

A comprehensive solution

Mark Standish of LightPoint reflects on the genesis of the firm

Q When did you first become involved with LightPoint?

A I was managing partner and CIO at a multi-manager fund that was using in-house software as our front-to-back technology solution. The head trader had worked with a team of software developers for five years to build something that exactly met his needs. The supporting functions were also designed by experts in their fields.

Q Why did you decide to turn your in-house system into LightPoint?

A I had never used, or even seen, a system that was as comprehensive and user-friendly as this. It is the only system that I have come across that allowed us to understand how we generated our alpha. We could surface any risk or compliance issues in real time to our portfolio managers and traders. We could add more managers easily, without having to add more operations staff. The automated workflow gave traders and portfolio managers tools that they could use themselves so that they were not reliant on custom spreadsheets or IT-generated reports. Having looked at many products on the market, there was nothing close to this.

Q What did building a product from an in-house system involve?

A Our in-house solution had great capabilities for order management, portfolio management and compliance. It supported and consolidated as many as 35 teams. However, in order to build a product for a broader market, we had more work to do. We started by hiring top talent



Mark Standish
LightPoint Financial Technology

Mark Standish is the chief executive officer of LightPoint Financial Technology. Standish was a founder of LightPoint, which began with the internal technology platform used by Deimos Asset Management, where he was managing partner and CIO. Prior to this, Standish spent 19 years with RBC where he was Co-CEO of RBC Capital Markets and RBC Investor and Treasury Services, and group executive of the Royal Bank of Canada. Standish also serves on several boards and advisory committees.

in software architecture – we had a strong vision, and we wanted our product to meet that vision. We added portfolio accounting to enable clients to do shadow NAV, and a data warehouse to provide a single source of truth across trading risk, operations and accounting. We expanded our asset class and instrument coverage. And we designed the user interfaces to integrate well with any device, from desktops to smartphones. This has created tremendous mobility.

As we expanded the platform's capabilities, we ensured it remained easy to use. We wanted our new launch clients to use our software without relying on IT staff to support or enhance the system. We also wanted it to scale to meet the more complex needs of large multi-manager funds or quant funds, so we designed an architecture to support that.

Q What impact has Covid-19 had on LightPoint?

A While this crisis is tragic on every level, for LightPoint it is proving to be a double-edged sword. Unsurprisingly, we have experienced a slowdown in sales activity as our prospective clients adjust to their own new challenges. However, we have been heartened to discover that our foundational product decisions are proving advantageous for our clients

who now need to trade and operate remotely. Our solution is cloud-native and is designed with a mobile-first approach, which is very amenable to a mobile workforce. Also, we have taken a data-centric, end-to-end approach, which enables LightPoint to replace the need for separate systems for order management, portfolio management and portfolio accounting. Not only is it more cost-effective to run one system, but it also reduces risk and complexity, and allows our customers to focus on operating their businesses versus worrying about technology issues.

Q What are some of the main technical benefits of your product?

A LightPoint's use of cloud technology enables us to scale dynamically. This has proven especially important with the recent market volatility. We use a single-instance deployment model, which means that each LightPoint customer gets their own copy of the software; they do not share a database or software with other customers. This model allows us to be very responsive, especially if a customer needs a new feature quickly. This architecture also allows our customers to choose their own market data provider. Another

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added benefit is increased security since each customer's environment is segregated from the others.

Q What are your company's main differentiators?

A Our ability to provide an end-to-end solution that integrates with clients' existing systems is the biggest differentiator, since this enables us to provide a superior solution at a lower cost. The second differentiator is the scalability and performance that can be tailored to each customer's needs due to our cloud-based, single-instance deployment model. Third, our user interface design will integrate with many devices to allow our customers to support a mobile workforce. **HFM**