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Savvis Expands Proximity Services

Network and hosting provider Savvis is broadening the proximity hosting capabilities currently offered at its Weehawken, NJ datacenter with the addition of similar services in Chicago and London.

The Chicago facility is located in the 350 East Cermak Road datacenter that hosts the Chicago Mercantile Exchange and IntercontinentalExchange—though Savvis will only disclose that it can provide proximity services for ICE and “another un-named derivatives exchange.”

Varghese Thomas, vice president and general manager for financial services at Savvis, says two un-named clients—a large investment bank and a Chicago-based derivatives broker—have begun installing their trading systems in the center, and implementing the low-latency, direct fiber connection to the exchange’s engines.

“Currently, you would have to go to the building’s owners [for proximity hosting], which is a lot more work,” Thomas says. “We hand over space as a turnkey solution—connectivity, hosting, market data and even hardware, if needed.”

In London, the vendor is enabling firms to locate in its datacenter, which—though not the same center as the London Stock Exchange, since the LSE does not offer proximity hosting—is located close to the LSE’s own datacenter. “We have a direct connection from the LSE’s datacenter to our datacenter—like how we offer connectivity from Weehawken to the SFTI node,” Thomas says.

“It’s something clients have been asking for, especially those outside London,” he says. “If you are outside the City—say, in Frankfurt, Paris, the US or Asia—then this is probably the best option.”

Thomas says the LSE access is part of the vendor’s European expansion plan, which includes bringing content from other venues into the same center for firms to compare with LSE data for arbitrage trading. The first market will be multilateral trading facility Chi-X, though Thomas says the vendor is in discussions to add other European content as part of “a big drive over the next two months.”

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