



CASE STUDY

AMERICAN PORTFOLIOS FINANCIAL SERVICES INC.

American Portfolios Selects Global Relay for Email Compliance Archiving

Headquartered in Holbrook, N.Y., American Portfolios is a full-service independent broker-dealer offering a complete range of financial services, including personal financial and retirement planning, securities trading, mutual funds, long-term care planning, insurance products and tax-free investing.

As a FINRA-registered broker-dealer, it is of the utmost importance for American Portfolios to have an accurate, robust system to capture, retain and supervise email and other electronic communications — not only to meet FINRA and SEC regulations, but also for message management and litigation readiness. Until recently, American Portfolios was struggling with message archiving and compliance systems that offered more problems than solutions. The systems' inefficient designs were causing functionality, reporting, performance, and billing issues. With their existing systems in dire need of replacement, American Portfolios looked to Global Relay.

Understanding the importance of a capable vendor, American Portfolios undertook an exhaustive selection process that resulted in the decision to partner with Global Relay. Global Relay provided American Portfolios with an efficient, compliant, and cost-effective archiving solution, with a system architecture and interface designed to meet American Portfolios' needs as a broker-dealer.



CUSTOMER DETAILS

Website: www.americanportfolios.com
Industry: Financial Services
Regulated by: SEC/FINRA
Headquarters: Holbrook, NY

CHALLENGE

- Separate archiving and supervisory systems
- Overreliance on IT intervention
- Inaccurate reporting leading to potential audit risks

GLOBAL RELAY SOLUTION

- Global Relay Archive for Compliance
- Global Relay Compliance Reviewer

OUTCOMES

- High-speed performance and ease of use
- Unified system with intuitive interface
- Ease of use allows user groups to use the system without help from IT
- Clear & intuitive reporting
- 50% reduction in costs - Simple monthly user-based billing with no overage fees

CHALLENGE

The performance of American Portfolios' existing archiving and surveillance solutions were sorely lacking. Executing simple actions often caused delays of more than a minute, and searches were exceedingly slow. The old systems were too frustrating and complicated for non-technical business users, which meant that the IT department had to intervene at all levels of day-to-day functionality.

"The previous vendor's architecture was inefficient, causing redundancies and complicating management," said American Portfolios Systems Manager John Rodriguez. With the previous vendor, archiving and surveillance were two completely separate systems. All maintenance and changes Rodriguez applied to one system had to then be manually applied to the other through an entirely different process. "Two different systems meant double the administration time, double the learning curves, and double the account lists," said Rodriguez.

"Between the key players at American Portfolios and the training and provisioning teams at Global Relay, the communication and execution of the Global Relay Archive implementation project was 99.999% flawless."

John Rodriguez
Systems Manager
American Portfolios

The previous surveillance system's reporting tools were overly complex and unintuitive and created inaccurate or misleading reports. Data could be hidden or double-counted based on user and reviewer actions. The result was that American Portfolios had to either accept inaccuracies in their reporting, or try to avoid the actions in the application that arbitrarily caused the problems. As a FINRA-registered broker-dealer, inconsistent reporting could have put American Portfolios at risk in an audit scenario.

The designs of the previous systems not only caused functional problems, they were actually resulting in substantial extra costs. The systems were not equipped for email aliasing, so a single user with five email addresses

"Global Relay cut our actual costs down by 50%, no exaggeration."

would cost the equivalent of five users on a system with proper alias mapping. Rodriguez estimated that this single factor resulted in a 30% increase in user fees. On top of that, the vendor billed biannually, but with monthly overage charges. This meant that if American Portfolios had an extra 50 addresses on the system in January, they would make one normal payment for the first six months of the year, and then be billed every month for the 50 account overages. "Tracking the billing was almost as challenging as tracking the user counts themselves!" said Rodriguez.

GLOBAL RELAY SOLUTION

When Rodriguez explored archiving solutions, Global Relay quickly became his personal number-one choice. Global Relay Archive's single-database architecture and user management tools, along with Global Relay's internal emphasis on system development, were high among the selling points. "After learning about the way Global Relay implemented the archive and system, it pretty much reflected how I would design such a system," said Rodriguez.

Assisted by Global Relay's dedicated Training, Provisioning, and Support teams, American Portfolios made a smooth transition. Global Relay Archive provided a unified archiving and surveillance system that streamlined processes and eliminated all of the major functional and logistical deficiencies of the previous vendor's system. "Global Relay's staff conducted themselves with a genuine concern for the project's – and by extension American Portfolios' – success", said Rodriguez. "The first step to quality work is caring – and that's what made the transition and onboarding successful to the point of pleasurable!"

OUTCOMES

Switching to Global Relay has helped American Portfolios deliver a better experience to their users. "Supporting an

overall user base of 100 employees and 1200 affiliated advisors and assistants, feedback has been positive since day one," said Rodriguez. "This is pretty much unheard of, and is a reflection of Global Relay Archive's performance, ease of use, and flexibility."

Global Relay's customer base includes over 50% of FINRA-registered firms. This expertise gives American Portfolios a compliance archiving system that fits perfectly to their needs. Their existing organizational review hierarchy was seamlessly mapped into Global Relay's system, saving IT implementation time and simplifying the compliance supervision process. New features, including single-sign on and simple integration of third-party hosted email domains, have improved everyday functionality for users, reviewers, and IT staff.

Global Relay's easy-to-use solution allows Rodriguez to distribute responsibility effectively. Each team can now support the aspects that apply to their work, instead of IT needing to supervise the entire system.

American Portfolios can face audit questions with more confidence, thanks to Global Relay Archive's clear and intuitive reporting. Having credible reporting satisfies auditors, making the process easier for everyone involved. Searches now take seconds, even when conducted across millions of messages, so records can easily be found and produced for audits or eDiscovery.

Switching to Global Relay didn't just give American Portfolios a more efficient and functional system; with no-cost alias mapping and straightforward monthly billing, Global Relay was able to cut American Portfolios' costs by 50%.

QUICK FACTS ABOUT GLOBAL RELAY

- 17th year of delivering Software-as-a-Service in a secure private cloud
- Core competency: Message Archiving, Compliance, & eDiscovery
- Team of 400+ employees; 200+ developers; exceptional service with strong Legal/ Audit teams
- 20,000+ customers, 85% in the financial services sector
- Servicing Financial Firms, Banks, Public Companies, Insurance
- Offices in financial centers worldwide, providing 24x7x365 support
- Global Relay is an Email and Social Media Archive / Data Management Vendor in FINRA's Compliance Vendor Directory

"Switching to Global Relay has given us more confidence when faced with audit questions. The reports are clear and explainable. Being able to demonstrate that to an auditor puts us in a much stronger position than we've been in before."



Global Relay is the leading provider of cloud-based electronic message archiving, supervision, and eDiscovery solutions for the global financial sector, delivering services to more than 20,000 customers in 90 countries. Global Relay Archive securely captures and preserves email, instant messaging, mobile messaging, Bloomberg®, Thomson Reuters, Twitter, LinkedIn, Facebook and more — with BlackBerry, iPhone, iPad, Android, Outlook and Web access.

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