



Market Data Invoice and Inventory Managed Services

A complete work flow for
subscriptions data invoicing,
administration, management,
reporting and strategy



Executive Summary

Market Challenges

Market data sources exploding

Data managers at financial institutions are being asked to administer an endlessly growing list of information sources, greatly adding to the burden of managing the already-challenging relationships with vendors.

- These providers include the traditional set of market data vendors that supply the critical information that drive trading and investment processes.
- Institutions today are also subscribing directly to services from a range of new providers, such as exchanges and other execution venues, which see data sales as an important and growing source of revenue.
- In some cases, they are consuming information from a raft of completely new providers, some from unlikely sources, whose so-called 'alternative data' is being used by firms to exploit new market opportunities.

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Licensing becoming more complex

At the same time, data licensing agreements and invoices are becoming more complicated, as are the associated usage declarations required by many such agreements.

- The complexity of services and the corresponding invoices from some key data vendors is growing as firms' own activities diversify and their use of market data becomes more specialized.
- The propensity for working from home due to the Covid-19 pandemic has added to the challenge, with many licensing agreements found lacking with respect to provisions for multi-site data consumption.
- The sheer volume, variety and complexity of licensing agreements means firms' data teams are increasingly stretched.

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Growing administration is overwhelming

For large firms, this situation is creating a huge amount of administrative and licensing information to keep on top of, forcing firms to dedicate substantial resource to the task of validating and processing contracts and invoices.

This is in addition to having to make monthly and annual usage declarations to increasing numbers of exchanges and vendors.

Smaller firms, meanwhile, often don't have the resource nor the internal expertise to deal with this complexity and volume. Where they have turned to outsourced services for help, expertise is often lacking, in the form of a firm understanding of the nuanced issues of contract management.

In short, data provision in capital markets and financial services is a highly dynamic marketplace.

Policies and licensing rules change all the time, adding to the ongoing complexity faced by data managers, and forcing the question of whether existing internal processes represent the best approach to dealing with the huge administrative challenge.

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Practitioner Pain Points

FOR THOSE TEAMS AT FINANCIAL INSTITUTIONS WITH RESPONSIBILITY FOR MANAGING COMMERCIAL RELATIONSHIPS WITH DATA SUPPLIERS, THIS VOLUME AND RATE OF CHANGE OF LICENSING RULES PRESENT SEVERAL CHALLENGES.

- First is the cost of resource, which clearly increases as team members are added to deal with the growing management task.
- Dealing with this workload is especially challenging for smaller teams, for obvious reasons. These teams may be stretched to breaking point should they lose key members with expertise of specific market areas of supplier relationships, whether to illness, maternity leave or holidays/vacations.

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- And of course, there are many even smaller companies that have no dedicated market data team at all. In these cases, various people from across the company are often required to contribute part of their time to these tasks.
- Often, there is no central management of information services subscriptions, which brings the obvious risks and inefficiencies.

Finally, this large and moving administrative task can prove all-consuming for stretched data teams. With all team members effectively tied up with pressing contractual, reporting and invoicing tasks, taking a bigger-picture view is difficult. This leaves many firms with no strategic planning for managing existing data consumption or future planning.

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What's Needed

Focus resources on driving business value

It's worth noting that while managing data subscriptions and costs is vitally important, there is no competitive advantage to be gained from devoting internal resource to it; all firms are bound by the same rules and requirements governing exchange market data usage, for instance.

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Also, mainstream market data vendors treat all their clients in the same way, whether that is through standard pricelists or through the application of business use rules. This explains why more innovative firms are able to get help from outside specialists as they seek to get a firm grasp of their data contracts.

This appetite for engaging with outside help is being further encouraged by a wider drive among financial institutions of all types to shift on-premises activities on to cloud or SaaS-based managed services wherever possible.

This trend is particularly prevalent among buy-side firms, many of which have identified the opportunity to move many core functions off premises, ranging from help with their market data administration through to outsourcing of the entire trading function.

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Improve efficiency and vendor compliance

Against this backdrop, firms need to be able to:

- Take stock of their current data subscriptions and licensing agreements.
- They need to ensure that only those personnel entitled to receive content and data under these agreements are actually permitted to access them.
- They need to be sure the invoices they receive from their suppliers accurately reflect the latest iterations of their data licenses.
- And they need to ensure they can identify, categorize, account for and declare data usage accurately to ensure compliance with licensing agreements and policies.
- In addition, there is the need to check actual usage against what's allowed under the current data license. Staying up to date is a significant challenge.
- Data administrators need to check their current invoices with their inventory of contracts and licenses to identify possible changes and exceptions.
- They also need to ensure any credits they have earned have been applied to their most recent invoices, and otherwise verify that they are accurate and up to date.

Introducing TRG Screen Managed Services

TRG SCREEN MANAGED SERVICES CAN HANDLE THE COMPLETE WORKFLOW FOR CLIENTS SEEKING HELP WITH THEIR SUBSCRIPTIONS DATA INVOICING, ADMINISTRATION, MANAGEMENT, REPORTING AND STRATEGY.

TRG Screen helps clients by taking over ownership of cost and license inventory management in the FITS and INFOmatch inventory platforms.

This includes:

- Updating vendor agreements, monitoring and notifying on expiry dates, and the allocation of licenses to users, departments and applications.
- In addition, the complete workflow of new requests, including approvals, can be facilitated.
- On a monthly basis a set of best practice reports are shared with all client's stakeholders, and ad-hoc reports are available as well.

The Managed Service team oversees the inflow of invoices and reconciles them against current inventory after which a normalized export is sent to the client's accounting system in order to complete payments and update administration.

Solutions for firms of all sizes

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These processes take care of a huge burden for firms that need to monitor vast amounts of data in order to stay on top of their current situation. This can translate into cost savings derived from netting of services and identifying redundant or unused services.

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For larger institutions, having TRG Screen to take on this function allows them to free up dedicated resource to do more valuable things.

For smaller and more specialized financial institutions, it ensures the correct levels of expertise are applied to tasks that due to resource constraints may not be otherwise possible. In these instances, the Managed Service team is able to provide more strategic inventory management services, drilling into the more complex invoices of certain data providers, which often are particularly challenging for smaller players to handle adequately.

Vendor and exchange declarations

In addition, through the company's Axon Declaration Service (ADS), TRG Screen can take responsibility for declaring market data usage to vendors and exchanges.

- In each case, TRG Screen takes data from clients' entitlement reports, inventory systems and human resources / ERP systems, and uploads it into the proprietary ADS software.
- This client data is analyzed against the Axon PEAR database to ensure it is up to date with the suppliers' latest policies and that the rules are being consistently applied, particularly as they relate to unit of count, waivers, credits and other aspects of the licensing agreement.

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- Once the client information has been checked against PEAR, it is then sent back to the customer in the form of a delta report comparing the latest data with the prior month's filing.
- Clients are alerted to any major changes, before TRG Screen submits the final reports to the appropriate vendors and exchanges.

In addition to ensuring usage declarations compliant with supplier licensing policies the ADS service identifies and maximizes savings opportunities from optional usage netting and Natural User schemes.

The most comprehensive service available

In short, TRG Screen Managed Services can handle clients' need for operational processing of documents, including invoices, policies and distribution agreements, as well as helping them deal with vendor relationships.

By working with TRG Screen, firms are able to bring a greater degree of operational excellence and subject matter expertise to their market data administration and management functions.

From this point, clients are also able to benefit from other TRG Screen service offerings, including usage monitoring via the DART platform or through the XMon relationship with XPansion FTS.

The result is true transparency across the lifecycle of subscriptions, from usage monitoring and reporting, through to reconciliations and compliance with licensing agreements.

Finally, a planned enhancement is for the Managed Service solution to be ported to TRG Screen's 'Optimize' platform, unifying spend and usage management as well as state-of-the-art reporting capabilities.

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About TRG Screen

TRG Screen is the leading provider of software used to monitor and manage subscription spend & usage across the entire enterprise.

TRG Screen is uniquely positioned to offer the full spectrum of enterprise subscription management capabilities across:

- Spend management – FITS & INFOmatch (inbound licensing)
- Usage management – ResearchMonitor (online resources), DART (terminals) & XMon (data feeds)
- Enquiry & workflow – Quest
- Exchange compliance & reporting – AXON
- Revenue management – INFOmatch (outbound licensing)
- Specialist consulting services, managed services & events

TRG Screen is differentiated by its ability to comprehensively monitor both spend on & usage of data and information services including market data, research, software licensing, and other corporate expenses to optimize enterprise subscriptions, for a global client base.

TRG Screen's clients realize immediate ROI and significant long-term cost savings, transparency into their purchased subscriptions, workflow improvements and a higher degree of compliance with their vendor contracts.

Our global client base consists of more than 750 financial institutions, law firms, professional services firms and other blue-chip enterprises that jointly manage more than \$8.5 billion of subscription spend using TRG Screen's software solutions.

TRG was founded in 1998 by a group of financial technology executives passionate about helping firms manage their high value data subscriptions.

In October 2016 TRG acquired Priory Solutions adding powerful usage tracking solutions to our portfolio of solutions.

We further strengthened our position as a market leader in enterprise subscription spend management when TRG acquired Screen Group in January 2018.

In June 2019 AXON Financial Systems, the leading provider of exchange policy and compliance solutions, joined the TRG Screen family. The combined TRG Screen business provides a truly unique global offering.



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