

CASE STUDY: ICM ASSET MANAGEMENT, INC.**BACKGROUND**

Founded in Spokane, Washington, in 1981, ICM Asset Management oversees over 1,500 portfolios representing nearly \$1.5 billion in assets. The predominately employee-owned firm manages assets for corporations and businesses, high-net-worth individuals, Taft-Hartley and other pension plans, foundations and endowments, and public funds. ICM maintains compliance with GIPS® and has used the CAPS software for composite management and reporting since 2001. Prior to using CAPS, ICM used a combination of Advent Axys® and Excel spreadsheets.

GROWING PAINS

The Axys/Excel method of building and calculating composites required a two-person team, was time-consuming and over time became increasingly difficult to manage. Each asset discipline had its own Excel file with several tabs containing different composites. The spreadsheets were used to calculate composites but also to track the underlying portfolio inclusion, composite policy restrictions, standard deviation and firm assets. The spreadsheets kept growing in size as the marketing team requested more and more information for consultant databases and RFP's. As a result, it would take four to five weeks after reconciliation to complete the composite performance – including compliance review and marketing sheet presentations.

TIME IS MONEY

The implementation of CAPS took approximately one week. The implementation included:

- Interfacing directly with Axys to read portfolio characteristics and performance.
- Loading historical spreadsheet data from Excel into CAPS.

Once the CAPS database was populated, ICM soon discovered the benefits of having one central location for the entire firms' composites and related data. Using CAPS, the five week composite process has been cut to one week, and the information that marketing needs is available quickly and easily. As a result of the time savings, one of the two employees in the performance team has been able to undertake other duties within the firm while the remaining person has been able to focus on other compliance requirements.

GIPS® GOING FORWARD

CAPS has helped ICM with GIPS compliance by making it much simpler to track and manage all current and historical portfolios within and between composites. The user interface of the software makes it easy to switch between "portfolio view" and "composite view". The structure of each composite is quickly reviewed and audit reports show when accounts are included, when accounts are excluded and the reasons behind excluded or terminated portfolios. Presentations are easily run for any composite and disclosures can be customized for each.

**"THE TIME THAT CAPS SAVES
ALLOWS US TO WORK PROACTIVELY
INSTEAD OF REACTIVELY"**

**-Lisa House
Performance Analyst
ICM Asset Management, Inc.**