



Iconix Achieves Transparency and Visibility With IBM Cognos TM1 and Revelwood's BPM Suite

Overview

Country: United States
Industry: Brand Management

Customer Profile

Iconix Brand Group owns a diversified portfolio of fashion and home brands that touch every segment of retail distribution from the luxury market to the mass market. Iconix licenses its brands to leading retailers and manufacturers worldwide and specializes in marketing its portfolio of brands with innovative and creative advertising.

Challenge

The company, which had grown from five brands with 40 licensees to 17 brands and over 200 licensees, needed a planning and reporting system that would provide greater visibility and transparency into the business in a timely manner.

Solution

Iconix hired Revelwood to implement a BPM system that includes IBM Cognos TM1 and uses Revelwood's proprietary BPM Suite. The Revelwood BPM Suite, which includes the Revelwood Report Manager, enables managers to easily develop dynamic reports and data entry templates. Revelwood also created the "Reporting Book" for Iconix to allow for a single, consistent report for each brand and department, summarizing all key metrics for the management team.

Benefits

- Real-time analysis and an accelerated forecasting process
- Ability to create 'what-if' scenarios
- Ability to 'slice and dice' data by account, brand, store, year or scenario instantly
- Integration of a compensation model to plan salaries, bonuses, raises, benefits and more
- Use of a licensing model that alleviates the need to manually collect and aggregate thousands of spreadsheets
- Dynamic, interactive and robust reporting

"The TM1 system makes it easier to see the business and allows us to make strategic decisions as a result of greater visibility and transparency."

Gary Klein
Vice president, Finance
Iconix Brand Group

It was back in 2005 that Gary Klein, now vice president, finance with the Iconix Brand Group, had what he calls his "dream" planning and reporting system, built while working as a finance executive at TV Guide. Three years later, he asked Revelwood, a leading provider of enterprise planning, reporting and analysis solutions that implemented that system using the TM1 platform, to deploy a similar business performance management (BPM) solution for him at Iconix.

Iconix is a brand management company that licenses such popular brands as Candie's, Bongo, Joe Boxer, Rampage, London Fog, Mossimo, Starter and Danskin directly to retailers, wholesalers and suppliers for footwear, apparel and fashion products. With annual sales of \$225 million and a headcount of just 65 employees, the Manhattan-based company places an obvious emphasis on efficiency and profitability.

"I needed a system that would offer greater visibility and transparency into the business in a timely manner," said Klein, adding that this had become increasingly necessary due to the company's dramatic growth.

"As we grew through acquisition from five brands with 40 licensees to 17 brands and over 200 licensees, forecasting on the fly became more difficult," he said. "Merging another month of actuals with my latest forecast was a nightmare. Then I would have to lay it out versus current forecasts, budgets and prior year actual results."

Back to the Future

Klein called on Revelwood again to implement a BPM solution using the IBM Cognos TM1 platform and incorporating its proprietary Revelwood BPM Suite™—an out-of-the-box implementation accelerator for enterprise planning and reporting comprised of pre-built models, templates, processes and reports.

"In comparison to TV Guide, Iconix is a very simple, straight forward business," said Klein. "We're a licensing company, so we don't have a direct cost of operations. Still, I needed a system to help with planning and reporting. We had recently put in a new G/L system that was fine for transactions, but its 'business intelligence system' was basically a glorified pivot table—rigid, without any reporting capabilities."

The first phase of the BPM implementation—completed in just three weeks—offers a basic planning and reporting model that gives Klein and his department the ability to integrate financial data into a central repository from the G/L, along with multiple planning spreadsheets and sales data from the licensees. It allows for real-time analysis, the ability to create 'what-if' scenarios, and accelerates the forecasting process. Merging the company's latest financial results with his current forecast is as simple as changing one value in the system.

"Now I can look at all data by account, by brand, by year or by scenario instantly, while before I had to hunt for information in the G/L," said Klein. "I immediately know the

details on what's going on in the business in terms of revenues and expenses with the touch of a button."

As part of the first phase of the implementation, Iconix also integrated a compensation model into its new BPM system. This model allows the company to plan salaries, bonuses, raises, benefits, taxes, etc. by individual employee within departments—including the handling of new hires and the allocation of employees between multiple departments.

Keeping the Boss Happy

The second phase of the BPM implementation incorporated a licensing model. Iconix's licensees sell different categories of products (socks, shoes, apparel, etc.) to thousands of stores and file reports weekly, monthly and quarterly. The new licensing model alleviates the need for Iconix's brand managers to manually collect and aggregate thousands of spreadsheets every week from third parties in order to keep track of the different licensees and the stores they sell to. Additionally, Iconix receives weekly sales by categories

"My CEO is a tough guy to impress, but when I gave him the Reporting Book for the first time and he saw how many ways he could look at the business—by brand, by department and by brand manager—it was a whole new world to him," said Klein. "He really appreciated it."

and by product for the brands the license direct to leading retailers. The licensing model enables Klein to provide the management team with a weekly package of how their brands are performing on a week, month and year-to-date basis.

Prior to the advent of this phase of the solution, Klein said that his boss, the company's CEO, regularly voiced his displeasure over the fact that he was receiving seven different retailer reports from seven different individuals in seven different formats and could not look at an aggregate of all these reports.

"The new system enables the brand management team to aggregate data and see in a timely manner how much in sales they did across all brands, licenses and stores," said Klein. "All the reports now have a consistent feel so each brand manager isn't walking into management meetings with a different looking report."

With Revelwood's help, Klein also created what is called the "Reporting Book" to summarize the budget and monthly performance for the management team—a single, consistent report for each of the brands and departments, summarizing sales, expenses and other key metrics that is easy to manage and his CEO loves.

"To cross 17 brands with multiple departments and show performance of each in comparison to a prior forecast or prior year results was impossible," he said.

Interactive and Dynamic Reporting

A key benefit of Iconix's new solution is the Revelwood BPM Suite, said Klein. This includes the Revelwood Report Manager™, which enables TM1 application managers to develop rich, dynamic reports and data entry templates without requiring extensive customization and VBA coding. End-users can create and run complex reports that offer dynamic expansion, zero suppression, drill-down, intelligent formatting and many other capabilities through a comprehensive, easy-to-use point and click interface. This saves time, simplifies the reporting experience and introduces a new level of interactivity to the Excel/TM1 reporting environment.

"The Report Manager is genius," Klein said. "I never have to worry if my report includes all updates to the structure, or if the report will show all accounts that have data adding to the total."

Without question, he said the new system has simplified his life and impressed the boss.

"Overall, the TM1 system makes it easier to see the business and allows us to make strategic decisions as a result of greater visibility and transparency," he said. "My CEO is a tough guy to impress, but when I gave him the Reporting Book for the first time and he saw how many ways he could look at the business—by brand, by department and by brand manager—it was a whole new world to him. He really appreciated it."

About Revelwood

Revelwood is an IBM Cognos TM1 Platinum Reseller offering products, implementation services, training and support that bring ease, speed and flexibility to budgeting, planning, reporting and analytics.

With more than 15 years of IBM Cognos TM1 experience, Revelwood is recognized among the most reputable performance management solution providers in the U.S. today. Combining IBM Cognos TM1 software with best practices and pre-configured, out-of-the-box applications like Revelwood's BPM Suite™, Revelwood helps companies accelerate the building and deployment of performance management solutions to help businesses strategize, plan, execute and take corrective action—at all levels across the organization, on a continual basis, in real time.

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.

Revelwood Inc.
14 Walsh Drive
Suite 303
Parsippany, NJ 07054

201.984.3030
201.984.3031 fax

www.revelwood.com