



Blue Trading Systems Gains Sustainable Competitive Edge in Options Trading Using Informatica Ultra Messaging

Trading software provider uses Informatica ultralow-latency messaging solution as part of OEM agreement to help smaller options trading organizations fight for, win, and grow market share

FAST FACTS

BUSINESS INITIATIVES

- Deliver agile, ultralow-latency trading service for smaller options trading firms
- Increase stability of trading platforms
- Reduce infrastructure costs

TECHNOLOGY STRATEGY

As part of an OEM agreement with Informatica, BTS will deploy a component of the Informatica Platform—Informatica Ultra Messaging—to support ultralow-latency messaging. Eliminating a central messaging broker, the multicast solution will provide unsurpassed resilience and performance over traditional guaranteed messaging systems.

“Informatica’s Ultra Messaging platform has had a profound effect on the messaging world and Informatica has been able to position itself as the leader in the low latency arena.”

— Pedro Pinto, Partner, Blue Trading Systems

Executive Summary

Blue Trading Systems (BTS) is redefining the market for ultra-fast and reliable options trading using Informatica® Ultra Messaging®, a component of the Informatica Platform. As part of an operating equipment manufacturer (OEM) agreement with Informatica, the Chicago-based options trading software provider will make Informatica Ultra Messaging the low-latency messaging backbone of its high-performance options trading platform. BTS will embed the Informatica software into its trading solution to provide smaller options trading organizations with a single, reliable, and near-instantaneous messaging platform. With system wide latency below 100 microseconds, the BTS trading platform will help options trading firms to be more agile, scale their business, and grow revenues in dynamic and complex options trading markets.

Fastest, Most Reliable, and Most Profitable Platform for Options Trading

BENEFITS

- Helps options trading clients to be more agile and grow revenues in dynamic and complex options trading markets
- Enables clients to scale their business with minimal risk and costs
- Provides low-latency messaging backbone for high-performance options trading platform
- Helps differentiate options trader in a highly competitive market and increased agility
- Lowers costs by eliminating need for centralized message brokers
- Delivers dramatic performance, availability, and scalability gains, while also proving easy to monitor and maintain
- Supports client implementations from 2 to more than 200 servers and from 2 to more than 2,000 message recipients
- Reduces client risk through OEM agreement
- Eliminates single points of failure across the BTS trading platform for high availability
- Leverages a proven and stable low-latency messaging environment with robust monitoring facilities for increased reliability

NUTS & BOLTS

- Solution: Ultra messaging
- Product: Informatica Ultra Messaging

Blue Trading Systems burst onto the options trading scene in 2011 with a mission to provide clients with the fastest, most reliable, and most profitable platform for options trading. Headquartered in Chicago, the company is partnering with a portfolio of options market-makers specializing in broad-based equity index options. BTS markets its platform as an outsourced solution to these trading firms, which require the ultimate in options trading speed and reliability, but also want to avoid the time and expense of building and maintaining their own in-house, high-frequency algorithmic trading technology.

During the development phase of BTS's messaging backbone, the key demands that the organization had to confront were trading speed, reliability, and scalability. BTS needed a low-latency algorithmic trading platform that would reliably handle millions of messages every second, while supporting client implementations that would scale seamlessly from 2 to more than 200 servers and from 2 to more than 2,000 message recipients.

OEM Agreement with Informatica Introduces Submillisecond Messaging

As part of an OEM agreement with Informatica, BTS will make Informatica Ultra Messaging software the low-latency messaging backbone of this high-performance options trading platform. The multicast solution will eliminate the need for centralized message brokers that would otherwise increase message latency and impact reliability and scalability. The net result will be submillisecond messaging across BTS's trading platform.

"Blue Trading Systems' aim is to provide its clients with the fastest, most reliable and most profitable platform for options trading. Informatica Ultra Messaging is a key element in our offering," explains Pedro Pinto, managing partner, Blue Trading Systems. "If we had all the time in the world to design the ideal messaging solution, it would probably look a lot like Informatica Ultra Messaging. As it is, Informatica has done that job for us, enabling us to embed in our platform a stable, configurable and high performance solution for message exchange that will help differentiate us competitively and make us more nimble in the market."

This OEM agreement enables BTS to avoid the substantial risks of developing its own messaging backbone and allows the company to focus on developing solutions specific to its clients. Consequently, clients receive the best of BTS's extensive proprietary know-how, while the company is also able to take advantage of Informatica's similarly extensive proprietary expertise in the messaging field.

By embedding Informatica Ultra Messaging into its trading solution, BTS will create a real, sustainable competitive edge in options trading. Specifically, the highly configurable, highly tuneable trading platform will help smaller options trading firms to be more agile, scale their business, and grow revenues in dynamic and complex options trading markets.

Other benefits include:

- Delivers extremely low-latency, below 100 microseconds, across the BTS trading platform in support of high-volume, high-velocity trading. This speed will help users of the platform achieve faster and more reliable trade execution allowing them to remain ahead of their competition.
- Scale over large volumes of messages and large numbers of message recipients without significantly increasing message latency. This ability will let BTS clients grow their business cost-effectively, with no detriment to service quality
- Help ensure peak messaging and trading performance—crucial in providing a competitive and reliable options trading service
- Eliminate single points of failure across the BTS trading platform for high availability and robust service delivery
- Facilitate retirement of a legacy custom-developed, broker-based solution for messaging that was challenged to reliably handle sizable volumes of large messages and was also difficult to scale and costly to maintain

Looking ahead, BTS will investigate the use of Informatica Ultra Messaging Persistence Edition. The solution's advanced parallel persistence architecture will provide BTS with guaranteed messaging without the use of a central messaging broker. The result will be unsurpassed resilience and performance over any traditional guaranteed messaging system.

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— Pedro Pinto, Partner, Blue Trading Systems

Learn More

Learn more about the Informatica Platform. Visit us at www.informatica.com or call +1 650-385-5000 (1-800-653-3871 in the United States).

About Informatica

Informatica Corporation (NASDAQ: INFA) is the world's number one independent provider of data integration software. Organizations around the world gain a competitive advantage in today's global information economy with timely, relevant and trustworthy data for their top business imperatives. Worldwide, more than 4,400 enterprises rely on Informatica for Data Integration and Data Quality solutions to access, integrate and trust their information assets held in the traditional enterprise, off premise and in the Cloud.



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