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Cicada Corporation and VeriCenter Ensure Data Quality for Financial Services Industry

PROBLEM

The active management of data quality and fast, efficient data dissemination are issues at the heart of the financial services industry. Today's demands on financial institutions for more effective risk management and efficient securities trading, as well as compliance with government and industry regulations (such as those regarding anti-money laundering, the Patriot Act and Sarbanes-Oxley) are driving the need for more accurate data, better integrated with the institutions' systems. Regarding trading, for example, by some industry estimates about 38 percent of securities trades fail because of inaccurate data in the settlement process. In order to improve securities processing efficiency and respond to the risk management and compliance drivers, financial institutions around the world are seeking solutions for their data quality, availability and integration challenge.

In addition to data quality, speed and efficiency of distribution are key issues, particularly for stock exchanges and data vendors. These groups are continually looking for better technology and processes for managing, packaging and distributing market data in order to serve their customers.

Cicada Corporation is a leading provider of technology and services for financial data management. The company's clients include major securities dealers, investment banks, stock exchanges and fund managers. In Cicada's data quality management business line, it provides a suite of software and managed services to validate, cleanse and distribute data to meet the requirements of risk management, regulatory compliance, securities processing and other mission-critical applications at major financial institutions.

In the company's real-time market data technology business, major exchanges such as Euronext (a consortium of major European stock exchanges) use Cicada software to manage and distribute all of their market data. With such a demanding client base, Cicada requires an infrastructure suitable to run its own and its clients' hardware and software at a mission-critical level. Cicada is not a hosting company, nor does it bill itself as a data center operator. Its focus is on data quality management, integration and distribution. In order to remain true to its core competency, Cicada explored its options for hosted outsourcing.

SOLUTION

Cicada selected VeriCenter, Inc., a Houston-based enterprise hosting provider to handle all infrastructure needs and serve as its hosting partner for the sizable customer accounts for which it is responsible each day. VeriCenter manages and hosts the infrastructure needs for Cicada at its Tier 1 data centers. It provides monitoring, security and reporting services. Infrastructure includes wide area networks, servers, redundant power supplies, databases and storage/backup capabilities. With SAS-70 Type II certification, VeriCenter lets Cicada manage the growing expectations of its large customers without the worry of hardware and hosting. The certification is an international standard developed in conjunction with the American Institute of Certified Public Accountants (AICPA). This internationally recognized certification provides assurance to VeriCenter's customers that the company adheres to policies, procedures and business processes designed to insure a secure and stable data center environment that safely monitors and manages customer data.

“VeriCenter gives Cicada the assurance that it is in compliance with the IT requirements of Sarbanes-Oxley and other regulatory frameworks,” said Hubert Holmes, executive vice president of Cicada. **“This, in turn, helps Cicada meet its clients’ operational standards and requirements, and gives Cicada an added speed-to-market advantage.”**

“In the world of financial data management, Cicada is required to meet the stringent data quality, availability and uptime requirements of major banks, stock exchanges and fund managers,” said Hubert Holmes, executive vice president of Cicada. “VeriCenter helps the firm meet these extreme requirements by deploying dual-site redundancy in each of its data centers.”

These clients must have the data they need, often in real-time, to support their decision-making processes, risk management applications, trading and market data operations. Satisfied clients mean they make money.

“The demands on Cicada’s systems are extreme, and its financial services and exchange customers often cannot afford even seconds of downtime,” Holmes added. “Cicada uses VeriCenter to help facilitate the reliability and speed of data delivery through its products and systems. To meet the high-availability requirements of today’s global markets, Cicada relies on VeriCenter to monitor its data centers on a 24x7 basis to help ensure zero down-time.”

That means there is no single point of failure. If a breakdown occurs with a piece of equipment, back-up systems come up transparently. VeriCenter also ensures that stocks are burst to all members of an exchange simultaneously.

RESULTS

By using VeriCenter as its enterprise hosting and managed services provider, Cicada has mitigated the escalating cost of information technology while scaling as its needs grow.

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Instead of worrying about whether it can deploy new technology with existing IT resources, Cicada turns to VeriCenter to make sure its business needs are aligned with technology.

