



Selling Software to Finance Pros

Start-up creates a niche for itself by developing software platforms for investment analysts and researchers

Starship Enterprise

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In late-2003, Indy Sarker decided to put his decade-long experience as an investment analyst and researcher to good use by setting up a technology venture to create capital market focused proprietary software platforms.

Sarker was then Director, Regional Head of Utilities Research, at Deutsche Bank in Hong Kong and knew that there was potential for a software that could improve efficiency and performance of companies in the investment analytics space. Sarker joined hands with his Deutsche Bank colleague Colin Stone, who had expertise in both technology and investment research, and set up ANALEC with angel funding raised from his investment banking network.

"We could talk the investment banking and capital market language," says Sarker, who holds a Masters degree in Economics from Cambridge University. "We could understand the pain and pressure points of researchers working in the industry."

The team spent around two years to create their first platform, ResearchWise, which automates the entire supply chain of investment research. The platform integrates processes like investment research origination, creation, and distribution under one electronic umbrella. While the product was ready, getting clients was an uphill task. Sarker points out that the cycle is quite long in enterprise sales, ranging from a few months to more than a year from the pitching to the closing of the order.

In fact, ANALEC took 15 months to close its first order with Singapore's DBS Vickers. Sarker says the lack of an

Streamlining Investment Research

COMPANY: ANALEC

FOUNDERS: Indy Sarker (pictured) and Colin Stone

MAJOR CLIENTS: BNP Paribas, Religare Capital Markets, Bank of China and Yuanta

AREA OF WORK: Creates technology platforms that simplify various aspects of investment research and analysis

Products

ResearchWise integrates processes like investment research origination, creation, and distribution under one electronic umbrella

ClientManager brings different aspects of client servicing functions such as research, sales, trading, settlements, and equity and debt capital markets onto one electronic platform

ModelViewer delivers ready-to-use financial forecast models

execution record resulted in greater scrutiny. Their existing angel investors, whose names Sarker declined to reveal, put in another undisclosed round of funding in 2006 helping the company sustain during its pitching period.

However, Sarker says, once they had one customer it was easier to convince other clients and today the firm has around 60 clients, including BNP Paribas, Religare Capital Markets, Bank of China and Taiwan's Yuanta.

What also worked in ANALEC's favour was that order sizes tended to be large, with ResearchWise commanding between \$90,000 and over \$1 million per annum, depending on usage and geo-

graphic coverage.

In 2009 ANALEC, which is headquartered in Gurgaon and has an office in Singapore as well, launched ClientManager, which brings different aspects of client servicing functions such as research, sales, trading, settlements, and equity and debt capital markets onto one electronic platform. Their latest product is ModelViewer, which delivers ready-to-use financial forecast models. Their ability to offer a bouquet of capital markets related software platforms has helped them retain and grow ANALEC's clientele, Sarker says. "We have been getting larger orders in recent years," he adds.

This has been especially true of their



As we had capital market experience, we could understand the pain and pressure points of researchers working in the industry

largest client, BNP Paribas. In 2008 BNP Paribas chose ResearchWise for their Asia operations. In mid-2009 they opted for ClientManager. BNP then started using the platforms in Asia-Pacific and then in Central Europe, Turkey and North America and are in the process of installing them in the Middle East, Russia and Latin America.

John Norris, BNP Paribas' Executive Director and Head of Client and Research Management Solutions (Equities & Derivatives for Pan Asia), says it was ANALEC's product mix and industry knowledge that led BNP to choose their product. "Since then we have partnered very closely with ANALEC to ensure that as our business grows and evolves, the products are kept relevant and utilise the most appropriate

technologies and updated business logic," adds Norris.

Sarker is now embarking on the next phase of ANALEC's growth. The biggest constraint for ANALEC, says Sarker, is "feet on the street" and the company is expanding its sales team.

The venture has so far targeted large clients and has launched a Software as a Service (SaaS) version of ModelViewer to attract smaller clients. The company, which is targeting revenues of around \$40 million in five years, intends to release cloud-based SaaS versions of its other two products as well. "We plan to go after Indian clients with the SaaS solutions," says Sarker.



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