

CASE STUDY

Caldwell Sutter Capital

A Cloud-Native Solution That Meets Clients Where Their Money Is Located

Caldwell Sutter was founded in the early 1980's as a dually registered broker-dealer and advisory firm focused on value investing. The founder developed a unique, highly focused, value investing process. This research intensive approach is designed to uncover individual securities that can be purchased at deep discounts to intrinsic value. And that holding these securities over the long term was a very effective way to consistently compound wealth, with a very low risk of permanent loss of capital. In order to implement this philosophy, Caldwell Sutter employs unique, customized equity and now fixed income strategies, focused on delivering long-term, tax-efficient, risk-adjusted growth and income for clients. Caldwell Sutter's investment management process has been developed and

continuously refined over multiple decades and multiple economic and market cycles.

As part of that process and philosophy, Caldwell Sutter has made strategic acquisitions to enhance the firm's overall capabilities, firms that had business lines that provided unique execution advantages and opportunities in support of investment strategies.

According to Chris Anderson, CCO for Caldwell Sutter, over time the acquisition strategies created operational issues as they had multiple direct selling agreements with mutual fund companies, along with assets custodied with their custodian, TD Ameritrade, as well as data feeds from Wedbush, the clearing firm for their broker-dealer.

” Most of the acquisitions we had made didn't come with a lot of technology infrastructure, so we were dealing with different entities and trying to track data from multiple sources, including custodians, IRAs at Trust companies, and our clearing firm. It was starting to get out of control, so we looked across the industry for comprehensive reporting solutions that could simplify and automate much of our back office.

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Location: Sausalito, CA

Description: Hybrid broker-dealer/RIA

AUM: \$647 million

Implementation Year: 2017

BACKGROUND:

- Founded in 1982 as an advisory firm focused on value investing
- Made multiple acquisitions over the years via a growth strategy, including two broker-dealers, another advisory firm and a municipal bond underwriter and municipal advisor
- Sought a reporting platform that could integrate data from their clearing firm as well as their custodian

BENEFITS:

- Provided Caldwell Sutter with a tightly integrated technology solution for their hybrid RIA/BD business
- Enabled Caldwell Sutter to become GIPS compliant
- Provided a powerful technology solution to serve clients no matter where their money is located

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“Most of the acquisitions we made didn’t come with a lot of technology infrastructure, so we were dealing with different entities and trying to track data from multiple sources, including custodians, IRAs at Trust companies, and our clearing firm,” Anderson said. “It was starting to get out of control, so we looked across the industry for comprehensive reporting solutions that could simplify and automate much of our back office.”

Anderson sampled all of the leading portfolio accounting, management, and billing systems in the industry and selected the Black Diamond® Wealth Platform for a variety of reasons, most importantly the access to high quality data. “With it being part of SS&C Advent’s extensive ecosystem, Black Diamond was the only platform that had data feeds from Wedbush, our clearing firm, making it the superior solution.

Anderson was also impressed with Black Diamond’s comprehensive platform. “We knew that Black Diamond’s reporting was robust, but being able to see our data all in one place was a lifesaver as it allowed us to become GIPS compliant. We leveraged Black Diamond for the calculated returns to construct the needed composites for GIPS, which has been a powerful differentiator for us when competing for new business.”

Going forward, Anderson is focused on implementing a CRM with Salentica Elements, which will be tightly integrated with Black Diamond under the SS&C umbrella. “We are very excited to be able to up our game with a firm-wide CRM, which we have never done before. It will be extremely powerful to support our growth in keeping track of all of our clients and prospects in one place. Cleaning up almost 40 years of legacy data has been daunting, but with the help of our dedicated Client Advocate, it has made the project much more manageable. They are very responsive and always looking to help us out.”

Ultimately, for Anderson and Caldwell Sutter, their technology has been a key aspect of their success and client focus. “We want to be able to serve

clients no matter what they own or where they custody their assets,” Anderson said. “We need to have a platform for wherever their money is located and we have that with Black Diamond.”

To learn more about Caldwell Sutter, please visit their website at www.cald.com.

FOR MORE INFORMATION

No matter your size or structure, Black Diamond has the flexibility, infrastructure, and power to support your unique wealth management business. To learn more, please call 1-800-727-0605 or email info@advent.com.

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