



Artemis Case Study

The outsourcing value Proposition

WORLDWIDE SECURITIES SERVICES

J.P.Morgan

Company Background

Founded in 1997, Artemis is a leading UK fund manager, specialising in active investment management for retail and institutional investors in the UK, as well as internationally. With offices in London and Edinburgh, Artemis has approximately £11.9 billion in assets under management across a range of unit trusts, an investment trust, hedge funds, a venture capital trust, an international SICAV as well as segregated and pooled institutional portfolios.

Artemis has always had an outsource model for administration, preferring to concentrate on the business of fund management. The main outsource contract with the incumbent supplier was coming to the end of its term and the decision was taken to put the business out to RFP. The RFP covered all aspects of servicing including Global Custody, Fund Accounting, Investment Operations, Cash Management, Luxemburg Transfer Agency and Hedge Fund Administration.

J.P. Morgan Worldwide Securities Services (WSS) was selected to provide all of the services in scope. The transition to WSS was completed in a phased approach, in just under a year.

Innovation

J.P. Morgan's ability to migrate fund managers easily from other providers onto its strategic platform is a significant industry milestone, providing the fund management industry with more choice for the administration of middle and back office functions. J.P. Morgan is the first service provider able to offer fund managers a flexible "component-ised" platform, which enables them to choose the functions they wish to outsource and those they wish to continue to perform internally.

Following the successful transition, Mark Murray, Chief Operating Officer, Artemis, kindly gave an interview to our team to share Artemis' thoughts and experiences. Below is a summary of that conversation.

The key differentiators for Artemis when choosing a provider...

In terms of deciding on the right provider, a key requirement or differentiator was to build a relationship with a firm that had proven capabilities both from a day-to-day processing perspective (high STP rates etc.), but also experience in successful migration programmes and smooth integration into a 'business as usual' environment. With the move to more second generation outsourcing deals, this experience in dealing with exiting providers is becoming more important.



The importance of Artemis to J.P. Morgan...

We are delighted to be working with Artemis as an industry leading and sophisticated UK fund manager said Susan Ebenston, Global Fund Services Executive, J.P. Morgan Worldwide Securities Services. Providing middle and back office services to fund managers on our existing platform enables more efficient processing. It ensures our clients benefit from the ongoing investment we make in our technology and can focus on their core business of investment management with minimal disruption, better serving their own clients.

said Susan Ebenston, Global Fund Services Executive,
J.P. Morgan Worldwide Securities Services



Looking to the future...

Speaking to my Head of Operations following completion of the transition, I asked him whether or not we had made the right decision. He gave me a clear 'yes'. We are very optimistic about the future and our partnership with J.P. Morgan.

said Mark Murray, Chief Operating Officer,
Artemis Investment Management LLP

It was also key that the new provider was fully committed to its administration outsource business and had demonstrated that commitment through investment in both its Technology and Operational infrastructures.

Lastly, with Artemis having ambitious growth plans, building a strategic partnership with a firm that had the tools both to service the current book of business and also meet any future demands for additional services or product capabilities was crucial.

Why Artemis selected J.P. Morgan...

From the outset, J.P. Morgan displayed a professional approach to the RFP process and worked hard to understand Artemis' requirements.

The RFP responses were well written, with thought given to ensuring that the questions were actually answered rather than simply a standard response being provided. This level of diligence and care was maintained throughout the process.

The actual scoring of the RFP responses performed by the consultant provided a relatively close set of results between the competing providers based on their capabilities, as is often the case. However, outsourcing is becoming more of a relationship driven sales process and consequently the team that worked on the bid were key to the eventual success of J.P. Morgan.

The calibre of the people and their professionalism reflected very well on J.P. Morgan. The knowledge and experience of the individuals was evident and the team working on the process had a proven track record of successful execution.

With the significant investment in the new strategic platform, and the extensive suite of services and products that J.P. Morgan could offer either as part of their integrated platform or as standalone services, J.P. Morgan offered the strategic partnership that Artemis was looking for.

Highlights

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Extending The Business Value Chain: Investment Operations Services

The Outsourcing Value Proposition



Services

- Trade Matching & Settlements
- Complex Securities Processing
- Investment Recordkeeping & Valuation
- Reconciliation
- Performance Measurement
- Account Services & Management Information
- Data Management & Reporting



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