

EnergyRisk

**ASIA
AWARDS**

2014



**Technology House
of the Year**

Aspect 
Enterprise Solutions



Aspect Enterprise Solutions

Technology House of the Year



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Since the 2008 financial crisis, both Europe and the US have put rules in place to regulate over-the-counter derivatives – and many Asian countries are now following suit. Consequently, Asian energy market players are looking for new technology to support more onerous risk management requirements. However, traditional commodity trading and risk management (CTRM) software can be prohibitively expensive for medium-sized firms, which comprise a large proportion of the local market.

This is where Aspect Enterprise Solutions, a UK-based commodity software vendor, comes in. Due to its ability to offer software via the web, the overall cost of implementing and running Aspect's CTRM system can be as little as a quarter of equivalent systems with the same functionality, according to president and chief executive Steve Hughes. While it can take six to 12 months to implement a traditional CTRM platform, AspectCTRM can be put in place in as little as five weeks, resulting in much lower implementation costs.

"Our use of cloud technology means that the overall project costs are a lot lower than traditional vendors. Our software is no cheaper than others, but the overall cost of ownership is a fraction of the large vendors," says Hughes.

As of August, Aspect's Asia revenues had grown by 6% in the year-to-date. It now has 172 clients in the region, with 760 users in total. A notable new client this year is Singapore-based commodity trader MRI Trading, which successfully implemented Aspect's software for all its front- and back-office processes in April. Existing clients have also renewed their contracts and upgraded to take advantage of new improvements the firm has

made. Among these is Tokyo-based trading house Mitsubishi, which extended its relationship with Aspect for another three years and raised its number of users, representing a 25% increase in contract value.

In the past 18 months, Aspect has put a lot of work into improving AEShetics, the web-based architecture underlying the firm's products. Those improvements mean that third-party vendors or in-house professionals can now implement AspectCTRM or



Steve Hughes

and processes created using our system almost every day, without our involvement."

The firm's scripting tool for report generation has proven particularly popular with clients. "Custom report scripting is a very useful tool for us. We use it to generate our own reports and we don't need to revert to Aspect for new reports," says Shyam Kumar, Singapore-based IT project manager at oil trading company Chemoil, a wholly owned subsidiary of Swiss commodity trader Glencore.

The company has also used scripting to integrate its own system with AEShetics. "We have our own supply chain management tool and we have



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Steve Hughes, president and chief executive

integrate it with other systems, without involving Aspect. This is achieved through the use of powerful scripting tools, which allow data to be sliced and diced in many different ways. "One of the most complex issues is connecting two systems. The fact that the user can now do that themselves using scripting is testament to the power of the AEShetics environment," says Hughes.

Scripting also allows clients' in-house IT experts to create new processes – for instance, generating reports and sending out automated email notifications – without them having to go back to Aspect. "New reports can be produced the next day at the cost of the person configuring them, rather than new code having to be written by the vendor," says Hughes. "There are new reports

used Aspect's web service method to integrate it seamlessly with Aspect. The two systems communicate fully now and all Aspect needed to do was open up its web service for us and we built the integration layer," says Kumar.

Making its technology more accessible is an important part of Aspect's plan to expand its business by creating a partner programme. Under the programme, third-party implementation specialists will be able to license and install Aspect's systems, in return for a share of the revenues. The partner programme is central to Aspect's strategy in Asia, according to Hughes, who says it is in talks with four companies in the region that have expressed an interest in becoming partners. "In markets that are fragmented, it's desperately important to have a regional presence," he says. ■