

# Reference Case

## TAGETIK 3.0: IGAM'S CHOICE FOR PERFORMANCE MANAGEMENT

Founded in 1986, IGAM is a leading Italian manufacturer of underwear and sleepwear for men, women and children. The company, which owns the brands Nottingham and Bimbissimi, also licenses a variety of other labels to ensure that its assortment remains unique in the industry. The manufacturing plant and headquarters of the joint stock company are both based in Canosa di Puglia, Italy.

**"WITH TAGETIK 3.0, WE CAN FINALLY SEE WHICH OF OUR BRANDS ARE MOST PROFITABLE - AND GIVE OUR COMPANY AN EVEN STRONGER COMPETITIVE ADVANTAGE"**

### THE CHALLENGE

For the past five years, IGAM has experienced strong growth and business development in a highly competitive market. Due to the increasing complexity, however, the company saw the need to reduce the time and costs involved in managing its current budgeting process. In addition to eliminating the manual steps in aligning the group and company budgets, IGAM wanted to integrate its strategic and operational planning as well as create a closer link to financial consolidation, closing and other related processes.

### OBJECTIVES

IGAM wanted a solution that could integrate these different processes and manage business performance in a flexible yet structured manner. Key requirements included:

- ▷ Planning and budgeting
- ▷ Managing allocation rules on analysis dimensions
- ▷ Easy integration into Microsoft Navision ERP system
- ▷ Reporting and analyzing budget variances

### WHY TAGETIK 3.0

In order to fully leverage its existing IT infrastructure, the company chose Tagetik 3.0. The software utilizes Microsoft's market-leading relational database technologies and provides a direct interface with most ERP systems.

### ALTEA'S ADDED VALUE

After a thorough assessment of IGAM's needs, Altea used Tagetik 3.0 to develop a series of controls to help the company meet these challenges. The project implementation, which lasted from October 2008 through February 2009, required few resources and did not disrupt business operations. The resulting solution dramatically simplified the complexity throughout the organization.

The strengths of Altea's solution include:

- ▷ Deployment of Microsoft Dynamics and Tagetik 3.0
- ▷ Teamwork in separate groups with continuous interaction

## IGAM Brands

**NOTTINGHAM**  
AMICO PER LA PELLE

**bimbissimi**

**IGAM** S.p.A.

### IGAM S.p.A.

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**NOTTINGHAM**  
AMICO PER LA PELLE



**Intimo e pigiameria  
per tutta la famiglia**

[www.igam.it](http://www.igam.it)

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- ▷ Common definition of KPIs for performance management
- ▷ Dynamic definitions of accounting rules (e.g. to account for different analysis requirements and the separate cost allocation model)
- ▷ Ad hoc ETL to align data between two accounting systems

## RESULTS

IGAM has already used Tagetik 3.0 to prepare its 2009 'annual budget. Processes such as data entry and loading were easily automated using the built-in system functionality.

Tagetik has proven to be a flexible tool that empowers business users to manage the entire budgeting process and run simulations on different scenarios and periods. Due to the seamless integration with Microsoft Dynamics NAV, the company can map and automatically import data from its ERP systems on a monthly basis.

Using automatic calculations, IGAM can instantly see and analyze the financial sustainability of a proposed budget during the drafting process as well as justify the final budget figures at a later date.

## KEY BENEFITS

The Web-based solution features an easy-to-use Excel front end for managing highly complex processes.

**“ALL RELEVANT FINANCIAL DATA FLOWS PERFECTLY INTO THE SYSTEM - THAT’S THE REAL ADVANTAGE! WE CAN LABEL EACH ALLOCATION PROCESS AND IDENTIFY APPROPRIATE ACTIONS”**

Tagetik 3.0 has saved the company a considerable amount of time by reducing the manual work involved in the budgeting process. The software gives IGAM more control over its processes as well as accurate and fully traceable data.

Powerful allocation models also empower the company to monitor indirect costs for individual brands and products. Using allocation and mapping rules, IGAM can now even create separate profit and loss statements by trademark, cost center and product. The system generates reports showing the results of different rounds of allocations. Users can then analyze profitability through filters and drill-downs to individual items.

Using the Tagetik solution, the company can now produce reports that help its executives understand and evaluate business performance, identify drivers for development and value creation, and improve the profitability of the business.

## OUTLOOK

Altea and IGAM have already set milestones for a follow-up project that will enable the company to:

- ▷ Generate income statement budgets for each item
- ▷ Refine the model of control to include product margins
- ▷ Incorporate data on sales planning and direct costs from the product management system
- ▷ Create ad hoc analysis on cross-dimensional attributes of the product
- ▷ Manage and forecast cash flow for financial planning

## IGAM S.P.A.

### Owned brands:

Nottingham, Bimbissimi

### Licensed brands:

Winx, Gormiti, Betty Boop, Pink Panther, Snoopy, Pierre Cardin

### Industry: Fashion

Segment: sleepwear and underwear for men, women and children

**Activities:** Production and distribution of brand products

**Tagetik Users:** 5

### Solution:

Tagetik 3.0 - financial reporting, data entry, cost allocation

### Business Benefits:

Structured CPM model

Improved efficiency in budgeting, closing and allocation



## PARTNER CONSULENZA

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