

Obama Wins: Wall Street prepares for renewed Dodd-Frankenstein assault.

Submitted by: Chase Information Technology Services

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London 8th November 2012: The Obama victory will be sending shivers down the spine of US bank CEO's and their advisers this week. The one chance they had of dodging the Dodd-Frank Act, the single biggest change to US Financial Services oversight since the 1930's, died with Mitt Romney's failure to dislodge Obama.

Standard & Poor's estimates that Dodd-Frank, which puts in place a new super-regulator and limits the sale of exotic financial instruments, will cost the top 8 US banks USD22 billion annually.

Hidden in the detailed implementation of the Act is a new requirement that is set to give America's top law firms one of their biggest paydays for decades.

For the first time, certain types of traders will be required to record phone conversations, as they do in the UK and other parts of the world. On the surface, it seems perfectly sensible, as much of the detail of trading activity is contained in these calls.

However, this has been resisted for some time by the in-house counsel of leading Wall Street institutions, because in litigation, all relevant communications have to be disclosed to the other side. And with the current state of technology, that means that tens if not hundreds of thousands of hours of phone calls will have to be listened to and in many cases fully transcribed. Time-consuming and immensely costly. Barclays recent internal LIBOR investigation ran to over USD150 million.

Call recording solutions are generally bought on price and an ability to use the minimum amount of storage. If you want to use machine transcription to assist in the enormous task of finding the e-discovery needle in a haystack, the quality of what you have recorded may not be good enough, with mono conversations of limited intelligibility the norm.

Chase ITS, a City of London based technology firm, offers consultancy to assist companies in getting in place the right infrastructure to allow this mass of calls to be quickly searched and retrieved.

It is also announcing the release of its A/SALT product (Advanced Self Adapting Learning Technology), which allows voice transcription technology to "teach" itself to improve over time, allowing a more rapid deployment of voice transcription and analysis tools, while getting the absolute best quality speech recognition. This highly flexible product can give significant improvements to almost any voice recognition system.

"The regulators have snuck up behind Wall Street on this one," says Nigel Cannings, CTO of Chase ITS. "End users, such as legal and compliance, need to make sure they get involved in the decision making process for new IT infrastructure before it is too late"

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About Chase ITS

Chase Information Technology Systems Limited is a London based software firm with over 20 years' experience of delivering mission critical transaction processing systems to companies regulated by the FSA, who typically manage billions of dollars of client funds, including several top 20 global insurers. Chase specialises in voice recognition and text analysis systems that allow companies to understand their businesses better. For further information about Chase ITS, please visit our website (<http://www.chaseits.co.uk>)