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INNOVATION AUTOMATION EXPANSION

Rich Grossi reviews his new role as EquiLend CEO and how he will take the company forward

EQUILEND SPIRE

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Innovation, automation, and expansion

Rich Grossi joined EquiLend as its new CEO in November 2024. He sits down with Carmella Haswell to discuss the last six months and how he will take the company forward



How have you found the past few months in your role as EquiLend CEO?

It's been an exciting and fast-paced several months. Since I started, I've focused my time on getting to know our employees, meeting our clients, and establishing key strategic priorities to shape the future of EquiLend. I've found it to be extremely rewarding to validate the strong foundation we have in the securities finance market, and I've come to learn just how deeply clients rely on our solutions and the pivotal role we play in these important functions within their businesses.

I'm excited about the progress our team has made over the past few months. I'm particularly excited about how we have started to engage more deeply with our clients, and I'm pleased with our progress on outlining and delivering increased value through our offerings. We are receiving fantastic feedback on our plans, and the client reception has been overwhelmingly positive.

Given the length of your tenure in the financial industry, how do you currently view the securities lending market and EquiLend's role in it?

I've spent a good amount of my career developing financial market decision-support solutions that drive automation and digital transformation, and I see similar opportunities at EquiLend. I've come to understand the important role that our company plays in ensuring market connectivity, optimising liquidity, and reducing friction across securities finance operations. I believe we are positioned to help our clients further their automation programmes and navigate market changes while unlocking new opportunities in securities finance.

A consistent theme I've heard from clients is that companies are increasingly reassessing their business and technology strategies to better align with evolving market conditions. Our clients are looking to enhance automation, improve transparency, and enable scalability to ensure they remain competitive in this environment. Clients have identified several areas of current needs, but more importantly, they have also asked us to innovate and anticipate their future needs.

This is a sizeable responsibility that I think we are uniquely positioned to solve. From trading and post-trade lifecycle management to regulatory reporting and data insights, we are aiming to optimise our clients' operations and enhance their workflows, all while ensuring compliance with global regulatory standards. Our vision is for an

expanded ecosystem of integrated products providing solutions for all aspects of the securities finance workflow.

It starts with NGT, our trading venue, where our global counterparties are conducting hundreds of thousands of trades each day. We also offer our ECS Loan Market for those looking to benefit from a centrally cleared model via the OCC.

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Our Data & Analytics Solutions are a bit of a hidden gem for our company. We have recently enhanced the analytics and insight capabilities of our solutions, incorporating AI to further improve the user experience. Our new GenAI will allow our clients to unlock market intelligence, explaining trends in the market and answering key questions about market and security level performance.

At the core of our portfolio is EquiLend Spire, a rule-driven, front-to-back platform that empowers traders, middle office, and operations teams to streamline securities finance workflows. Spire covers a wide range of functions, including locates, automated order management, collateral, cash reinvestment, books and records, real-time inventory management, and more. With over 15 years of development behind it, Spire is designed to be deployed module by module, which helps with the adoption of new functionality while minimising disruption to existing environments.

You join at a transformative time for EquiLend, moving the company from a consortium-owned entity to a private equity structure. How will this move impact the company going forward?

It is an invigorating time to be innovating in this market and an exciting transition from our original consortium owners. We have retained the majority of our original owners as new investors in EquiLend and have

added several more strategic shareholders, all of whom now have a vested interest in our company's success and the wider industry that we serve.

With our new owners, we have a longer-term investment approach that aligns nicely with our growth ambitions and will provide us with additional resources to accelerate product innovation, expand our market presence, and continue to enhance our technology infrastructure.

In 2025, we plan to add 90 additional employees and invest significantly across our portfolio of offerings, with specific attention placed on NGT, Spire, and our 1Source solution. We will also announce new partnerships, engage with our clients through Special Interest Groups and bilateral collaborations, and ensure that we continue to be the trusted partner for this market and our clients.

You have mentioned innovation and investment. Are there specific areas of focus for EquiLend in the upcoming years?

We do have some very exciting initiatives that we are working toward, including improving our existing suite of solutions and introducing new innovative offerings into the market. We feel a sense of responsibility to expand our capabilities to support the full range of our clients' securities finance needs and have outlined clear plans to drive this expansion.

Historically, we have played a significant role in front-office automation, but over the years, we have expanded our solutions to encompass a broader range of securities finance workflows. With the introduction of EquiLend Spire and the substantial enhancements we have made to the platform over the last few years, we now provide a truly end-to-end solution, covering everything from trading and post-trade to books and records, market data, and regulatory reporting. Spire now integrates within our larger EquiLend portfolio, ensuring that firms can manage their entire securities lending lifecycle through a single platform. We are seeing strong demand for our Spire solution as firms look to migrate off legacy platforms.

We have also found that the industry is in need of a transformational change to eliminate costly errors and the resultant time-consuming reconciliation processes that come at each stage of a contract lifecycle. To address this industry-wide challenge, we are nearing a production launch of our EquiLend 1Source solution. This new industry standard establishes a single source of truth for securities finance transactions and lifecycle data, always ensuring data accuracy and integrity for all parties utilising smart contracts and distributed ledger technology (DLT).

We have made significant progress over the past few months, with several major financial institutions committed to moving the solution into production later this year. For us, 1Source represents a transformative shift in how securities finance firms manage data and reconciliations, bringing automation and digitalisation to securities lending to help drive improved efficiency while reducing costs.

Looking over the next 12 months, what will be EquiLend's core priorities? Does the firm have anything in the pipeline that you can share with us?

In addition to the 1Source launch, our focus remains on innovation, automation, and the expansion of our product suite to meet the evolving needs of our clients and the market. Over the next 12 months, we will continue enhancing our trading and post-trade solutions and are already prepared for some of the upcoming and pending regulatory needs. We are currently building increased automation into our NGT offering and preparing to launch a new order management system (OMS), providing an insight-driven, consolidated view across multiple business lines. This new solution will offer real-time inventory tracking and seamless integration with messaging protocols, allowing for faster, smarter decision-making.

As mentioned, we are also making significant investments in data analytics and integrating AI in a variety of ways, including how clients access our data insights. AI will play a key role in our roadmap, and we are developing new solutions that leverage these capabilities — so stay tuned!

We are also heavily investing in Spire, not only in our core modules but also adding new features. One example is our Client Asset Lending solution, which has been popular among clients launching retail-focused lending solutions, which is a trend we see growing rapidly. Spire has a great deal of attention in our company, and many of our new resources will be focused on further improvements in this area.

We are also focused on progressing solutions to address the challenges around collateral management, transparency, and mobilisation. Optimisation will also feature in our roadmap as we set about growing our global trading footprint and look to deliver value post trade execution.

This is an extremely exciting time for both EquiLend and the broader industry, and I'm excited to be a part of it. I've made a strong commitment to our clients that EquiLend will lead the way in innovation, delivering world-class solutions that empower the industry to grow and succeed. ■