service, make sure to take advantage of the new reporting features in Axys Release 3.4. The software's graphical compound reporting tools together with the report drill-down feature have received wonderful reviews from advisors and also from their clients, who have received enhanced quarterly report packages.

And let's not forget Advent TrustedNetwork, our innovative new online portfolio consolidation solution, as a tool for enhancing the service and value you offer to investors. As we continue to roll out ATN, we encourage you begin participating in the network and providing consolidated portfolio reporting and holistic advice to your clients. True portfolio consolidation is a new and attractive idea to investors. As such, it will enable you to draw additional attention to your service offerings, despite the current market conditions.

## Streamlining Trade Order Management

Trading and order management also rank high on the list of operational areas that can help increase your efficiency and success in the current economic environment. For the greatest impact on trading efficiency, consider implementing Moxy's Financial Information eXchange (FIX) module. Moxy® with FIX has enabled a number of investment firms to achieve productivity improvements of 50 percent and more across their trading operations. By electronically routing the vast majority of smaller orders to FIX brokers for instant execution and confirmation, traders have more time to dedicate to their larger, more profitable trades.

Moxy's new real-time pricing capabilities, available from our Hub Data division, will add further speed and efficiency to trade order management. This new service, together with the FIX engine, will not only help traders and portfolio managers better navigate an uncertain market, they will allow them to move quickly when the market takes off again in the coming months.

Until it does, think of this as an opportunity to focus on efficiency and productivity. By adding new integrated Advent Office solutions and updating existing ones, you can continue to increase productivity to counteract shrinking volume. Just as important, when the market does return to form, as it always does, you'll be ready to move at the speed limit. ❖

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## Fall 2001 Conference

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Washington, D.C.

<http://connection.advent.com>

# Advent Hands On Workshop Schedule 2nd Quarter, 2001

For more information on the array of Education Services offerings, or to register for a class, go to [http://connection.advent.com/prof\\_services/education/](http://connection.advent.com/prof_services/education/) or call (800) 285-4111 extension 1114.

INTRODUCTORY TRAINING 2 Day Workshop 9a - 4p		INTRO TO AXYS-FAST TRACK! 2 Day Workshop 9a - 4p	
City	Date	City	Date
San Francisco	June 11 - 12	San Francisco	May 7 - 8
New York	June 11 - 12	New York	May 7 - 8
PERIOD END PROCESSING FOR ACCURATE RECONCILIATION 9a - 4p		MACRO & SCRIPT WRITING FOR WORKFLOW EFFICIENCY 9a - 4p	
San Francisco	May 9 or June 13	San Francisco	June 13
New York	May 9 or June 13	New York	June 13
THE WIDE WORLD OF AXYS REPORTS 9a - 4p		PERFORMANCE MEASUREMENT AND REPORTING 9a - 4p	
San Francisco	June 14	San Francisco	May 11 or June 15
New York	June 14	New York	May 11 or June 15
ORDER CREATION IN MOXY 9a - 4p		MAINTAINING MOXY 9a - 4p	
San Francisco	May 14 or June 25	San Francisco	May 15 or June 26
New York	May 14 or June 18	New York	May 15 or June 19
WORKING WITH QUBE 3.1 9a - 4p		THE DTC INTERFACE 1p - 4p	
San Francisco	May 17 or June 28	San Francisco	May 16 or June 27
New York	May 17 or June 21	New York	May 16 or June 20
THE WORLD OF DATAPORT AND INTERFACES 9a - 12p		DATAPORT QUESTION & ANSWER SESSION 9a - 12p	
San Francisco	May 10	San Francisco	May 10
New York	May 10	New York	May 10

All Axyx training is conducted in Release 3.x. However, these workshops are also appropriate for Axyx Release 2.x users.

## Advent Launches Web-Based Training

In response to client feedback and market validations, Advent recently launched its first free Web-based training classes. Web-based training is training deployed over the Internet, via *Advent Connection*. It is different from Distance Learning because there is no instructor and it is asynchronous, i.e., you can take the class whenever you like.

Advent currently offers two Web-based training classes free of charge, *Learning Axyx Essentials* and *Allocating Moxy Orders*. The classes are broken down into short lessons and modules, with a quiz after each lesson. These course are at a high-level, and are for new users or anyone who needs a refresher.

Advent recommends that you view the appropriate Web-based training class before attending introductory training or receiving consulting. Web-based training has the following benefits:

- It is interactive. During each lesson, you are asked to give responses to questions and problems that test your understanding of

the subject. The class gives you immediate feedback by letting you know if your answer is right or wrong.

- It is self-paced. You can choose to complete a class during one sitting, or go back to it.
- It can be taken again and again. You can refresh your own knowledge, retrain employees, or train new employees.
- It is standalone. Although the class contains authentic screen shots, it is a standalone module. You will not be using your data as you learn the product. You do not need the corresponding Advent product on your system, so you can take the class before you install the product in-house.

Web-based training covers similar content that is on Advent's computer-based tutorials (CBTs). It will eventually take the place of CBTs so Advent can take advantage of the Internet medium. Advent plans on introducing a Web-based training class soon on Qube, and will offer other classes based on client input and demand.

Web-based training includes a feature called "Ask The Instructor," which allows you to post questions to an instructor while you are taking the class. For more information, and to take a class, go to *Advent Connection > Learning Center*. ❖

### Did you know . . .

- Advent Alliance Partners provide free XML integration that link their products to Advent's products.
- You can find information about Alliance Partner solutions at <http://connection.advent.com/marketplace/>.
- There are approximately 1000 clients currently using Alliance Partner solutions.