

## SOLUTION DRIVERS

- Deploy financial systems for new company
- Integrate acquisitions
- Automate maintenance renewals and deferred revenue
- Integrate software and services businesses
- Centralize customer information
- Enable automated reporting

## SOFRAX BENEFITS

- Fully-automated financial systems for products and services
- All customer information instantly available
- Fast and accurate processes for billing, maintenance renewals and reporting
- Deferred revenue accounting automated completely
- “Push-Button” reporting
- Scalable - supports new acquisitions without added personnel
- Consistently on-time monthly closings
- Clear audit trails

## COMPANY SNAPSHOT

Ownership	Private
Industry	Supply Chain Execution Solutions
Location:	Colorado Springs, CO

*“Softrax has a nice audit trail. We can trace every single deferred revenue string back to a particular order, when it was done and by whom.”*

—Sheila Geffre  
Controller, Accellos

## Accellos

*When Accellos was launched by the merger of two acquisitions, the finance team had only weeks to deliver a financial infrastructure. They needed to manage all aspects of their complex revenue process in a single system, including the deferred revenue requirements of a software and services company. Softrax automated the entire revenue cycle and provided an infrastructure that will easily integrate future acquisitions.*

## THE COMPANY

Accellos is a global provider of logistics, warehouse, 3PL, transportation and mobile fleet management solutions. The company’s powerful supply-chain execution solutions are easy to customize and implement, providing customers with more innovation for less investment while producing significant savings and greater profitability. Accellos delivers rapid return on investment for customers and accelerated logistics and warehousing services for the clients they serve.

## THE CHALLENGE

Accellos is a vibrant, high-growth company with a business model geared to ensure the success of their customers. They provide perpetual licenses, as well as hosting, installation and a range of other services, even hardware and third-party software -- whatever it takes to fully meet the needs of their nearly one thousand customers.

The company came into being when the founders purchased two established companies at once, launching the combined entity into full-scale existence virtually overnight. The challenges were impressive: the acquisitions were in Canada, each was using a different accounting system, and both were supplementing those systems heavily with spreadsheets for maintenance renewals and deferred revenue. Sheila Geffre, Controller at Accellos, describes the situation: “Neither company had been able to keep accurate records. We didn’t have historical data on renewals, a clear picture of the customer base, or any audit trails whatsoever.”

## THE REQUIREMENTS

Accellos wanted a financial system that would not only handle standard accounting functions well, but also integrate and automate the accounting operations that can be especially challenging for software companies. As Geffre explained, “Managing maintenance renewals and automating deferred revenue accounting were at the top of our priority list. I’ve been at larger companies where the maintenance for thousands of customers was handled in spreadsheets and at audit time it was a disaster. We didn’t want that situation here.”

Other priorities included functionality to capture customer information, to automate professional services, and to forecast deferred revenue. “Since we expect more acquisitions, we needed a system that could easily incorporate new companies and scale in every dimension without significant additions to headcount,” said Geffre.



*"Handling the deferred revenue now is a piece of cake. You specify the appropriate revenue recognition treatments when you enter an order in the system, and Softrax just does it all. A little work on the front end saves thousands of hours on the back."*

—Doris Silva, Senior Manager,  
Contracts and Legal Administration,

*"Softrax gives us great flexibility in setting up bills, creating unbilled accounts receivable and even recognizing the revenue before we invoice the customer."*

—Sheila Geffre  
Controller

#### THE SOLUTION

Several senior members of the finance team had seen a Softrax demo while working for another company. "Softrax had all of the functionality that we were looking for and the deferred revenue model was really compelling. It was perfectly suited for a software company. So when we found ourselves suddenly in need of a finance solution, Softrax was the obvious choice," Geffre explained.

The Softrax solution provides a central repository for all customer information and automates billing, renewals, revenue management and all GL functions. It also includes fully-integrated professional services automation with engagement and expense tracking. "We implemented Softrax quickly while the companies continued with their own systems. Then we loaded in all of their accounting, and moved right over to Softrax."

#### THE BENEFITS

Managing deferred revenue, which was the finance team's top priority, is now "a piece of cake" according to Doris Silva, the company's Senior Manager for Contracts and Legal Administration. "Softrax lets us set up deferred revenue schedules for each line item in an order based on revenue recognition rules such as SOP 97-2. It automates each schedule, recognizes revenue on delivery, and moves the recognized revenue to the General Ledger. It even allows us to recognize revenue before we invoice the customer."

Customer information issues are gone. The Softrax installations database keeps precise track of all Accellos customer information, including contract terms, conditions and shipping data; hardware and system configurations; and installed products, versions and license types; maintenance entitlements and more. Silva explains, "We used to have to look in many different places for that information. Now we look in one. We have a snapshot of how many users a customer is licensed for, how many users they have, and whether or not they've renewed their maintenance."

This also provides them with good historical data about where each customer is in their renewal cycle. "Now we have the peace of mind that we aren't missing any renewals, and the flexibility to pre-bill customers for maintenance using the pro forma invoices. It helps immensely both the customers and us in planning ahead. If a customer foresees a problem we are often able to work something out in advance rather than losing the renewal in its entirety," explained Geffre.

Reporting on the renewals rate and on deferred revenue, both key metrics for the company, is "as simple as pushing a button," says Geffre, "We've been able to provide senior management with much better reporting than we could provide if everything were in spreadsheets, and we can do it fast. Board meetings happen right after the quarter end and there's always a push to publish numbers quickly. With Softrax we've been hitting our close deadlines on time every time."

Looking into a bright future, Geffre is optimistic about the ease of integrating more acquisitions. "We're not worried about the next acquisition, because everything is already set up. It's just a matter of importing the customers, importing the vendors and setting up purchase orders, but other than that, it's done. The new company will be seamlessly integrated and everything will just start flowing."

