

CLIENT CASE STUDY

“From the client’s perspective, we provide great service. One primary reason we’re able to allocate substantial time and resources to client service is because we have Advent OnDemand support.”

Tom Baker, *Principal, Blue Oak Capital LLC*

Profile

Blue Oak Capital LLC is a fee-based investment advisory firm in Palo Alto, California. Launched in 1999, the firm currently manages approximately \$150 million in assets for approximately 70 individuals and families.

Business Situation

Starting their own firm, Blue Oak’s two principals found that trying to operate an in-house system for portfolio accounting and reporting took too much of their time. But hiring an additional employee was not consistent with how they wanted to grow their business. They needed a solution that would give them the advantage of the latest technology, but free them to focus on serving clients—the domain in which they excel.

Blue Oak Makes More Time for Client Service with Advent OnDemandSM

Like many investment advisors who go independent, Tom Baker became familiar with Advent while working in a larger asset management firm. So when he left to start his own firm, he knew where to look for operational support. “Advent has products I know,” he says. “I looked around at other product offerings and spoke with users of other systems, but Advent’s portfolio accounting software was the gold standard everyone used as a benchmark, so we decided to work with the best.”

In 1999, Loren Walden joined Mr. Baker and together they formed Blue Oak Capital to serve private clients in the Palo Alto, California area. Initially they used Advent portfolio accounting software in-house, with Mr. Baker maintaining operational responsibilities in addition to managing client portfolios. “It was taking approximately 25 to 30 percent of my time,” he recalls. “We had a part time employee at that time and were looking at what it would require to have a full time employee to run Advent plus other responsibilities.”


The best solution for Blue Oak was Advent OnDemand which enables firms to take advantage of the full capabilities of Advent’s portfolio management and reporting tools without having to install the software or manage the data in their offices. Instead, the Advent OnDemand operations team manages the data, provides daily reconciliation, and delivers portfolio management and reporting functionality to the firm over the Internet. “We looked at the service and realized it was the right way to go,” Mr. Baker added.

Solution

Blue Oak turned to Advent OnDemand, which gives them the functionality of Advent portfolio accounting software on an outsourced, hosted basis. Advent OnDemand has enabled the firm to grow from \$20 million in assets when it started in 1999 to \$150 million today, without having to add staff or invest in portfolio accounting technology infrastructure.

Key Benefits

- ▶ Reduces overhead by eliminating need for operational staff.
- ▶ Requires no special hardware configuration or investment.
- ▶ Provides complete reporting capabilities.
- ▶ Frees investment advisors to focus on client service and portfolio management.

 **“Advent has one of the best products out there for reporting.”**

Flexible and Customized Reporting

Working with Advent to create a customized quarterly account report that shows accounts to be billed and amounts for each account has allowed Blue Oak to achieve significant operational efficiencies. “Our customized quarterly account report created by Advent has been an incredible time saver for us,” Mr. Baker reports. “We can bill in about 45 minutes and our revenue is deposited in our corporate account very early in the quarter.”

Working with Advent also enables Blue Oak to deliver quarter-end reports to clients in a timely manner. “As soon as Advent has the performance calculated, we’ve got reports generated, printed and in the mail,” says Mr. Baker. “We participate in a number of advisor roundtables and we often hear colleagues say it takes three weeks or more to get their reports out. For us it’s an afternoon.”

“Advent has one of the best products out there for reporting,” says Mr. Baker. “We believe in keeping it simple for clients. We give them their portfolio appraisal, summary chart and performance.”

Support on a Personal Level

For all the automation that supports Blue Oak’s business, Mr. Baker appreciates the personal attention from the Advent Data Analyst assigned to their account. “He definitely put in the time and energy to understand what we do and how we operate, and today the service runs very smoothly.” Every Advent OnDemand client has a designated Advent Data Analyst who manages day-to-day operations and ensures clients are leveraging the latest Advent solutions to the fullest extent.

“We value timely delivery of quarterly reports to clients, efficient operational excellence, not having to hire and manage operations staff, and being able to access data anywhere, anytime. We are able to do all these things because Advent OnDemand allows us to focus exclusively on our clients and not be distracted by operational problems.”



“With Advent OnDemand we don’t have to invest time and resources in employees because Advent has done that for us.”

No Constraints on Growth

Mr. Baker and Mr. Walden believe Advent’s outsourced solution is perfect for advisors who want greater independence and flexibility in how they run their business. “We’ve been fortunate to have grown rapidly,” Mr. Walden says. “We recently raised our minimum account size to \$2 million, and we know we still have capacity to grow. But the growth model where you have to hire employees, find space to house them, then get more business to support it all—that’s not for us. That’s why we make the investment in outsourcing with Advent. It allows us to have a satisfying practice and the lifestyle we want.”

When colleagues in the industry ask for advice, Mr. Baker is quick to recommend the outsourcing option. “It’s one thing to hire an employee to manage back office operations, but to find someone to run a powerful back office reporting system requires a significant investment of time and resources. With Advent OnDemand we don’t have to make that investment because Advent has made it for us.”

In short, Advent OnDemand lets Blue Oak be the kind of firm the principals want it to be—disciplined and professional, focused on personalized client service, without disruptive operational or staffing worries. “There are enough challenges in this business,” Mr. Baker concludes. “Why would you want to introduce more?”

About Advent

Advent Software, Inc., a global firm, has provided trusted solutions to the world’s leading financial professionals since 1983. Firms in more than 50 countries rely on Advent technology to run their mission-critical operations. Advent’s quality software, data, services, and tools enable financial professionals to improve service and communication to their clients, allowing them to grow their business while controlling costs. Advent is the only financial services software company to be awarded the Service Capability and Performance certification for its service and support organizations.



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