

Case Studies

TD Waterhouse

Increased trading volume thanks to WebBroker, a Microsoft BackOffice based internet investment solution

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Today, Waterhouse's customers demand service not only in person and over the phone but on the internet as well. To meet that demand, Waterhouse, one of America's top discount brokers, has equipped its web site (www.tdwaterhouse.com) with webBroker, the sophisticated online investment solution from Marketware International, Inc., a Microsoft Certified Solution Provider. Based on Microsoft BackOffice technologies, webBroker is helping Waterhouse clients execute tens of thousands of transactions a day, securely and reliably, from the convenience of their homes and offices.

Moving to the state of the art

Input from its customers was what prompted Waterhouse to supplement its phone- and PC-based offerings with a web-based service.

"Our clients asked us repeatedly if we would add a presence on the Net," says Frank Conti, TD Waterhouse's CIO. "Several of us came to the conclusion that this is where things were going. Also, we began to see other companies emerging with internet products. It looked like the depth and breadth of this industry was moving in the direction of the Internet."

For help in creating its web-based service, Waterhouse turned to Marketware, makers of COMTAPI, a product designed to integrate electronic products with each other and the firm's back office vendor, ADP.

"COMTAPI brought us to Marketware," recalls Conti. "The combination of webBroker and COMTAPI is what brought us to this solution."

The right tools

To provide the foundation for webBroker, Waterhouse chose Microsoft Windows NT Server, the same platform on which it had earlier decided to base its wide area network.

Conti also felt the tight integration of Windows NT Server with Microsoft SQL Server and the rest of the BackOffice family would make building and supporting the solution easier. "There are all kinds of Microsoft products which we believed would give us a boost as they were designed by the same company," he says.

Marketware CEO Jose Pierre shared Conti's enthusiasm for Microsoft products. "Microsoft had the right tools to facilitate a lot of the things we felt were going to be necessary to take on this challenge," he says, adding that the Microsoft BackOffice platform had the scalability Waterhouse needed as well.

"We knew that with a firm like TD Waterhouse they were definitely going to expand. We had to select the right infrastructure. I think we clearly did."

30,000 trades a day and growing

Developed by Marketware using the Microsoft Visual C++® development system, webBroker offers a comprehensive range of secure, online investment services. Users can trade stocks, mutual funds, and options, or obtain real-time or delayed quotes 24 hours a day. Account information, including current holdings and account balances, is just a few clicks away, as is a wealth of research data, including company news, charts, and free, unlimited access to S&P Stock Reports, stock screening from MarketGuide, and Zack's Earnings Estimates.

Waterhouse runs webBroker on 50 servers spread across two sites. "Both sites are primary in the sense that they're both live," says Conti. "If one goes down, we can flip traffic over to the other."

System data is stored in a fifteen-gigabyte database running under SQL Server. COMTAPI provides seamless integration to Waterhouse's other trading systems

and to ADP's systems.

At present, Waterhouse is comfortably processing some 30,000 trades a day through webBroker. "It currently makes up 60% of our business and we fully expect to move to the low to mid 70s as a percentage of total business in the not too distant future," says Conti.

Waterhouse hosts and maintains its webBroker solution itself, turning to Marketware and Microsoft Premier Support for assistance when needed. Fortunately, such occasions have been few.

"The products developed by Marketware and the Microsoft systems have held up tremendously," says Conti. "The proof of the pudding is how you perform when market volatility is at its greatest. We have had good success along those lines."

Fantastic relationships

Performance hasn't been the only area in which Waterhouse has had good success with webBroker.

"Being on the web has been very beneficial to us in terms of generating new customers and increasing the volume of our business," says Conti. "We've always been a national firm, but the web has given us an even greater presence throughout the country. We believe that the growth in the web environment will be the fastest of our business."

Not surprisingly, given the results Waterhouse has achieved, Conti has nothing but praise for Marketware. "They're absolutely fantastic," he says. "Everything they have warranted to deliver they've delivered on time. It's been a very good and strong relationship, one we expect will endure for some time to come."

Conti has similar feelings about Microsoft. "I'm extremely happy with the relationship," he says. "They've come to our aid and really done a great job on the support side."

Continual enhancement

The webBroker project isn't the only time Waterhouse has worked closely with Microsoft. The firm maintains a presence on the Microsoft Investor web site and was a pioneer in supporting the Open Financial Exchange (OFX) standard. Through a Marketware product called OFX Server, the Waterhouse infrastructure interfaces smoothly with Microsoft Money and other OFX-compliant systems.

"We worked very hard with Microsoft to get an OFX-compliant system in place," says Conti. "That has worked out much to our advantage."

In addition, Waterhouse's desktop PCs are equipped with Microsoft Windows NT Workstation and Microsoft Office 97. "You name it, we pretty much use it," reports Conti. "We're completely Microsoft across the board."

For his part, Marketware's Pierre is looking forward to running webBroker under Microsoft Windows 2000 (formerly Microsoft Windows NT 5.0) and Microsoft SQL Server 7.0. "We'll definitely use SQL Server 7.0," he says. "The features are pretty compelling in terms of the performance increase and two-way replication."

Anything that makes webBroker even more powerful sounds good to Conti, who plans to continually enhance his firm's online offerings.

"We're constantly looking to make our service more attractive and useful to clients," he says. "There's a continuous effort on our part to improve the product as we move forward."

Count on Marketware and Microsoft to play an ongoing role in those efforts.

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