



Case Study: Consolidations Process Efficiencies With SAP

Company Overview

www.wolverineworldwide.com

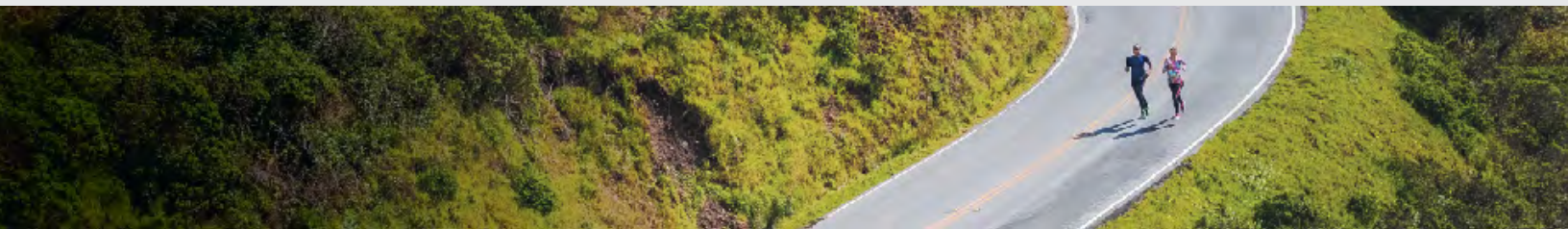
With a commitment to service and product excellence, Wolverine World Wide, Inc. is one of the world's leading marketers and licensors of branded casual, active lifestyle, work, outdoor sport, athletic, children's and uniform footwear and apparel. The Company's portfolio of highly recognized brands includes: Merrell®, Sperry®, Hush Puppies®, Saucony®, Wolverine®, Keds®, Stride Rite®, Chaco®, Bates® and HYTEST®. The Company also is the global footwear licensee of the popular brands Cat® and Harley-Davidson®. The Company's products are carried by leading retailers in the U.S. and globally in approximately 170 countries and territories.



Project Goals and Overview

Wolverine Worldwide (WWW) was using a consolidation tool within their SAP environment scheduled to go out of support within twelve months. As a result, a replacement was needed to continue to support the company's financial consolidation process and feed period results to its SAP Business Warehouse reporting environment. A lift-and-shift approach was proposed to accommodate the immediate needs. However, it was soon apparent SAP Business Planning and Consolidation could provide **WWW** with added efficiencies to their global periodic and annual reporting processes.

While partnering with SimpleFi, **WWW** took advantage of SAP Business Planning and Consolidation's ability to perform sales and balance sheet eliminations at group levels within the organizational structure to facilitate statutory reporting. The current consolidation tool was not being used to perform automated eliminations, so time consuming, manual entries were performed at the top-level, leading to a significant manual statutory reporting effort. SAP Business Planning and Consolidation also enabled more robust foreign currency reporting.



Project Scope

The following items were included in scope for the consolidations process:

- Direct loading of master and transaction data from SAP Business Warehouse
- Intercompany Eliminations
 - Sales
 - AR/AP
 - Investment in Subs
- Foreign Currency Conversion of nearly 20 different functional currencies
 - Three Group Reporting Currencies
 - Automated CTA Calculations and Postings
- Top-Side Journal Entries
- Integration of Year-End, Post-Close Data
- Ability to write-back data to the SAP Business Warehouse for reporting

Project Challenges

A key challenge in the project was positioning of transaction data from the current accounting system to be able to take advantage of the eliminations process in the new solution. Working closely with the consolidations team, the transaction system account rules were updated to enforce the use of Trading Partners on selected accounts, thereby enabling a consistent and reliable result on an ongoing basis.

Project Wins

Several wins have been realized because of the SAP Business Planning and Consolidation implementation.

- Automated the elimination of Intercompany Sales and Balance Sheet accounts, saving over a half day of manual effort per close process.
- Consolidation of data to allow for streamlined regional statutory reporting, reducing annual processing efforts by over 70% for the global Tax staff.
- Provide flexibility to enable the business administrator to quickly add new acquisitions to the consolidation process without IT support, freeing up over 32 hours in IT support.
- A trusted and efficient consolidation tool that minimizes monthly business administrator effort by nearly 50%.



Customer Feedback

"I am very pleased with how the project went overall ... our first consolidation has gone very smoothly. Your accounting background and expertise were the perfect fit to help us implement significant process improvements as part of our [Consolidations] implementation. We are already seeing benefits from the automation of intercompany elimination processes. I appreciate the positive, open-minded approach to the project."

- Sr Finance Manager



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