Firm Overview

Prime Buchholz is an institutional investment consultant, advising on approximately $73 billion in assets and serving as an investment partner to over 250 clients. Prime Buchholz is a pioneer in the world of alternative-investments advising, specializing in a wide range of asset classes, including hedge funds, private equity, and real assets. With its main office in Portsmouth, New Hampshire, and additional offices in Boston and Atlanta, Prime Buchholz serves a diverse client base, including nonprofits, retirement plans, and private wealth.

This information is up to date as of August 2023. As such, any data points referenced within the case study are as of that date.

Challenge

Historically, Prime Buchholz faced challenges in managing alternatives data, such as irregular data availability and labor-intensive data extraction processes. A vast amount of data poured in from each of its investment strategies, arriving at different times and in disparate formats, which compounded the complexity of its operational processes.

Senior Director of Information Systems Dan Ricci remembers: "Historically, we shared key data elements and portfolio data with our clients via hard copy reporting, meeting materials, emails—all valuable methods of communication—but our strategy began to shift. We started to ask ourselves, how can we make data available? And not just available, but highly available? How can we make our data process not just efficient, but also leverage the output in a user-friendly, interactive way? The result was the creation of our internally-developed platform, PrimePlus®."

PrimePlus® was launched with the goal of enhancing portfolio analytics and decision-making without requiring the generation of lengthy portfolio reports. However, there were still roadblocks as PrimePlus® required data integration from various sources to realize its full purpose. Since Prime Buchholz still relied on manual workflows for document collection, data cleaning and processing, and data communication, this process was time-consuming and subject to human error, so the platform was not meeting its total potential. Each month, Prime Buchholz spent time manually processing thousands of documents. Further, the system was limited by the availability of processed data, which was communicated through voluminous reports.

In order to better serve its clients, Prime Buchholz sought out an automated solution that could centralize its investment data and ensure data would be readily available to clients in a more timely manner. Additionally, the team needed access to supplemental information to broaden its analytics.

Solution

With the goal of transforming operational workflows and enhancing data management capabilities, Prime Buchholz partnered with Canoe and Venn by Two Sigma to create a dynamic solution. Aligned with Prime Buchholz's vision for its tech stack, this integration enabled the team to process data seamlessly. Canoe's cloud-based, machine learning technology delivers efficient document-to-data transformation, automation of manual processes, and significantly reduced processing time. With Canoe's automated extraction and validation functionality, powered by its Shared Intelligence across 25,000+ funds, Prime Buchholz has further streamlined its workflow and quickly improved data quality.

In addition, Venn introduced a supplemental dimension to Prime Buchholz's analytics capabilities. After leveraging Venn's powerful API to integrate the Two Sigma Factor Lens directly into PrimePlus®, the firm gained access to sophisticated factor-based analysis capabilities that enhance its understanding of portfolio performance and risk. Venn's comprehensive suite of factors enables the team to complement traditional holdings-based analysis with returns-based analysis, providing valuable insights into manager risks and exposures across asset classes.

Client Testimonial

"[Canoe's API has] really made it a lot easier for us to leverage the power of Canoe but within the context of our own applications. Because of this, our process not only syncs new data from Canoe with our performance systems and PrimePlus®, but also allows us to build in automated checks and flag data for manual intervention to the extent our analyst team needs to examine information further. The result of the integration has been that we've been able to build a robust, repeatable process for daily data updates that really has been a game changer."

"We are currently focused on the domain of continuous improvement. Our goal is to supplement our data structure with integrated data sets and functionalities to create the most comprehensive analytical toolbox that we possibly can create. For example, we've integrated Venn's Risk Analytics via their API directly into PrimePlus. This has enabled our users to experience the power of Venn while also eliminating any additional data maintenance efforts. In summary, **PrimePlus, in partnership with platforms like Canoe and Venn has revolutionized the way in which we're able to synthesize, supplement, and then ultimately communicate the vast amount of data we have at Prime Buchholz."**

DANIEL RICCI, CFA
DIRECTOR OF INFORMATION SYSTEMS AT PRIME BUCHHOLZ

Results

Overall, the collaboration with Canoe and Venn helps Prime Buchholz affirm its position as a leading investment consultant with advanced technology helping synthesize, analyze, and share vast amounts of data to its clients. The partnership has facilitated the creation of a comprehensive toolbox within PrimePlus® and continues to drive innovation and efficiency, allowing Prime Buchholz to meet its clients' evolving needs while maintaining its strong focus on data, technology, and reporting excellence. The impact of the Canoe and Venn partnership has been immediately evident:

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Short Term Benefits

Thousands of Documents Automatically Processed Each Month: Thanks to Canoe's automated document collection and data processing workflow, there is a drastic reduction in the team's previously fully manual effort to process thousands of documents each month.

Enhanced Operational Efficiency and Time to Decision: Dynamic data updates empower the firm to make informed decisions promptly, respond to market changes rapidly, and optimize its portfolio management strategies more effectively.

Seamless Data Communication: By enabling effortless consumption and updating of portfolio information without complex report creation processes, the firm has established strong client relationships and elevated overall satisfaction levels. Clients are able to easily consume and update portfolio information without complex report creation processes.

Compounded Competitive Advantage: PrimePlus®, with its powerful data architecture and comprehensive analytics, has differentiated Prime Buchholz's service offering, setting it apart in the investment consulting space.

Long Term Benefits

Future-Proofing PrimePlus®: Incorporating Canoe's straight-through-processing capabilities and Venn's sophisticated factor analysis into the PrimePlus® data structure creates a holistic understanding of portfolio performance and behavior, creating a foundation of strong data management with long-term stability and scalability.

Empowered Data-Driven Decision-Making: By fusing the power of Canoe and Venn, Prime Buchholz can paint a comprehensive and accurate picture of market dynamics, asset performance, and economic trends. This allows Prime Buchholz to go beyond traditional consulting and focus on extracting meaningful patterns, correlations, and predictive indicators from a diverse range of data sources.

An Integrated Tech Stack: Canoe's downstream-agnostic system allows Prime Buchholz to leverage its built-in APIs, contributing to potential future expansion of the firm's tech stack. The integration of Canoe and Venn empowers Prime Buchholz to regularly improve its offerings and supplement its data structure with integrated data sets, aiming to create the most comprehensive analytical toolbox possible.