

Losch Luxembourg



CASE STUDY

Company

Losch Services S.à r.l.,
Luxembourg

Industry

Automotive distribution -
Retail

Uses of CCH Tagetik

- Financial reporting
- Budgeting, planning, and forecasting
- Consolidation

Key Fact

- Founded in 1948 and headquartered in Luxembourg
- Approximately 900 employees in 14 different companies
- Approximately €600 Mio in revenue in 2017
- Business is divided into three main areas: automotive imports, retail, and services.

“With CCH Tagetik, we have been able to streamline our financial processes while providing much more detailed and meaningful reporting. The significant time savings allows us to do much more analysis for decision support. “

Karsten Noth

CFO, Losch Services S.à r.l. Luxembourg

The Challenge

Founded in 1948, Losch Luxembourg specializes in automotive distribution. Its business is divided into three main areas: import, retail (through 9 dealerships), and services such as rentals and leasing. The company, which has the tagline of “driving dreams,” deals with well-known automotive brands such as Audi, Volkswagen, Seat, Skoda, Bentley, Porsche, and Lamborghini.

In 2016, the company decided to redesign its management processes and procedures. One of the decisions the board made was to modernize the company’s financial processes and management.

In addition to streamlining consolidation, the board wanted to improve financial reporting, regulatory and statutory compliance, and cash flow optimization. Additionally, board members wanted to implement long-range planning, budgeting, and rolling forecasting.

The Objective

With the help of Keyrus, a performance management consultancy and implementation partner, Losch’s finance team compiled a long list of requirements for a new technology solution.

Requirements

- Elimination of spreadsheet-based reporting
- Improved statutory and regulatory compliance
- More efficient, less manual-intensive data collection
- Faster, more detailed financial reporting
- Ability to support long-term planning and budgeting

Benefits & Result

- 40% decrease in time required for data collection
- Cross-company comparative reporting and benchmarking
- Faster analysis and root cause detection
- Improved cash optimization and cash flow planning with weekly cash flow payment proposals
- What-if analyses and top-down adjustments for decision support

Curing “Excelitis” was one of the top objectives. The finance team was spending an inordinate amount of its time managing, maintaining, and consolidating hundreds of Excel-based input forms and reports. Data accuracy and consistency were constant challenges.

Another important requirement was the ability to track progress, manage workflows, and provide greater traceability and visibility into all financial processes. Planning, budgeting, and forecasting capabilities had to allow for target setting and continuous monitoring, as well as “what-if” analysis and target adjustments.

Getting relevant, accurate, and timely information was another primary objective. Decision makers across the company wanted reporting to be more comprehensive, yet with detail easily available, to guide and support the business on a daily, weekly, or longer-term basis. Reporting now needed to serve the needs of a much wider audience and allow for tracking a wide range of operational business drivers.

The Solution

In the fourth quarter of 2016, the Losch team decided on CCH Tagetik’s unified solution for corporate performance management. The company appointed a project team, comprised of an engagement manager, project manager, and technical lead developer from Keyrus and an internal project manager, application and business lead, supported by subject matter experts and system specialists from Losch.

The team’s initial kick-off meeting was conducted in December 2016. The first phase of the implementation, which focused on consolidation processes, was completed by the end of April 2017. The remaining processes – financial reporting, cash flow, and planning, budgeting, and forecasting – went live in June 2017.

“Rather than taking a big-bang approach, we decided to cut the elephant into several pieces to make the implementation more manageable,” said Koen Dils, managing director of Keyrus Data Intelligence and project engagement manager.

Project priorities were determined based on business value, feasibility, and related workload. To accelerate the development process, the project team set visible project milestones to demonstrate to key stakeholders progress and conducted ongoing iterative testing. Keyrus and Losch team members worked closely together to ensure development and business knowledge sharing.

“CCH Tagetik gives our businesses the ability to more efficiently manage and optimize cash flow. Weekly cash flow payment proposals give business owners detailed insights into current cash positions based on key cash position drivers, along with accurate cash out forecasts.”

Robert van Dyck

CIO, Losch Luxembourg

The benefits and results:

In less than six months, the CCH Tagetik solution is delivering significant results, which the company categorizes into these primary areas:

- *Business insights and results:* Managers across the enterprise now have regular, timely information to make informed decisions based on the most current data. Cross-company reporting and benchmarking can now be done for comparisons; what-if analyses and top-down adjustments further support decisions and goal setting.
- *Efficiency gains:* From automated data collection to simplification of profit elimination and consolidation to integrated planning, CCH Tagetik has allowed Losch's finance team to shift its focus away from manual work to value-adding activities.
- *Proactivity:* As mentioned above, automotive distribution is a cash intensive business. CCH Tagetik gives managers a clear and automated view on key cash position drivers and cash flow plan status.

Losch Luxembourg is an importer for the brands Volkswagen, Audi, Porsche, ŠKODA, SEAT, Bentley, Lamborghini, Volkswagen Commercial Vehicles, MAN and NEOPLAN in Luxembourg as well as contractual partners of the Hess brand in Luxembourg and Belgium. In addition to 9 own dealerships, Losch FS is very well established in the Luxembourg automotive market.

Keyrus is a specialist in performance management consulting and the integration of innovative technological solutions in the Data and Digital fields. Over the last twenty years, the Group has developed its expertise and skills in helping companies to optimize their performance and meet the challenges linked to their transformation.

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