

### Profile

**Client:** Spears Abacus Advisors LLC

**Location:** New York, NY

**Description:** Registered investment advisor

**Cientele:** HNW individuals and families

**Year founded:** 2007

**AUM:** \$850 million

**Staff:** 15

### Background

- Spears Abacus is an RIA that was launched by Abacus Associates family office
- Needed to respond to client demands for portfolio performance analysis
- Needed to consolidate client maintained by individual employees
- Needed a portfolio management solution that would provide clear separation between family and RIA entities

### Solution

Advent Portfolio Exchange® (APX) with built-in performance analytics

**“We’ve gotten a very positive response that we can identify exactly what is driving a particular client’s performance.”**

Robert Raich, President, Spears Abacus Advisors

### Advent Portfolio Exchange® Analytics Deliver Insight into Performance

In 2007, Abacus Associates, a 100-year family office in midtown Manhattan, decided to offer its investment expertise to a wider clientele and launched a registered investment advisory firm, Spears Abacus Advisors.

A long-time user of Advent’s Axyx® portfolio accounting and reporting solution, Abacus faced a need for a portfolio management engine that could clearly separate its SEC-regulated RIA business from its proprietary family portfolios.

The firm was experiencing growing demand from clients for more in-depth descriptions of portfolio performance. The firm also saw APX as an opportunity to consolidate all its customer contact information, generally residing among individual employees’ desktops.

### Advent Portfolio Exchange® (APX): The Integrated Solution

APX was the first enterprise portfolio management solution to include:

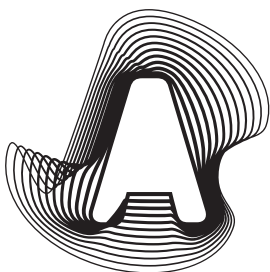
- Built-in performance analytics
- Full CRM functionality integrated with client portfolio data for a comprehensive view of client relationships
- Multiple security layers allowing a firm to customize account access, menu options and data views by user

“We want to keep the proprietary capital accounts of the family office separate from the RIA business,” explains Robert Raich, President of Spears Abacus Advisors. “So the permissioning and security levels of APX were very important.”

“The analytics piece and the CRM piece were also compelling reasons for switching over,” adds Nora Jobson, the firm’s Chief Operating Officer.

### Sample Contribution Report

Future Asset Management Contribution Summary Large Cap Growth vs. S&P 500 From 12-31-05 to 12-31-06									
Performance Summary					Largest Exposures				
Portfolio Return				17.79	Security	Avg Wgt	Return	Contrib	
Benchmark Return				17.51	Microsoft	23.68	14.12	3.34	
Active Return				0.28	Advent Software	14.27	21.95	3.13	
					McDonalds Corp	10.79	29.94	3.23	
					Citigroup	9.72	15.03	1.46	
					IBM	6.96	17.68	1.23	
					Total	65.42	12.40	12.40	
Industry Sector									
Top Performers				Avg Wgt	Return	Contrib	Bottom Performers		
Energy	6.05	37.50	2.27				Cash	0.44	0.00
Consumer Discretionary	11.81	24.28	2.87				Health Care	3.83	11.17
Information Technology	44.91	17.16	7.71				Consumer Staples	6.29	13.57
Financials	26.67	13.75	3.67				Financials	26.67	13.75
Consumer Staples	6.29	13.57	0.85				Information Technology	44.91	17.16
Total	95.73	17.36	17.36				Total	82.14	12.66
Top Contributors				Avg Wgt	Return	Contrib	Bottom Contributors		
Information Technology	44.91	17.16	7.71				Cash	0.44	0.00
Financials	26.67	13.75	3.67				Health Care	3.83	11.17
Consumer Discretionary	11.81	24.28	2.87				Consumer Staples	6.29	13.57
Energy	6.05	37.50	2.27				Energy	6.05	37.50
Consumer Staples	6.29	13.57	0.85				Consumer Discretionary	11.81	24.28
Total	95.73	17.36	17.36				Total	28.42	6.42
Security									
Top Performers				Avg Wgt	Return	Contrib	Bottom Performers		
Exxon Mobil	6.05	37.50	2.27				AMS Health Sciences	1.01	-35.96
McDonalds Corp	10.79	29.94	3.23				Cash (USD)	0.44	0.00
Federal Natl Mtg Assn	4.40	25.26	1.11				American Intl Group	6.38	4.02
Advent Software	14.27	21.95	3.13				Pfizer	3.83	11.17
IBM	6.96	17.68	1.23				Kimberly Clark	6.29	13.57
Total	42.48	10.98	10.98				Total	17.95	1.17
Top Contributors				Avg Wgt	Return	Contrib	Bottom Contributors		
Microsoft	23.68	14.12	3.34				AMS Health Sciences	1.01	-35.96
McDonalds Corp	10.79	29.94	3.23				Cash (USD)	0.44	0.00
Advent Software	14.27	21.95	3.13				American Intl Group	6.38	4.02
Exxon Mobil	6.05	37.50	2.27				Pfizer	3.83	11.17
Citigroup	9.72	15.03	1.46				SPDRs	6.17	13.60
Total	64.52	13.44	13.44				Total	17.84	1.16



## Client Story

### Benefits

- › The ability to pinpoint the drivers of portfolio performance
- › Can quantify the investment managers decisions and demonstrate their value-add
- › Improved client service by illustrating how the portfolio performed against a benchmark
- › Increased efficiency by using one system for both portfolio measurement and performance attribution
- › With APX analytics, firms no longer have to send sensitive data to third parties for analysis, or rely on limited spreadsheet-based analyses

**"We had more and more clients who were requesting analytics."**

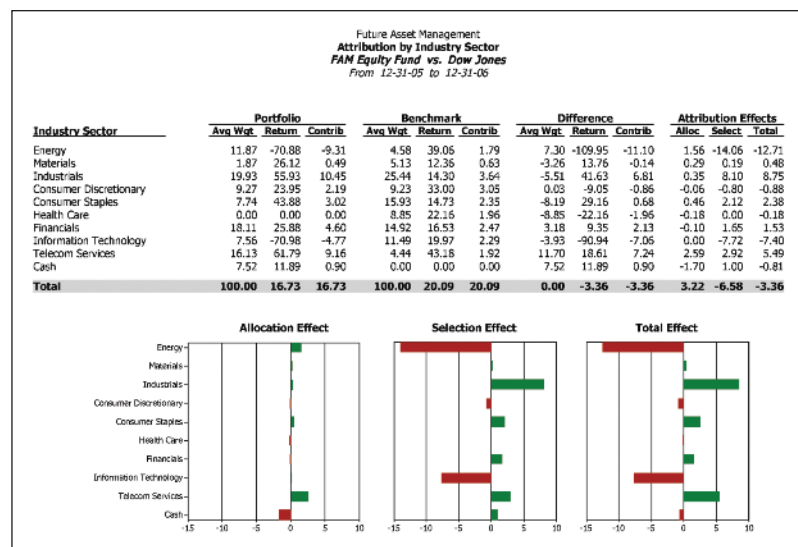
### Advanced Analytics that Clients Demand

APX's robust performance analytics reports enable portfolio managers to quantify exactly how their management decisions contributed to portfolio performance. Four reports are available:

- › **Performance Attribution** quantifies the impact of investment decisions and compares portfolio performance to a benchmark over any period.
- › **Performance Contribution** shows how each segment contributed to a portfolio's overall performance.

- › **Exposure** shows sector allocation within a portfolio to help adhere to investment guidelines, and optionally compares it to a benchmark.
- › **Ex-Post Risk Statistics** measure the actual realized risk of a portfolio in the past, based on historical portfolio and benchmark returns, a minimum acceptable return, and historical risk-free rates.

### Sample Attribution Report



### An Integral Part of the Investment Process

"We had more and more clients who were requesting analytics," Mr. Raich says. "That was the original impetus to get it. But after the implementation, we as portfolio managers began to use it more often. In our particular mix of business, we tend to have a lot of dispersion among accounts purposely. We tailor the accounts for each client's needs. But when you have dispersion in performance, you need to be able to justify and understand it."

Spears Abacus uses the attribution and contribution reports and uses the S&P 500 as its benchmark. "We've gotten a very positive response that we can identify exactly what is driving a particular client's performance," Mr. Raich tells Advent. "When you look at an attribution report, it becomes very obvious where either sector or industry selection did or did not contribute. It really shines a spotlight on tracking differences with the benchmark."

### Join the Conversation



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