



SUCCESS STORY

Pit Traders Work Wirelessly With Pocket PCs and Solution from PhatWare, LeapFrog Technologies

THE CHICAGO BOARD OF TRADE (CBOT) WANTED TO STREAMLINE THE PAPER-BASED TRADING PROCEDURES TRADITIONALLY USED BY PIT TRADERS. USING TECHNOLOGY FROM MICROSOFT PARTNER PHATWARE AND LEAPFROG TECHNOLOGIES, CBOT IS DEPLOYING UP TO 1,000 WIRELESSLY ENABLED POCKET PC DEVICES IN THE NEXT TWO YEARS TO FLOOR TRADERS TO HELP AUTOMATE THE TRADING PROCESS.

OVERVIEW

LeapFrog Technologies is a small company with some very big customers, including the Chicago Board of Trade (CBOT). Based in the Chicago suburb of Lisle, LeapFrog Technologies specializes in providing wireless Internet solutions for enterprises and has helped revamp the way that commodity trading exchanges and firms conduct business by creating Web-based solutions that are easily accessed by wirelessly enabled mobile devices.

SITUATION

CBOT approached LeapFrog Technologies with a request to help resolve a significant operational issue: how to automate the process of transmitting orders from futures traders to CBOT's back-end computer systems for clearing. Traditionally, floor traders have written their orders on pieces of paper, which are handed to runners. The runners, in turn, take the orders to a different part of the building, where the orders are manually entered into the CBOT system by "key punchers."

CBOT wanted LeapFrog Technologies to help transform this process—which has existed in some similar form for decades in most major stock and commodity trading organizations—into a wireless solution that could streamline the order clearing process, making it both faster and more accurate. LeapFrog Technologies had experience with wireless solutions, but needed to deploy an application on mobile handheld devices that could easily accept and rapidly interpret the hasty scribbling of traders working under intense trading pressure.



Solution Overview

INDUSTRY

Financial services

CUSTOMER PROFILE

The Chicago Board of Trade (CBOT) is the world's oldest futures exchange. More than 3,600 CBOT members trade 47 different futures and options products.

SITUATION

CBOT wanted a solution that could help to streamline the paper-based process of taking and transmitting orders from the trading floor.

SOLUTION

CBOT worked with solution provider LeapFrog Technologies, which turned to Microsoft technology partner PhatWare for help in creating a Pocket PC-based application that quickly recognizes shorthand entries written by floor traders on wirelessly enabled Pocket PC devices. Orders then are sent to a back end system, using a WiFi network, to be cleared.

MICROSOFT SOFTWARE USED

- Microsoft® Windows Mobile™ software for Pocket PC

Microsoft Mobile Solution Partner

Phatware

www.phatware.com

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The PhatWare component of the solution enables traders to write just as they would on paper cards, with the application interface designed to eliminate errors in interpreting shorthand notes.

FOR MORE INFORMATION

To learn more about Microsoft products or services, call the Microsoft Sales Information Center at (800) 426-9400. In Canada, call the Microsoft Canada Information Centre at (800) 563-9048. Outside the 50 United States and Canada, please contact your local Microsoft subsidiary. More information is available at the following Web sites:

- Microsoft Windows Mobile Page
www.microsoft.com/windowsmobile
- PhatWare
www.phatware.com
- LeapFrog Technologies
www.leapfrogtech.com

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SHAOUYUAN HSUEH • PRESIDENT
• LEAPFROG TECHNOLOGIES

SOLUTION

For a key component of the solution, LeapFrog Technologies turned to PhatWare, a Microsoft Mobility Partner Advisory Council (MPAC) member. PhatWare specializes in handwriting recognition, digital ink, note taking, and database and network management software for mobile and desktop computing platforms. LeapFrog Technologies, using technology contained in PhatWare's CalliGrapher product, is deploying an application on Dell Axim Pocket PCs that provides traders with an easy means of entering both numbers and letters in shorthand without the system confusing the two.

POCKET PCS AS THIN CLIENTS

The advantage of the PhatWare software, says ShaoYuan Hsueh, President of LeapFrog Technologies, is that it was easily customized to fit the needs of the CBOT project.

“Our architecture is a thin client using just a Web browser on the client devices,” he says. “When we started developing the solution, we realized it would not be practical for traders to use any kind of a keyboard—they prefer to handwrite their orders. We chose PhatWare because they provide a shorthand handwriting technology that is very suitable for this kind of work.”

The customized software provided by PhatWare enables a trader to split the viewing area on the Pocket PC screen either horizontally or vertically, with one half recognizing only numbers and the other half recognizing only the alphabet. This helps eliminate errors by the shorthand recognition system and speeds the entry of orders. CalliGrapher also allows users to change the default screen orientation so the device can be turned horizontally.

REDUCING END-OF-DAY WORKLOAD

Using the Dell devices, the CBOT traders can use their Pocket PCs to record trades made in the pit and wirelessly send them to an electronic trading platform for real-time processing and trade matching. The solution is an integral element of CBOT's plan to have all open auction trades matched within hours after the trading session ends. One soybean trader noted that using the wirelessly enabled system is “just as fast as writing on a trading card—perhaps even faster.” Post-trading work is reduced because of the solution's built-in money management features that provide instant updates on a trader's profits and losses for the day.

Stan Miasnikov, President of PhatWare, says making the modifications to PhatWare's CalliGrapher was easy in part due to Microsoft® Windows® Mobile™ software. “CalliGrapher has been available on the Windows® platform since 1997,” he says. “Our engineers are very familiar with desktop and mobile Windows programming, so they were able to make all necessary modifications for this project quickly and easily.”

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