

Quick Facts

Industry

Automotive Manufacturing

Company Info

- Operating since 1960
- Employees: ~2,200
- General Ledger: JD Edwards

ROI

- Shortened consolidation and reporting processes
- Decreased amount of manual input tasks

“PROPHIX allowed us to meet our deadlines with less manual input and reduced consolidation time, which allowed for more accurate and timely analysis.”

-- Amy Less
Consolidation Accountant,
Toyota Tsusho America



Toyota Tsusho America, Inc. Case Study

Increasing reporting requirements from Toyota Tsusho America’s parent company prompted them to seek a data consolidation solution that accommodates multiple organizational hierarchies.

Background

Operating since 1960, Toyota Tsusho America, Inc. (TAI) is a subsidiary of Toyota Tsusho Corporation (TTC), which was founded as a trading and supply-chain specialist of the Toyota Group. Over the past four decades, it has evolved from a trader in a limited number of commodities to a multi-business enterprise, with interests in supply chain activities, intermediate goods production, and manufacturing-related services.

Recognizing the Problem

Prior to implementing PROPHIX, Toyota Tsusho manually aggregated data from multiple sources into Excel for monthly and quarterly consolidated reports. This approach had a few challenges, including consolidating historical and budget data and producing multiple report formats to meet regional and

corporate requirements. “We were hardly ever finished analyzing a month-end by the time we had to start a new one, and it was very time consuming to try and move sections from one division to the other,” explains Amy Less, consolidation accountant at Toyota Tsusho America.

Implementing a Solution

Toyota Tsusho had many requirements beyond the consolidation of reports and budget data, but given the tight timelines for consolidation, reporting, and budgeting, the implementation plan focused on areas where Toyota Tsusho saw immediate benefits:

1. Monthly and quarterly consolidation reporting – A key goal was to be able to report data in both TAI’s internal and TTC’s external reporting formats, which involve different combinations or sub-groupings of divisional sections.

“We found out that we could easily make changes to our division level reporting for both formats—for our parent company and for internal management.”

-- Amy Less
Consolidation Accountant,
Toyota Tsusho America

After loading and consolidating data in PROPHIX, users were able to report data at any sub-grouping level, in rollup hierarchies.

2. Support for multiple organization hierarchies – The ability to accommodate changes in the organizational hierarchies for divisional sections and sub-groups and preserve changes to facilitate “before and after” reporting was an extremely important requirement.
3. High-level and detailed-level reviews – Because requests varied by user, high-level data and detailed-level data should be accessible—down to the general ledger suffixes.
4. Aggregation and reporting of submitted budget data – PROPHIX recognized that this process is intimately connected to the overall consolidation of data within any developed models. The consolidation and reporting of budget data is treated similarly to that of actuals and utilizes many of the processes created for financial consolidation.
5. Centralized financial data repository – Using numerous exported data files, the data structures for accounts and organizational hierarchies were successfully loaded. Section managers and directors within TAI can now access their plan and actual data from a centralized financial data repository on a regular basis.

Benefits

Toyota Tsusho’s primary short-term goal was to develop PROPHIX models to aid in the consolidation and budgeting process. Using PROPHIX immediately alleviated some of the challenges faced during month and quarter ends; reporting times for actual and plan data were shortened with minimal impact to current processes.

Bottom Line

Because of PROPHIX, TAI continually meets deadlines with less manual input and a reduced consolidation time. With timely, accurate data, Toyota Tsusho can easily analyze numbers; for example, management can find a number for a specific commodity or allocate data across commodity lines into divisions. Furthermore, changes are easier to handle for divisional-level reporting in both formats—parent company and internal management. With PROPHIX, TAI significantly shortened their consolidation and reporting processes, which initially included 11 subsidiaries but now involves over 25 consolidated subsidiaries.

Future Plans

Toyota Tsusho has already saved time in data consolidation with PROPHIX and would like to find more ways to streamline the closing process as much as possible. They are continually learning the different ways to maximize their PROPHIX investment, which will save time and effort overall.

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