

Inside Market Data

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DATA CONSUMERS

CAPIS Co-Lo Boosts Data Bandwidth

Dallas-based broker Capital Institutional Services (CAPIS) will next month move its market data operations to co-location facilities provided by third-party datacenter operator Data Bank, and will discontinue use of its two in-house datacenters.

CAPIS decided to outsource its data maintenance early last year, when the company began contemplating a corporate office move and compared the cost of building a new internal datacenter versus an outsourcing arrangement, officials say.

The broker is currently migrating data and applications to the new facility—the greater scalability of which has allowed CAPIS to install a 10-Gigabit Ethernet connection, which will support delivery of high-speed market data and real-time quotes from Thomson Reuters to CAPIS' ticker plant, says Marcia Morrow, vice president of technology services at the firm.

The 10GB Ethernet will also be used to provide Bloomberg Television via the Internet to every trading workstation in the new corporate office, she adds.

Morrow says that outsourcing data maintenance to Data Bank will save tens of thousands of dollars per month and provide CAPIS with sufficient bandwidth to more rapidly deploy new applications that require high-speed market data delivery.

These include a transaction cost analysis and reporting portal for clients, a trade management and reporting application for its program trading desk, and a portfolio rebalancing and alignment tool for mutual fund clients.

The firm has been evaluating various real-time data services to power these, including Bloomberg's B-Pipe, eSignal's XML feed, and other data from Thomson Reuters.

"We are looking at the APIs for each product to determine which fits best with our application framework," and will make a decision in the coming months, she says.

CAPIS used VMware virtualization technology to reduce its footprint in the datacenter from 2,500 square feet to 500 sq ft, which—with a move from an in-house order management system to one hosted by Fidessa—will halve the firm's server count over the next year, Morrow says.

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