



St.George Margin Lending Set to Scale New Heights with Omgeo

Shaping STPSM

Andrew Black, Head of Margin Lending for St.George discusses why they decided to automate with Omgeo's solutions.

The Challenge

“One of the goals I set when I started at St George in 2000 was to make St.George Margin Lending one of the top players in the Australian market. In order to achieve this goal, I explored how automation could create scalability within the business.

We implemented a CRM system with a workflow processor attached. This automated system played a significant role in the business growing from \$300 million to \$1.4 billion with only a 50 percent increase in staff.

As a logical next step, we started a program of process re-engineering, which allowed us to identify the things we couldn't correct through the workflow. One of the things that really stood out was the input of trades.

Traditionally, clients with a margin lending account go to a broker of their choice to buy or sell stock through that broker. The broker would then contact the margin lender, usually by fax, with the details of the trade in order for the margin lender to check that there were sufficient funds or stock to complete the trade. This is a very manual process with a high potential for errors. Faxes could be sent multiple times or mistakes could be made in data entry at either end.

My team started to research potential solutions to reduce the manual work required, and from conversations with some of the larger brokers, Omgeo was identified as a provider we should be talking to.

Once we met with Omgeo, they went through our workflow issues and identified their product, *Omgeo OASYS Global*, as a suitable solution. *OASYS Global* is an electronic trade allocation and confirmation system that is widely used by broker/dealers and investment managers around the world. It electronically compares trade details thereby reducing errors and double entry, and facilitating same-day trade confirmation. It was pretty clear that this functionality was just what we needed at St.George.

Once we had decided on the solution, Omgeo then worked with us to determine how to best use *OASYS Global* in the margin lending environment. They gave us advice on the various levels of automation that were possible and the options available to implement it into our back office. Once we had decided on our implementation strategy, Omgeo worked with us to install, configure and test the new system, all of which ran smoothly.

Benefits and Outcomes

Automation created scalability for St.George Margin Lending; we no longer face capacity issues and are able to increase our trade volumes without increasing staff. And as our business continues to grow, the additional capacity created through automation means that we are scalable and far more profitable. Being a part of Omgeo's community of over 6,000 clients worldwide has given us an edge to capture more market share.

Staff satisfaction was another strong driver for embracing automation. Our vision is to be recognised as a leading service provider and an employer of choice. This can only be achieved through staff satisfaction, and with *OASYS Global* removing the mundane and repetitive processes of manual trade data entry, our staff can use their skills for more challenging and stimulating work.



THE PROMISE OF STRAIGHT THROUGH PROCESSING



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St.George Margin Lending is committed to constantly improving our customer service, we are recognised as having the highest customer satisfaction rating of margin lenders in the country. However, just because we're the best now, doesn't mean we can't be better. Increased efficiency leads to better customer service, which of course means that we are able to better meet our customer's needs and expectations.

The Future

We consider ourselves to be one of the most efficient margin lenders in the country. We want to stay at the forefront of innovation and continually seek out ways to improve our processes. For example, once we're comfortable with our current automated systems we are going to investigate automatic settlement. It's very easy when you're in a leadership position to become complacent and sit on your laurels, but we are very aware that our competitors are not idle. We'll continue to use solutions from providers like Omgeo to ensure we retain our leading edge."

About St.George Margin Lending

St.George Margin Lending is highly regarded in the industry, holding a five-star CANNEX rating. Industry awards include, Personal Investor Margin Lender of the Year 2003 & 2004; Money Magazine Best Margin Lender 2005; Asset Joint Margin Lender of the Year 2005.

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