

DTCC Collaborating with Delta Data to Expand Technology Capabilities of Mutual Fund Profile Service

An agreement with Delta Data Software, Inc., is delivering ongoing enhancements to NSCC's Mutual Fund Profile Service (Profile). This service is a multi-dimensional, central data source for comprehensive fund prospectus information and rules governing funds' operations.

In early 2010 a new Web portal will enhance a fund company's ability to enter and maintain their data by providing front-end edits and access to help tools and a standard data dictionary.

"The availability of reliable, timely information continues to be a high priority for fund distributors," said Ann Bergin, managing director and general manager, DTCC Wealth Management Services. "Profile gives affordable access to data on more than 19,000 individual funds, and our collaboration with Delta Data will help ensure that the service continues to meet the evolving needs of our participants."

Partnership Began with Pilot Program Last Year

DTCC began working with Delta Data in 2008, offering its FUNDViews™ data validation service as a free pilot to fund companies entering fund security information into Profile. The Delta Data service allowed funds to check and validate their data by providing various reports that highlighted possible data discrepancies.

Building on the success of this validation tool – some 140 fund groups have now provided more than 120 distribution firms over four million data points – DTCC made a decision to continue the partnership. In addition to the new portal, Delta Data will provide technical support for the database and implement ongoing enhancements based on DTCC's business requirements. These enhancements

will be developed in collaboration with the fund industry and the Investment Company Institute's (ICI) Profile Steering Committee.


The announcement has been broadly welcomed by the mutual fund industry. Laura Stanley, vice president, Invesco Aim Investment Services, Inc., and chair of the ICI Profile Steering Committee, said, "We're delighted that DTCC and Delta Data have come together to further support

the need for funds to provide accurate fund data and improve operational processing efficiencies. We see this as good for both the industry and for fund shareholders."

"We applaud DTCC's commitment to this initiative, the work of the Committee, and strong participation by the industry," said Don Beck, chief executive officer, Delta Data. "We look forward to continuing the process of making Profile an industry standard and being part of DTCC's rich tradition of delivering efficiencies to the industry."

More on Profile

The Profile database is a repository for information that broker/dealers and other third-party distribution firms need to make informed investment decisions

for their customers and to process transactions. It offers an efficient, automated alternative to finding information in dense prospectuses, other legal documents, or in complex "spec packs" that many funds complete for their distributors. This information includes blue-sky data, contingent deferred sales charges, breakpoint discount schedules and linkage rules, short-term redemption fees, and more. Data distribution inefficiencies are eliminated through a streamlined process of entering, maintaining and retrieving this information. 



How Funds Are Integrating Profile into their Day-to-Day Operations

Five fund groups – Invesco Aim, American Funds, Franklin Templeton, Hartford Funds and Lord Abbett – talk about incorporating a validation and maintenance process into their operations. In a recent issue of Profile Bulletin (an enewsletter that provides the industry with important information about the service), they shared their experiences, some of which are highlighted below.

Franklin Templeton

- Created biweekly Outlook calendar reminders to run hard and soft edit checks on FUNDViews.
- Uses the Future Date functionality to input changes to fund mergers, liquidations, closures, etc.
- Runs inquiries, extracts or reports on FUNDViews if there are questions regarding particular fields.

Invesco Aim

- Increased awareness across the organization by presenting an overview of the service and creating an internal Profile Intranet page that includes all current and historical information on Profile.
- Clarified the impact of Profile on various areas, as well as how each area can support and encourage use of Profile.
- Utilizes FUNDViews to review data and ensure that any soft edits are legitimate and uses the charting tool to identify examples of data that differs from competitors.

Hartford Funds

- Has added Profile updates to all necessary fund-initiative project requirement documents.
- States that the FUNDViews reports allow the company to comfortably stand behind the integrity of its data.

- Gave responsibility for input and data-integrity monitoring to one resource; a second resource verifies the accuracy of new fund data.

American Funds

- Uses the Data Integrity section of FUNDViews once a month to verify that the data is consistent and accurate and pulls file validation reports under the same frequency.
- With upcoming changes to its money-market funds, will look to test the viability of using the Future Change Report.
- Identified two resources to monitor the integrity of the data on a regular basis, with three additional resources as backup.

Lord Abbett

- Schedules time prior to the effective date of a change to one or more funds in order to update the information in Profile and populate the effective date in the appropriate field.
- Logs onto FUNDViews the following day to ensure that any changes did not create a “hard” or “soft” edit.
- Works closely with Legal, Compliance and Marketing to ensure that all parties have received the most current, valid information regarding changes, updates and launches.

For more information on Profile, or to receive Profile Bulletin, readers can contact Rita Gribben, director, Wealth Management Services Product Management, at 212.855.5677, or rgribben@dtcc.com.