



Challenge

Viacom Streamlines Financial Data Collection, Consolidation and Reporting With Revelwood® FCS and Applix's TM1®

Solution Overview

Industry

Viacom is a leading global media company with more than \$26 billion in revenues and more than 124,000 employees.

Champions

Mike Cruz – Vice President, Assistant Controller

Susan Gordon – Senior Vice President, Controller and Chief Accounting Officer

The Challenge

Rapid growth created data collection and reporting difficulties. Viacom needed a centralized, enterprise-wide financial consolidation system to streamline data collection, consolidation and reporting for its disparate divisions.

Solution

Viacom selected Revelwood's Financial Consolidation Suite (FCS) and Applix TM1 for all its internal and external financial reporting, financial planning and estimating and reporting of taxes.

Result

"Revelwood FCS has elevated the capabilities of TM1. Data is transformed into critical business information that facilitates fast, effective decision making and ensures accurate reporting," said Cruz. "Tedious re-keying of information has been eliminated and spreadsheet maintenance is a thing of the past. The staff is freed up for more value-added tasks such as analysis."

Viacom is a leading global media company, with preeminent positions in broadcast and cable television, radio, outdoor advertising and online. With programming that appeals to audiences in every demographic category across virtually all media, the company creates, promotes and distributes entertainment, news, sports and music. Viacom's well-known brands include CBS, MTV, Nickelodeon, VH1, BET, Paramount Pictures, Viacom Outdoor, Infinity, UPN, TV Land, The New TNN, CMT: Country Music Television, Showtime, Blockbuster and Simon & Schuster.

Mergers and acquisitions cause data collection and reporting challenge

With rapid growth over the past 10 years, Viacom acquired many new businesses. Connecting the myriad financial systems and gathering information from outside the general ledgers became a challenge. Divisions would run reports out of their legacy financial systems, and fax hard copies to corporate headquarters where data was keyed into Excel-based templates. At corporate headquarters, financial analysts would have to manually compare financial spreadsheets to ensure accuracy. Valuable analytical time was wasted on spreadsheet maintenance, data entry and validation.

"It was an inefficient and time-consuming process. Maintaining data integrity was a constant struggle. We desperately needed to centralize and automate the data collection



process," said Mike Cruz, Vice President, Assistant Controller at Viacom.

The search for a comprehensive financial consolidation solution

Viacom assembled a review panel and engaged KPMG Consulting (now BearingPoint, Inc.) to identify project requirements and best practices and advise on vendor selection. The solution needed to support both Viacom's Financial Reporting Group, which deals with budgeting, planning, forecasting and reporting, and the needs of Viacom's Tax Department, who are charged with tax reporting and estimating. It was particularly important to accommodate the reporting requirements for constituencies such as the SEC and shareholders. Further, Viacom wanted to:

- Develop a uniform chart of accounts for reporting purposes
- Perform inter-company eliminations, journal entries and financial calculations
- Provide automated audit trails

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Solution



“The combination of Revelwood’s consolidation solution and Applix TM1 helps Viacom realize significant efficiencies in the critical areas of data automation, quality and control in a period of rapid growth,” said Mike Cruz, Vice President, Assistant Controller at Viacom. “It helps us stay competitive in our industry and equips us with a real-time, ongoing view of business performance.”

- Enable report package automation, ad hoc analysis and report distribution via the Internet and email
- Rapidly integrate the solution into its new business units with little IT intervention

Revelwood FCS and Applix’s TM1 win hands down

After an extensive search that included Hyperion and Elevation, Viacom selected Revelwood’s Financial Consolidation Suite (FCS). Not only did Revelwood’s solution tightly match the specifications and best practices identified by Viacom and KPMG, it was also best able to conduct real-time consolidations. Moreover, FCS was the sole solution that leveraged the power of Viacom’s existing Applix TM1 system — a powerful analytical engine for multi-user data sharing, dynamic recalculation of business rules and drill-down analysis — that Revelwood had implemented several years before.

“Revelwood FCS powered by Applix TM1 is a great fit for us,” said Susan Gordon, Senior Vice President, Controller and Chief Accounting Officer for Viacom. “Revelwood’s FCS solution matches Viacom’s business processes for data collection, consolidation and reporting.” Gordon added, “It’s very common for these types of projects to go over budget and be delivered late. Revelwood delivered on time and on budget, so we could meet the first financial consolidation cycle of 2002.”

Automated data collection that integrates easily into disparate divisions

The entire data collection process is now automated and divisions are empowered to map, validate and transmit data with little

or no corporate involvement. General ledger feeds are mapped directly to a centralized financial consolidation system with data consolidated from Viacom’s various financial systems.

Additionally, Revelwood FCS has automated the preparation of financials following a change in Viacom’s organizational structure — a major challenge for any large company with multiple divisions. A journal entry module runs batches of memorized journal entries, a key automation feature that eliminates tedious manual adjustments.

Moreover, FCS comes as a pre-packaged application suite, meaning it is ready to implement directly out-of-the-box with customizable modules. It integrated quickly and easily into Viacom’s existing business units with little or no IT intervention.

Improved reporting process and a complete audit trail

Revelwood FCS has also improved the quality of the reporting process. Reports are now generated via the Web and once the divisions approve their reports, an electronic acceptance signature is generated. Users are prevented from changing any source submissions that come in from the field, providing a complete audit trail. There is also a submission locking feature that prevents further submissions once the administrator closes the reporting period. A submission management feature reports how timely people are reporting, enabling management to pin point bottlenecks and thus increase efficiency.

Greater accounting visibility and more detailed analysis

With numerous scandals like Enron and WorldCom, the need for more information and accurate financial reporting is greater

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Solution



About Revelwood

Revelwood offers products, implementation services, training and support that bring ease, speed and flexibility to enterprise budgeting, planning, reporting, consolidation and analysis. Since 1995, Revelwood has combined their broad understanding of strategy and process with innovative OLAP software and supporting technology to help businesses predict, measure, evaluate and impact business performance at all levels across the organization, on a continual basis, in real time.

About Applix

Applix is a global provider of business intelligence (BI) and business performance management (BPM) software solutions. These solutions enable our customers to continuously manage and monitor the performance of their financial, operational, customer and organizational functions.

than ever. In fact, new legislation such as the Sarbanes-Oxley Act demands greater control over what is reported to the outside world.

FCS streamlines Viacom's divisional review and validation process, providing more information and a greater level of detail and allows real-time analysis of data. With a view into what's behind the numbers, Viacom can easily detect and correct inaccurate submissions and improve data integrity. FCS also provides visibility into whether company accounting policies are being applied on a consistent basis across divisions to ensure that standardized reporting expectations are met. The validity of Viacom's financials allows effective decision making, accurate reporting and improved corporate governance.

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Utilized for estimating quarterly tax payments

Prior to FCS, Viacom's Tax Department had to gather from each division the information needed for estimating taxes through hard copies, key it into a tax system, compare that to what was in the corporate reporting system, and then perform a three-way reconciliation. This was a considerable undertaking, taking weeks and even months to accomplish and involved a tremendous number of people. Thanks to Revelwood FCS, Viacom has been able to streamline its reconciliation process significantly.

Cruz concluded, "A dynamic company of our size needs a powerful and versatile solution that enables us to manage the business on a global scale and to meet statutory reporting requirements. Revelwood FCS comes through with flying colors. It is feature rich, scalable and easy to use — a combination that works well at all levels of Viacom." ■



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