

FUJIFILM tones up reporting with IBM Cognos solution

Overview

■ Challenge

Make a move from spreadsheets to a financial performance management system suited to a mid-size organisation

■ Why IBM?

The IBM® Cognos® solution's real-time approach to consolidating, viewing and analysing data made it stand out from the competition

■ Solution

An IBM Cognos TM1 system that gives FFIC accuracy and consistency in data, producing confidence in reporting and a clear picture of business performance

■ Key Benefits

A full P&L, balance sheet and cash flow report can be done in hours, rather than days, as before; reduction of deadline pressure on the small finance team, since reports can be produced much more easily and quickly; integration with the company's SAP system; Web access to data from anywhere in the world



FUJIFILM Imaging Colorants (FFIC) is a world leader in the development and supply of innovative, high performance colourants for the global digital printing market.

Created in February 2006, following the acquisition of Avecia's electronic materials businesses by the Fuji Photo Film Co. (latterly renamed FUJIFILM Corporation), the company manufactures colourants for inkjet printers, coloured chemical toners for laser printers and photocopiers, and infrared absorbers for a range of speciality applications.

“With IBM Cognos TM1, the ability to drill down into the data is superb and provides real insight for the management team. It gives them the information they need at their finger tips, enabling more accurate and informed decision making.”

*Christine Proffitt,
financial controller, FFIC*

FFIC consists of three sister companies in the UK, USA and Japan and employs 280 people worldwide at four sites. Manufacturing is based at Grangemouth, Scotland, and Wilmington, US, and research and headquarters functions are based at Blackley, in Manchester, UK.

Challenges Faced

Prior to its acquisition by FUJIFILM, FFIC was part of Avecia, a private equity-financed group, which used large-scale, industrial-strength IT systems for all its financial reporting needs. However, on becoming part of FUJIFILM, the company was treated as a business in its own right rather than simply a division of a much larger organisation. As a result, the organisation required a financial system that was much better suited to the needs of a smaller, stand-alone company.

Initially, the finance team used Microsoft® Excel® spreadsheets and pivot tables to produce information for senior managers across the business and FUJIFILM HQ in Japan until a suitable management reporting system could be selected. This included regular profit and loss reports, balance sheets and cash flow information on which decisions about the business could be made.

“Using Excel to report on financial performance was fine in the short term but we recognised that it wasn’t a viable option in the longer term,” explains Christine Proffitt, financial controller at FFIC. “The selection of a management reporting system became a much more important issue after a change in reporting resulted in the UK HQ being responsible for submission of international consolidated results to FUJIFILM HQ. Instead of producing three separate unit submissions based on underlying accounting systems, it became necessary to collate and analyse data from the three companies quickly in order to meet strict internal reporting deadlines, often within just a few days of month-end. Trying to manage a suite of spreadsheets and worksheets, we experienced all the traditional problems of using this type of solution. Lack of consistency of information and foreign exchange complications lead to a heavy admin burden to ensure accuracy.”

As a result, the finance team started to investigate what alternatives were out there.

Strategy Followed

One of the first solutions investigated was a financial management performance tool aimed at mid-size organisations, IBM Cognos TM1.

A prime requirement for any new solution was the ability to consolidate data quickly and accurately. IBM Cognos TM1 and its real-time approach to consolidating, viewing and analysing data made it stand out from the competition.

Following the decision to select an IBM Cognos solution, FFIC linked up with IBM Cognos silver partner, ICit Business Intelligence Limited, a certified implementation partner. ICit guided FFIC through the selection process, building a proof-of-concept model and explaining how IBM Cognos TM1 could be used to solve the initial consolidation requirement. ICit also showed FFIC how future needs could be accommodated – using a single-platform solution meant that FFIC’s investment would be future-proofed compared to alternative point solutions.

“ICit was extremely professional and knowledgeable, and were able to understand issues clearly from a business perspective. The team has unrivalled expertise in IBM Cognos TM1, combined with highly skilled qualified accountants and over 100 successful implementations under its belt. We were able to work closely together to develop a proof of concept to show what we could achieve with IBM Cognos TM1,”

says Proffitt. "Choosing the right solution and the right partner were critical to the success of the project. FFIC had clear objectives, and committed resources to the project to ensure a successful outcome."

ICit performed the initial implementation, integrating IBM Cognos TM1 with FFIC's SAP system, and then worked closely with the finance team to ensure it met FUJIFILM's own international reporting rules. There was also a significant degree of testing and parallel running to enable a smooth transition from the existing spreadsheet system to a live IBM Cognos TM1.

Now, data is automatically sourced within FFIC and consolidated by the finance team in the UK. The team then produces the figures required by HQ and the supporting analysis, which can be turned around in a matter of hours. Previously, it could take the finance team a few days to prepare a full P&L, balance sheet and cash flow report.

Members of the senior management team can also access the figures, helping them to make informed decisions about the business and agree budgets and forecasts. With many of them travelling regularly between the

US, the UK sites and Japan, the fact that consistent information and related reports can be accessed over the Web is a major benefit.

Benefits Realised

From day one, the IBM Cognos solution has improved the accuracy and consistency of the reports produced across the business. This includes the regular reports required by FUJIFILM HQ, and the more detailed analysis used by senior managers.

"The trust in the data is there. Users have much more confidence in the figures than before. With the data sourced automatically through IBM Cognos TM1 rather than having to be input manually into spreadsheets, the reporting system is no longer prone to administrative errors and provides a much more detailed picture of how the business is performing," explains Proffitt.

The IBM Cognos solution has also reduced the pressure on the small finance team at FFIC and cut the administration of the entire reporting process significantly. The rush to pull together data at month, quarter and year-end within very tight internal deadlines is a thing of the past now that reports can be produced much more quickly than before.

Senior managers within FFIC now have greater insight into the overall performance of the business. Using standard reports, they can access more detailed figures, allowing them to investigate trends and variances to forecast and make informed decisions about the course of action that might be required to address these deviations from plan.

"With IBM Cognos TM1, the ability to drill down into the data is superb and provides real insight for the management team," says Proffitt. "It gives them the information they need at their finger tips, enabling more accurate and informed decision making."

The IBM Cognos solution is already being used by the finance team and senior managers across FFIC. The next step will be to roll it out to some of the sales managers further down the line so that they can take greater responsibility for their own sales figures and related costs.

FFIC is also working with ICit to develop the system to improve internal reporting and provide more tailored reports for the entire management team.

About IBM Cognos BI and Performance Management

IBM Cognos business intelligence (BI) and performance management solutions deliver world-leading enterprise planning, consolidation and BI software, support and services to help companies plan, understand and manage financial and operational performance. IBM Cognos solutions bring together technology, analytical applications, best practices, and a broad network of partners to give customers an open, adaptive and complete performance solution. Over 23,000 customers in more than 135 countries around the world choose IBM Cognos solutions.

For further information or to reach a representative: www.ibm.com/cognos

Request a call

To request a call or to ask a question, go to www.ibm.com/cognos/contactus. An IBM Cognos representative will respond to your enquiry within two business days.



© Copyright IBM Corporation 2009

IBM Canada
3755 Riverside Drive
Ottawa, ON, Canada K1G 4K9

Produced in Canada
October 2009
All Rights Reserved.

IBM, the IBM logo, ibm.com and Cognos are trademarks or registered trademarks of International Business Machines Corporation in the United States, other countries, or both. If these and other IBM trademarked terms are marked on their first occurrence in this information with a trademark symbol (* or ™), these symbols indicate U.S. registered or common law trademarks owned by IBM at the time this information was published. Such trademarks may also be registered or common law trademarks in other countries. A current list of IBM trademarks is available on the Web at "Copyright and trademark information" at www.ibm.com/legal/copytrade.shtml.

Microsoft and Excel are trademarks of Microsoft Corporation in the United States, other countries, or both.

Other company, product and service names may be trademarks or service marks of others.

This case study is an example of how one customer uses IBM products. There is no guarantee of comparable results.

References in this publication to IBM products or services do not imply that IBM intends to make them available in all countries in which IBM operates.

Any reference in this information to non-IBM Web sites are provided for convenience only and do not in any manner serve as an endorsement of those Web sites. The materials at those Web sites are not part of the materials for this IBM product and use of those Web sites is at your own risk.



XXXXXXXXXXXXXXXX