



Cumberland Packing Turns to Cognos TM1 for Efficient, Healthy Analysis and Reporting

Overview

Country: United States
 Industry: Manufacturing

Customer Profile

Cumberland Packing is the manufacturer of sweeteners and other condiments including Sweet'N Low Zero Calorie Sweetener. The ubiquitous pink packet was introduced to consumers nearly 50 years ago and is an American staple. More than 33 million packets of Sweet'N Low are produced every day, making it the #1 packet seller (IRI data; Oct. 2005), far exceeding any other brand of sweetener.

Challenge

Cumberland Packing decided to enhance their financial analysis and reporting system so it would be more efficient and less time consuming for the business team. Due to changing industry trends, the organization also needed to be able to make decisions quickly through better information management.

Solution

Cumberland selected TM1 because of the power and simplicity of the comprehensive solution. After choosing TM1, Cumberland turned to IBM Cognos solution partner, Revelwood, to guide them in developing the multi-dimensional cubes and rules to process the calculations they needed for their new reporting structure.

Benefits

- Produce monthly financial statements instantaneously
- Improved, more detailed reporting, including by division, geography, product and distribution channel
- Access to information in real-time
- Analysis of performance by product, region, customer and national trends
- Reporting application built within two weeks
- A 'single version of the truth'

"With TM1 and Revelwood, we have reduced financial reporting cycles, gained efficiencies and the time savings enables us to focus on strategic analysis by a number of differing factors."

*Pete Marshall
 CFO
 Cumberland Packing*

Challenge

Cumberland Packing Corp. is an international consumer products company that has been in business for over 40 years. While you may not recognize the name Cumberland Packing, you probably know their flagship brand-name product: Sweet'N Low®.

Cumberland Packing manufactures products that deliver high taste with low caloric impact; essentially, their products—sweeteners and other condiments—are, in business terms, efficient. The company decided recently that its financial analysis process and reporting could also undergo some enhancements to efficiency. Financial reporting had not been strength of the company's enterprise resource planning (ERP) system. On the other hand, using spreadsheets to manage the reporting process meant that reporting was complicated and time consuming for the business' team. Quarterly reporting could require a quarter to complete thoroughly.

Additionally, Cumberland was facing changing dietary trends and food fads, which required quick decision making fueled by better information management. In order to understand the impact of buying fluctuations and patterns and that of changes to the competitive landscape, Cumberland needed a financial reporting solution that not only reduced the labor-intensive report gathering, but left more time for strategic analysis and decision making.

Solution

As a TM1 "alumnus," Cumberland Packing's CFO, Pete Marshall, had worked with Cognos TM1 at a previous company. Despite his familiarity with the product, Marshall wanted Cumberland to perform due diligence on software purchases and therefore took stock of the current offering of business performance management solutions on the market today. Several leading products evaluated were simply too inefficient (or "calorie-laden") from a software solution standpoint: while they offered the functionality to streamline reporting and free up time for strategic analysis, many of their functions were covered only in separate modules or different applications that needed integration. Cognos TM1, on the other hand, offers all the budgeting, reporting and analysis capabilities in a single application. Cumberland's VP of Operations, Dave Gordon, liked the power and simplicity of the comprehensive solution within TM1.

After selecting TM1, Cumberland turned to IBM Cognos solution partner, Revelwood, for expertise and guidance in developing the multi-dimensional TM1 cubes, and the rules to process the calculations. Within two weeks the first application for reporting was up and running and the finance team now produces monthly reports, primarily by pressing a button once all accounts are closed.

Within three months of selecting TM1, Cumberland achieved its primary business goal of reducing financial reporting cycles, while also gaining the time and software that enables strategic analysis by a number of differing factors.

“Revelwood was able to effectively translate Cumberland’s business requirements and preliminary model design into fully functional TM1 cubes, including automated interfaces with the ERP system and dynamic alerts as new products, customers, G/L accounts, and departments were added to the business,” said Marshall.-

Benefits

- Cumberland can now produce the monthly financial statements instantaneously once the general ledger is closed.
- TM1’s multi-dimensional approach enables Cumberland to look at the same information in different views. The company now has better and more detailed reporting, including reporting by division, geography, product and distribution channel.
- Because TM1 can access information in real-time and relies on in-memory processing, the system can quickly recalculate numbers, enabling Cumberland’s financial team to handle the myriad of ad hoc requests from line-of-business managers and executives with greater speed and a greater level of detail.
- In addition to reporting, the system’s multiple views allows Cumberland to analyze performance by product, region and even customer, paving the way for more strategic decision making.
- The efficiency and time savings created by TM1 enables the financial team to analyze the performance of the company’s products in relation to national trends.
- TM1’s Turbo Integrator enables Cumberland to access data from the company’s ERP solution, providing a seamless flow of information using an automated nightly download (which can be activated midday as needed). By importing real time information into TM1, Cumberland has achieved a ‘single version of the truth’ for the company.

Next Steps

- Cumberland is implementing a sales model which is used to track shipments by broker, by customer, by distribution point and to analyze volumes, revenues, trade spending and cost.
- Cumberland is developing a payroll model to easily analyze compensation by component (base pay, overtime, bonus, pension, 401k, health benefits and so forth) by department by person.
- Cumberland plans to develop a manufacturing model to capture production performance including case output, efficiency and yield loss by plant facility, by manufacturing line, by product.

About IBM Cognos TM1

IBM Cognos TM1 software provides a real-time approach to consolidating, viewing and editing enormous volumes of multi-dimensional data. Using a patented, 64-bit, in-memory OLAP server, IBM Cognos TM1 has received some of the industry’s highest ratings for helping organizations drive better business decisions, with faster implementation times and lower IT costs.

About Revelwood

Revelwood offers products, implementation services, training and support that bring ease, speed and flexibility to enterprise budgeting, planning, reporting, consolidation and analysis—all on a single, common platform, IBM Cognos TM1. Additional information on Revelwood can be obtained by visiting www.revelwood.com.

Contact Information

Start linking your corporate strategy to operational activities and results today with Revelwood’s BPM solutions to ensure your organization’s long-term success.

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