

JF Hillebrand Group relies on CODA for global finance



Transaction handling

Analysis tools

Smarter processes

Expert services

JF Hillebrand is a worldwide leading logistics enterprise managing the handling and distribution of alcoholic beverages. The organization has its group headquarters in Mainz, in Germany and trades in 26 countries through 41 subsidiary companies.

Transportation and warehousing at JF Hillebrand are controlled by a logistics software system developed in house, which is used throughout the Group. This enables management and customers to follow the status of consignments at all times.



THE INITIAL SITUATION

Until recently, there had not been a system in place for financial reporting as different accounting systems had been implemented by each international subsidiary. Worldwide consolidation when preparing the group accounts and monthly corporate reporting was only possible with considerable effort and expenditure. Consolidation information was sent by email on Microsoft® Excel® spreadsheets by each subsidiary to group headquarters and the figures had to be consolidated manually. Apart from the time and effort involved, there was also a problem with the lack of transparency and depth of detail. Real-time analysis was almost impossible.

Kevin Brock, Chief Financial Officer (CFO) of the JF Hillebrand Group, wanted to implement a single, integrated finance solution throughout the Group. In the evaluation process, CODA was on the short list from the very beginning, as the French subsidiary of the JF Hillebrand Group had already introduced the CODA financial accounting software and was using it successfully. The selection criteria were primarily determined by the international business activities of the JF Hillebrand Group. The new solution needed to be web-based in order to enable better integration between decentralised units, globally, e.g. in the United States, Canada and South

America, and be able to administer these centrally from Mainz. The ability to carry out simple adjustments to the various country-specific finance systems and processes was also of importance.

CODA convinced Kevin Brock and his team that Financials and Assets were the ideal solutions. Kevin Brock explained: "The financial accounting solution offered by CODA proved flexible and provided the required 'room for manoeuvre' for making the necessary adjustments to accommodate the different infrastructures of our international group companies."

One of the additional key decision factors was that CODA could provide specialist consultants to help with the project. Kevin Brock continued: "Right from the very beginning, we sought to acquire the necessary know-how ourselves in order to be able to operate the financial solution independently and to be able to expand it further. CODA enabled this by passing on its best practice implementation methodology. This was an important part of the decision making process as cost control over the implementation was key."

THE PROJECT

After deciding to purchase the CODA software, implementation of the system began in January 2005. By November 2005, the new finance system was 'online' in Germany. Subsidiaries were subsequently added to the system, beginning with France, then Ireland, the Netherlands, Spain, Portugal and Italy. The migration of each subsidiary was completed on average within six weeks. Apart from the adjustments to the chart of accounts, cost centres and other details required by group headquarters, the international subsidiaries had to take into account local statutory requirements. Only one week was put aside for the technical requirements to be met and the implementation and integration between group headquarters and each subsidiary to be completed.

Anders Mortensen, who is responsible for implementation within the subsidiary companies of the JF Hillebrand Group, gave the following explanation: "For implementation purposes, CODA's methodology was a great help. This enabled us to proceed as planned in a structured way and

we have acquired the necessary know-how in order to adjust the software to our individual requirements. The system itself is flexible and leaves us with a great degree of freedom. We have to define what we want to achieve with the system from the outset, so that implementation can proceed on a target-oriented basis without any problems."

As the CODA solution is very intuitive, not much time is required for user training courses. The users in the various international subsidiaries work with their browser in user-defined portals. The CODA experts from JF Hillebrand train the users locally and in three or four days they are ready to use the software.

THE SYSTEM

The flexibility of the CODA products allows the subsidiaries to model their own accounting according to their individual requirements. The CODA system can, for example, be adjusted without difficulty to take local taxation into consideration. Each local subsidiary company is also free to set up its own chart of accounts and cost accounting methods.

With regards to reporting to the Group, the project team defines in advance precisely what information has to be reported to headquarters. JF Hillebrand's consolidated group accounts are kept intentionally simple. At a group level, for example, only a few cost centres are required. The entire reporting procedure can therefore be considerably slimmed down.

The accounts receivable and accounts payable functions have really benefited. As a result of unified reporting within a general system, all invoices are accounted for, on a worldwide basis. The monthly profit and loss account from the international subsidiaries is shown in Euros, alongside the various local national currencies. Reports can then be viewed directly at a detailed level so management have a real-time view of business performance at all times.

In addition to reporting, the Group headquarters uses the system for financial analysis. Uniform reporting now permits analysis to be undertaken throughout the Group - this was previously not possible. For planning and budgeting, the Project Team has now built in a 'Cognos' enterprise planning solution, which interfaces with the CODA software.

THE BENEFITS

JF Hillebrand now saves considerable expense through a reduction in manual processing and consolidation of reported information. This applies both to the various national subsidiaries along with the Group headquarters. Kevin Brock summarises the situation: "Our financial controllers are now able to function on a future-oriented basis instead of devoting their time and effort to the consolidation of historical data."

The implementation of a uniform web-based solution has meant considerable savings in resources, which previously had to be used for the definition and servicing of interfaces to the various different accounting systems of the international subsidiary companies.

JF Hillebrand's accounts are now supervised and managed by just two controllers and a CODA expert at Group headquarters. This team can function independently of any outside consultants as it has acquired the know-how to keep operations running and expanding.

CODA delivers up-to-date consolidated data globally at all times. The increased level of detail which the system supports also enhances transparency. Along with enhanced analysis, Kevin Brock also appreciates being able to examine errors himself: "Take for example, issues arising in the Argentinean monthly report, I no longer have to ask the local company down there, but instead I can simply browse through to the necessary level of detail myself."

Any anomalies are spotted quicker as a result of greater transparency, so the Group can take appropriate and immediate action. On top of the other benefits, CODA provides peace of mind and improves group-wide risk management.

About CODA

CODA is the choice for finance professionals who need business software and services they can count on.



We provide award-winning solutions that help organizations to streamline and automate their finance processes (from accounting and procurement to reporting and analysis) and to achieve better compliance and corporate governance. CODA applications work seamlessly with each other or independently and they integrate with other leading operational systems to maximize the return on your broader IT investment too. And our products are all underpinned by expert consultancy, training and support services, delivered by teams of experienced accountants, business analysts and technology specialists.

Founded in the UK in 1979, the CODA Group now employs around 600 and has offices around the world to deliver easy, local access to sales, service and support. Around 2600 medium and large organizations, across all sectors, use CODA solutions to control costs, drive performance and ensure compliance, while remaining agile and responsive.

CODA is part of Unit 4 Agresso NV. Headquartered in the Netherlands, the group provides business software solutions to its customers internationally.