



Electronic Trading Companies Choose CFN Services as their Partner to Reduce Latency

In the world of electronic trading every millisecond can mean a loss of profits. Some estimates state that a 1-millisecond advantage in trading applications can be worth \$100 million a year to a major brokerage firm, so milliseconds matter.

Background

A nationally recognized Electronic Brokerage Firm had reached a point of maturity and needed to take a step back and evaluate past network decisions and plan for the future. They had diverse routes to more than 6 locations and found they were not getting the performance they expected.

Business Challenge

The Electronic Trading Company had three priorities that had to be met – confirmation of their knowledgeable base for network decisions, confirmation of their routes for high-speed transmission of data, and overall network reliability. In addition, these provisions had to be met while continuing business as usual.

Within the electronic trading industry, competition is very fierce. With 65% of the New York Stock Exchange traffic coming from electronic trading firms, it is a crowded playing field. CFN Services needed to design a network that would not only deliver information quickly and accurately but also provide differentiation from the competitors using parts of the same carrier network.

Network Solution

CFN Service’s proprietary knowledge-based telecom infrastructure platform FiberSource®, first provided the trading firm knowledge so they were able to evaluate their current network and help work to build for the future. CFN Services also provided multi-site analysis picking some of the most active routes this firm depended on, to see if they were getting the speed, reliability and resilience they required. The project started with four routes between large trading cities with two in the United States and two in Europe.

Executive Summary
Electronic Trading Firm Low Latency Solutions
Business Challenge <ul style="list-style-type: none"> • Reduce Latency on Network • Need confirmation of data
CFN Services Solution Utilized FiberSource® software platform provided Electronic Trading Firm With: <ul style="list-style-type: none"> • Network Knowledge • Custom Multi Carrier Network Options • CFN Management of Carrier Contracts • Diversity • Reduced Mileage on Route
Business Results <ul style="list-style-type: none"> • Mileage Reduction of up to 15% • Decreased Latency by up to 15% • Business Confidence – knowing the data on all existing routes and all available options



Optimizing the Power of Your Network

Speed

Obtaining just a fiber connection from point A to B is no longer sufficient to ensure optimal data transfer speeds. Fiber footprint does not normally follow a direct line between endpoints. It follows geographic contours relating to roads, rivers, railroad tracks, etc. CFN Services specializes in the ability to design and implement the lowest latency fiber network available by identifying and utilizing optimal spans from all available suppliers. The key to the integrated solution provided by CFN Services is the ability to identify metro fiber and the collocation space to piece together the carrier networks onto one optimal path. This translates into a networking performance advantage for an electronic trading company.

Knowledge

This trading firm had a sense that there was more information available, but they did not know how to get to it. They had been working with many services providers, but in each instance, each service provider only provided options that kept them on a single providers network. By utilizing CFN Services' FiberSource® telecom knowledge base tool along with CFN Services' engineering and fiber design services; the firm was able to learn that many of their routes carried unneeded mileage due to the routing.

Reliability

A reliable and low latency connection was imperative because all network transmissions to an electronic trading company are mission critical.

Final Results

The Electronic Trading firm now has the comfort of knowing that not only do they have the ability to add diversity to their network, they are able to get the lowest latency network available. Working with CFN Services to evaluate all carrier options, the trading firm was able to receive a customized path between their requested locations. This provided them reduced latency, diversity for reliability and competitive advantage over other firms operating in their line of business. Working with CFN Services provided the Electronic Trading firm with a partner that not only made valuable design recommendations, but also provided a full turnkey network including implementation and maintenance of the routes. Through the new routes that were custom designed for them they were able to reduce miles of extraneous fiber, which led to a reduced latency of over a few milliseconds per route.