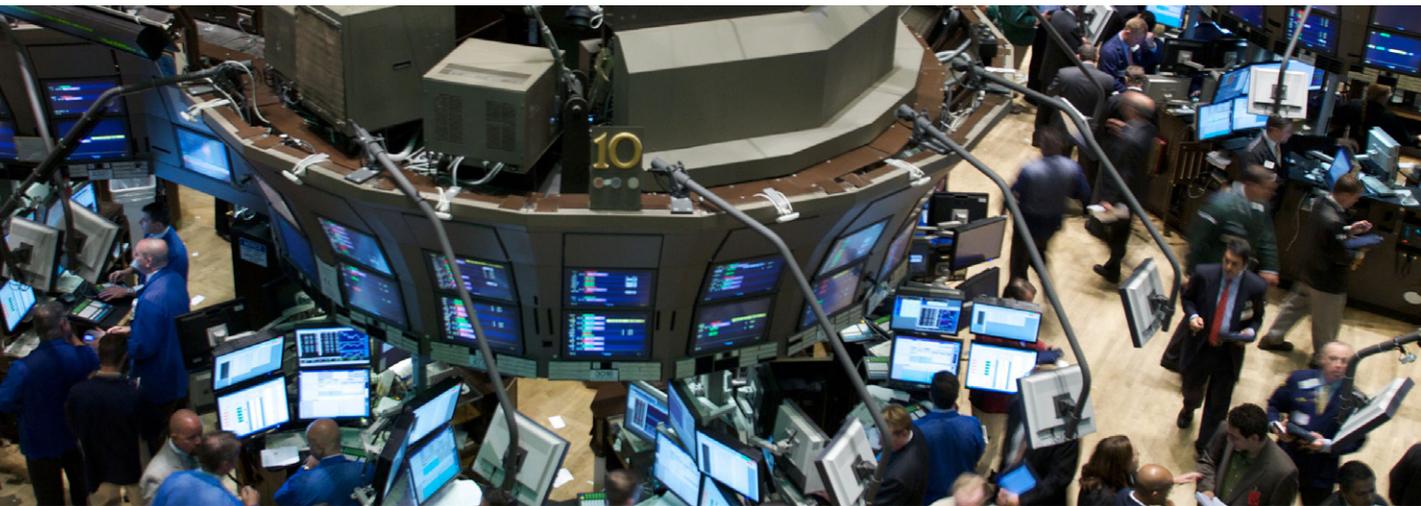


AMERICAN STOCK EXCHANGE IMPROVES ITS BUDGETING & REPORTING PROCESSES



THE CLIENT

As the nation's second largest floor-based exchange, the American Stock Exchange (Amex) has a significant presence in common stocks, index shares, and equity derivative securities. On the Amex, trading is conducted through an advanced centralized Specialist system combining the speed of computer delivered orders with the liquidity of customer driven markets. Today, Amex is on the leading edge of exchanges worldwide in developing successful new investment products and innovative services for companies and investors.

Amex members represent a comprehensive cross-section of the nation's leading brokerage houses, including 807 regular members who transact business in equities and options, and 57 options principal members who execute transactions in options.

THE CHALLENGE

The Amex Corporate Finance department was looking for a major process improvement in their budgeting processes for both Operational and Capital Expenses. Amex has over 150 domestic users in 200+ Cost Centers. In prior years, they had electronically mailed these users Microsoft Excel-based templates, which were completed and sent back to Corporate. Corporate then manually consolidated these templates one by one through Excel.

Typical user complaints were the unfriendliness of the templates and the difficulty in sending and retrieving their information. Corporate complaints included the difficulty of consolidation and the user's ability to manipulate the templates, taking away their uniformity. Due to the complexity of collecting the information, very little time was available to spend on analysis.

THE SOLUTION

Amex engaged Praxinet to develop and implement a new budgeting and reporting application. Praxinet conducted joint requirements planning meetings (JRPs) to determine the system requirements. The project was subsequently separated into multiple phases.

- Design and implementation of the database
- Creation of databases
- Creation of budgeting templates
- Creation of automated data extraction, scrubbing, and loading routines
- Creation of analytical reports based on the allocation of expenses and outside sources of information (SIAC, Bloomberg, etc.)
- Creation of an Executive Information System
- Creation of standardized financial reports

While developing each of these phases, an effort was made to produce a solid foundation for future implementation phases including:

- A Corporate data warehouse
- An Executive Information System
- Deployment of information over a company-wide intranet

THE TECHNOLOGY

Hyperion Essbase Multidimensional database
Oracle Financials

Hyperion Analyzer
Microsoft Windows NT Server

Hyperion SQL Interface
Microsoft Visual Basic

THE BENEFITS

The new system that Praxinet developed for Amex significantly reduced the budget processing time. The solution did not rely on e-mailing templates back and forth. Praxinet automated the data extraction, data scrubbing, and loading routines to migrate from the existing general ledger system. Amex was able to avoid re-keying and diminish manual data entry. It also provided the ability to feed data from multiple sources, such as the underlying general ledger system, outside sources (SIAC, Bloomberg), and spreadsheets. By reducing processing time and manual effort, Praxinet helped Amex reduce its costs and increase the amount of time that could be spent on high-value analysis and forecasting.

The solution supported all Amex financial reporting needs by leveraging Business Intelligence (BI) tools. It provided Amex with the ability to analyze its data with a broader scope (i.e. Product) and contained easy-to-use, centralized, dynamic, budgeting templates connected to the database for both input and querying. By providing a process for rapid ad-hoc report generation and distribution, Praxinet significantly increased Amex's data analysis capabilities. Thus, Praxinet increased Amex's business agility by providing the ability to respond to new opportunities with unprecedented speed.

Lastly, the solution was built using open standards with a flexible platform and interface that can be easily modified to reflect changes in corporate structure. For instance, the scalability of the solution allows the easy addition and/or deletion of Cost Centers and products. Praxinet designed the solution to fit Amex's immediate needs while providing needed flexibility for the long-term.

About Us...

Praxinet, Inc. provides consulting and software solutions that improve business performance across government and private enterprise. Praxinet leverages its core competencies in strategic consulting, Internet technologies, and business intelligence to enable its clients to manage their operations more efficiently and intelligently. Praxinet has designed and developed mission-critical solutions for major clients such as Avaya, Swiss Re, Pitney Bowes, GE, Star Gas Partners, Deloitte & Touche, PricewaterhouseCoopers, Citibank, Pfizer, Verizon, UPS, IRS, NH Dept. of Health & Human Services, and Tishman Speyer Properties.

For more information:

203.894.9000 x22
info@praxinet.com
www.praxinet.com

Praxinet Inc.

63 Copps Hill Road, Ste. 200
Ridgefield, CT 06877