

COMMODITY RISK MANAGEMENT & TRADING

REPRINTED FROM
EnergyRisk

risk.net/energy-risk

June 2013

DATA MANAGEMENT
HOUSE OF THE YEAR
ZE PowerGroup Inc.



EnergyRisk
Awards 2013





ZE PowerGroup Inc.

Data Management House of the Year

Vancouver-based ZE PowerGroup Inc. (ZE) scoops *Energy Risk's Data Management House of the Year* award for the fifth consecutive year in 2013. In the 12 months to March this year, the family-run firm says it saw a 22% rise in sales revenue, which led to a 50% increase in overall profitability. The doors of new sales offices were flung open in Madrid and Singapore, while the firm also set up a new support office in London. The firm's rapid expansion saw its total number of staff rise by 40%, with its software development team growing by 60%.

During that time, ZE picked up 10 new clients – many of them global multi-commodity firms – while also extending its footprint into Qatar and Singapore. Perhaps the most significant is Chicago-based CME Group, which is now using the firm's ZEMA software as a tool to perform automated pricing of over-the-counter natural gas basis and power products cleared via CME ClearPort. The software provides automated data collection, algorithm execution and publishing to CME's clearing unit. ZEMA also maintains the historical data, derived data and pricing algorithm logic to help satisfy the exchange giant's considerable auditing and regulatory requirements.

All in all, the implementation highlights the flexibility of ZEMA, the firm says, and its ability to automate the analysis of a broad range of data to price highly complex cleared derivatives. "Our work for the CME is an extreme validation of all our work in the last 12 years," says Waleed El-Ramly, Chief Product Officer. "It's a huge statement of pride for us. We not only provided our software, but also our expertise."

The firm released the fourth version of ZEMA this year, which takes advantage of new technologies to overhaul its existing offering. "ZEMA 4 is designed with a more modern look and feel and is intended to make users more efficient through an improved workflow," says El-Ramly. That includes tree-based navigation, improved search capabilities and an ability to save favourites – all of which should help speed up the user experience, he says.

ZE has also been working to build up its vast collection of data feeds. The company now collects data from over 400 different providers in total, which translates into almost 4,600 reports. In 2012 alone, it added 408 data feeds and 638 new reports – an average of more than 53 new reports per month.



Our work for the CME is an extreme validation of all our work in the last 12 years

Waleed El-Ramly, Chief Product Officer, ZE PowerGroup Inc.

El-Ramly attributes much of the company's continuing success to the strong ties it builds with data partners and other third-party vendors, such as energy trading and risk management software providers, consulting firms and various energy industry associations. "It is because of our partnerships, a strong and loyal employee base and happy customers that ZE continues to be a success in the market," he says.

An important part of the firm's approach is not to outsource any of ZEMA's development or support services. It operates a training

academy for educating all developers about energy markets and the potential uses of ZEMA, which all new employees have to participate in, regardless of their seniority. Research and development are high on the firm's agenda – a fact borne out by the grants it receives each year from the Canadian government, which aim to promote scientific research and experimental development. "This large financial contribution allows ZE to be aggressive in its research and development efforts while remaining profitable," notes El-Ramly.

In addition to providing software as a service, ZE stands alone among



**Waleed El-Ramly,
Chief Product Officer,
ZE PowerGroup Inc.**

major data management firms in providing the only perpetual on-premise licensing option. According to El-Ramly, this allows clients to license its software on an ongoing basis without paying fees, even if they wish to discontinue support from ZE.

As a family-run business, ZE has a low executive turnover and a consistent management philosophy – two things El-Ramly believes are an essential ingredient of its success. "Our clients know that there is predictability in the way our organisation is run and directed," he says. ■