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Online Trading

BondDesk Buys TIPS, Maker of Fixed-Income Software

By Mary Wisniewski

BondDesk.com, an online trading platform specializing in the retail market, announced this week that it had acquired **TIPS Inc.**, a provider of fixed-income calculations software for the financial services industry.

The company, founded by **Jan Mayle** in 1986, will become a division of BondDesk and will rename its suite of products **BondDesk*Analytics**. The terms of the agreement were not disclosed.

"It's a great calculator," said **Jay Caldas**, vice president of **Hartfield, Titus & Donnelly**. "We were looking at buying it ourselves, but decided to develop our own."

The acquisition continues BondDesk's consolidation of technology tools. Last October, the retail platform acquired **BondNexus**, which provided software that allows bankers, traders, dealers, and issuers on BondDesk's system to see information about bond sales as they take place.

"This acquisition further solidifies BondDesk's position in the e-bond trading marketplace by extending our realm of service to our clients," said **Joseph Nirta**, chief information officer of BondDesk, noting that Mayle "literally wrote the book on fixed-income analytics."

Mayle is the author of the *Standard Securities Calculations Methods* books published by the Securities Industry Association.

The software library provides calculation routines for valuation and analysis of domestic, foreign, developed, and emerging market fixed-income securities to developers of in-house and commercial systems, according to the TIPS Web site.

Before forming TIPS, Mayle had been a consultant to financial firms for several years.

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BondDesk president **Brad Wendt** said BondDesk had been working with Mayle on analytics and decided to acquire TIPS about four months ago — but didn't formally announce the acquisition until Tuesday because Mayle first wanted to talk with his customers about it.

Wendt said that TIPS had created the standards sanctioned by the SIA and The Bond Market Association. If someone wants to calculate a yield on a security, Mayle's book shows how to do these calculations, and the software program provides online calculators to do them.

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Mayle's company provides speed as well as accuracy, according to Wendt. "When you're doing as many calculations as BondDesk is doing every day, speed is a huge issue," he said. "TIPS leads the field in terms of calculation."

Mayle said that he believes joining Bond-

Desk will make it easier for TIPS to explore new avenues in product development.

"Working with BondDesk allows us to see firsthand how end users implement their products," Mayle said in a Bond Desk statement. This will help TIPS — now Bond Desk*Analytics — design more customized and functional software, Mayle added.

Lisa Edwards, president of BondDesk rival **ValuBond**, did not comment, other than to note that BondDesk "had another tool for its toolbox."

BondDesk is a privately held company whose equity partners include **ABN AMRO Financial Service Inc.**; **A.G. Edwards & Sons Inc.**; **Bank of America**; **Bear, Stearns & Co.**; **RBC Dain Rauscher Inc.**; **Goldman, Sachs & Co.**; **Legg Mason Wood Walker Inc.**; **Prudential Securities Inc.**; the **Pershing Division** of **DLJ Securities Corp.**; **Raymond James & Co.**; **Spear Leeds & Kellogg**; **Susquehanna Partners**; **TD Waterhouse Group Inc.**; **UBS PaineWebber Inc.**; and **Wachovia Securities**. □