

LOOMIS, SAYLES & COMPANY LEVERAGES FACTSET'S API TO DRIVE CUSTOMIZATION AND EFFICIENCY

› Alternative performance and attribution data delivery gives the firm new options for achieving its process automation goals.



AUM
\$267B

FIRM TYPE
Investment Management

CHALLENGE
Inflexible and time-consuming automation processes impeded the firm's ability to create effective marketing and client materials

FACTSET SOLUTION
Portfolio Analytics Engine API

The Challenge

As Head of Investment Technology at Loomis, Sayles & Company, James Lombardo oversees a variety of initiatives, including the firm's automated equity portfolio data process. This comprehensive process consists of over 2,000 automated reports that fuel the portfolio management team's internal databases and client-facing marketing materials. Reports are run either nightly, monthly, or quarterly and each contains characteristics and attribution data for all of the firm's equity accounts. The resulting files are either uploaded into the firm's databases or network file share, creating a time-consuming, operational burden for the team.

"The biggest issue with this process," said James Lombardo, "was making sure all account information was updated before our nightly process ran."

In addition to the labor-intensive process, the data retrieved was static, making it difficult for investment teams to customize their client reports. If the team required different time ranges or data figures, manual adjustments needed to be made.

The Solution

In 2016, the firm decided to revamp the product information provided in its marketing and client materials. This started a mass customization effort, and set the firm on a hunt for new ways to leverage portfolio analytics data.

“The main objective with our firm’s customization effort is to provide portfolio analytics in the same lens that the investment teams use to analyze portfolios. Being able to access portfolio analytics information that is available in FactSet was a big part of this company-wide effort,” Lombardo said.

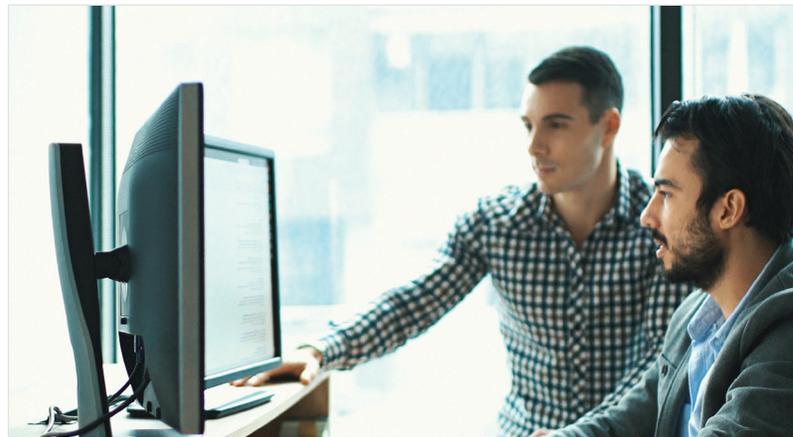
The customization initiative was the motivation the firm needed to approach its FactSet account team about alternative ways to access performance and attribution data outside of the (FactSet) workstation. When Lombardo and his team learned about FactSet’s new Portfolio Analytics API, they became interested in its capabilities and the opportunities it could create for the firm.

“We were one of the first beta users of the API,” Lombardo said, “and the implementation process was very smooth. FactSet’s support team was very helpful throughout the entire process. We learned a lot of things along the way and were able to provide feedback to the FactSet team that was incorporated into the final API product.”

The FactSet API leverages existing reports from the Portfolio Analytics platform, so the firm could trust the accuracy and reliability of the data incorporated in its client and marketing materials.

The very first use case for the API was to get performance attribution data into the firm’s marketing and client meeting books. With the prior process, this data was accessed only for set time periods; either a month, quarter, or year to date. Today, when a portfolio manager visits a client they can easily include custom time periods, i.e. post-election. Before using the API, changing the date range was a manual process, now investment teams can update a portfolio analysis report and use the API to pull new information directly into client-facing presentations.

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The Result

Since implementation, the API has reduced the firm’s labor-intensive, nightly reporting process. Additionally, performance and attribution data for the majority of the firm’s marketing and client material now pulls directly from FactSet’s API.

“We are now in the process of using the API to create additional reports,” Lombardo said. “For example, one of the teams wanted to include some specific risk data, and now it’s very easy for us to use the API to integrate the FactSet data into our client-facing material. Before we would have had to add a new report for every single account we would want to run this for, download the files, then load them into our internal database so that we could then pull the data into our systems.”

Integrating valuable portfolio data from FactSet has allowed the firm to achieve its goal of customizing the information provided in external materials. Lombardo explained, “I would say the main advantage I see from leveraging the FactSet API into our process is the customization and ability to get this portfolio data on-the-fly. This is very important to us and FactSet’s API makes that possible.”

FactSet’s API has also made the firm’s mass customization effort possible. “There are fewer moving parts with FactSet’s API, and our whole process of putting together our materials requires much less time, all while being more customizable,” Lombardo said. “Now our team can include other information that they find valuable to share with the market or their clients. It is much easier for us to use the API to call the new information we need and integrate it into our materials.”

Moving forward, Lombardo anticipates that the firm will experience more operational efficiencies with the API. His team has also started to look at the Open:FactSet Marketplace to determine if it fits into their overall effort of customizing processes.