

Quick Facts:

Industry: Municipal corporation that operates a shipping terminal and is involved in warehousing, distributing, and manufacturing

Company Information:
219 employees
\$11.3 Million in Annual Revenue
Headquartered in Washington State
Operating Since 1918

Scenario: Needed to reduce the time required to verify and balance accounts, simplify data entry processes, and improve analysis capabilities.

Solution: PROPHIX saved consolidation time, simplified forecasting and reporting tasks, and helped management perform scenario planning.



Case Study - Port of Tacoma

"Before PROPHIX we spent so much time working on spreadsheets we didn't have time to analyze the numbers."

Lisa Wadel
Budget Analyst

Return on Investment

Savings of \$253,000 in operational improvements.

Correction of \$180,000 worth of incorrectly billed expenses.

Detection of a paving maintenance issue that saved \$50,000.

Savings of more than \$23,000 per year (59 person days) in planning model preparation and maintenance, financial report design and production, budget preparation, forecast production, ad hoc report generation, and personnel data maintenance.

Background

The Port of Tacoma, located in Puget Sound, Washington, is an independent municipal corporation created by the citizens of Pierce County in 1918 to help develop maritime commerce. Today, it is the fifth largest container port in North America and ranks among the top 40 for container trade worldwide. The Port has 219 employees and 2,400 acres of property used for shipping terminal activity and warehousing, distributing, and manufacturing.

Recognizing the Problem

Port of Tacoma's spreadsheet-based budgeting system took an exceptionally long time to reconcile with their accounting system. As Lisa Wadel, Budget Analyst, explains, "I had about 50 spreadsheets and it was very cumbersome to go back and forth between them all and link them and get them all to balance. In some instances, you couldn't even try to balance. This took time away from analyzing and understanding the numbers."



The company also wanted a scenario-planning tool that let managers see how various assumptions and situations would affect revenues and expenses. However, due to the numerous types of cargo handled by the terminal, the company has never been able to establish a workable process using spreadsheets.

Implementing a Solution

The company put together a task force to look for software that could handle these requirements. They considered creating an in-house program, but while searching the Internet for possible solutions, Wadel discovered PROPHIX. After a couple of preliminary Web demonstrations and discussions with current PROPHIX users, a demo with the Port's IT and Finance departments' data clinched the deal. According to Wadel, "Between the attractive price and the impressive web demonstration, with our information, the decision was easy."

In September 2003, Port of Tacoma engaged PROPHIX Software to implement their budget management software and quickly realized tremendous benefits. As Wadel says, "We still take the same amount of time to do the quarterly and annual budgets but, unlike before, we have time to look at the numbers in depth and consider what they mean. Plus, our executives and commissioners have more time to look things over and get an

accurate picture."

Management also uses the PROPHIX Scenario Manager module to create and maintain multiple budget scenarios, greatly simplifying 'what-if' analysis.

Port of Tacoma's large and varied user base was an important factor in implementing the PROPHIX model. The balance between functionality and ease-of-use meets the needs of all users and helps them to feel confident that all the data being entered is consolidated into the total company plan.

Additional Benefits

Wadel also appreciates the intangible benefits of using PROPHIX. "The one thing I really appreciate and enjoy is the customer service. PROPHIX customer service gets back to you right away and they always have the answer. Sometimes they go through several steps just to make sure the problem is solved. I don't have to sit and wait or waste time trying things it's done. To me, that's really important."

ROI Achieved

According to Wadel, Port of Tacoma is currently saving about \$253,000 per year in operational improvements. **PROPHIX**

Future Plans



Looking forward, Port of Tacoma expects to utilize Scenario Manager from an end-user point of view. With a large user base, the central control maintained by using PROPHIX will improve data validation and ensure accurate reports and forecasts.



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