



Chemical Company Gains Instant View of Finance Data with PrecisionPoint

Case Study



CUSTOMER PROFILE

AGC Chemicals Americas, Inc. (AGCCA) imports and processes specialty fluorochemicals and distributes hundreds of products throughout North and South America. Based in Exton, PA, the company is a wholly held subsidiary of Asahi Glass Company, one of the world's largest manufacturers of glass, chemical products and electronic displays. AGCCA has 130 employees and generated \$166 million in sales in 2014.

Business Challenge

The company's Microsoft Dynamics AX enterprise resource planning (ERP) system had many out-of-the-box reports, but none met their specific needs. This placed a burden on the very lean finance and accounting team. AGCCA needed to streamline its monthly close, free the small accounting staff from manually compiling a month-end data book that could hit 300 pages, and enable the team to create financial reports and analysis as needed.

"We purchased PrecisionPoint to do two things," says Bill Spofford, CFO and Director of Business Operations. "One was to replace traditional month-end reporting, and the second was to provide instantaneous, on-demand financial information and analysis—meaning if someone has a question about their finances or costs today, they can look up the numbers and drill down to see what is driving them."

Solution

In late 2011, AGCCA implemented the PrecisionPoint financial module. The solution's data warehouse has made it easy for the team to store and re-model data, and an Excel add-in allows them to quickly create customized financial and sales reports, using industry-specific metrics such as margin per pound.

Spofford has developed daily reports—which he runs every morning—to monitor the business. "I use PrecisionPoint to look at volume and revenues, and certain cost trends during the month, and I monitor inventory balances every day," he says.

The module's unique integrated design allows a user to take a general ledger account and quickly see all of the sub-ledger details that have posted into it. "We can create and generate on-demand analytical reports at any time of the day," says Accounting Supervisor Issam Mourabiti. "I can request sales for this region, sales for this customer, or analysis for pricing—and do it right away."

Thanks to the integrated design, the team is highly confident of the data's reliability. "When we pull the figures, we know they're right and we know they are always going to balance to the general ledger, which is key for us," says Spofford. The end result is finance-approved reports for operational teams, so all users have consistent and reconciled information.

Ease of use has been another plus, and Mourabiti says the software has proven simple to work with, for new and experienced users alike. "We offer training to different users at AGCCA, and they find it very easy to drill down and change date ranges or report formats," he adds.

Results

Spofford estimates that PrecisionPoint saves the accounting team up to three man days a month. Even more important, it frees up time so they can analyze the information and help drive business strategy, rather than just assemble data from various sources. “The accounting department generates information, and timely financial analysis makes that information into an asset,” he says.

The team can now view interim financials, so they’re able to spot and remedy problems before the month-end close. Spofford regularly confirms key monthly activities or investigates items that don’t look right, such as advertising charges in a manufacturing cost center.

“I can monitor our progress and catch things during the month, rather than changing them at month-end or missing them altogether,” he says. Data quality has improved as well, because the accounting staff no longer has to go through the error-prone process of manually taking information from the ERP system, entering it in Excel, massaging it and generating financial reports. “Now the information and data is coming directly from the ERP system through PrecisionPoint, and the accuracy is much higher,” Mourabiti explains.

The business intelligence solution’s benefits have also extended beyond the finance and accounting department. “We have people positioned throughout the company—in manufacturing, supply chain, logistics—who have access to PrecisionPoint and use it to help run their daily operations,” says Spofford.

Looking ahead, AGCCA plans to build on the success of its reporting solution. The company recently added the PrecisionPoint inventory module, which will help the small team save more time and add further analytic capacity.

“We’re very, very lean on personnel, and that’s why PrecisionPoint has proven very important to us,” concludes Spofford.

About Armanino & PrecisionPoint

Armanino^{LLP} (www.armaninoLLP.com) is the largest independent accounting and business consulting firm in California and the 26th largest firm in the U.S. Armanino provides an integrated set of audit, tax, consulting, and technology solutions to companies in the U.S. and globally. The firm helps clients adapt and change in every stage of business from start-up through rapid growth to the sale of a company. Armanino emphasizes smart technology, leading a cloud revolution of financial, operational, sales and compliance tools that are transforming the way companies do business. Armanino is the exclusive North American distributor of the PrecisionPoint data warehouse.

For more information about PrecisionPoint software and the experts at Armanino, visit: armaninoLLP.com/precisionpoint.

