

# Smooth Workflows for Financial Issues

by Sandra Brühl, Treasury Associate, Dematic Group

**D**espite its global focus, one of Dematic's concepts of success is never to lose the proximity to clients. The resulting challenges are - for the headquarters' treasury department - as diverse as the international markets in which Dematic takes a leading role. The Integrated Treasury System ITS supports the team in its daily business.

Dematic is a global leading provider of intelligent solutions for storage technology, material flow and intralogistics. We combine global presence with detailed knowledge on local business. So to speak, we are worldwide on site. At 55 locations in 23 countries, around 4,000 employees work on the development of customised logistic systems and services. Financial management is centralised in Luxembourg. Here all information obtained from the subsidiaries is merged within the treasury service department.

The focus of the three treasury employees lies in the areas cash management, liquidity planning, netting, intercompany finance and

FX management. Due to the international project business, the administration of guarantees is also of great significance. An additional responsibility is working capital management. For controlling the treasury workflows, the determination of the liquidity requirements and as a basis for the monthly treasury reporting, Dematic uses ecofinance's treasury system ITS.

## Global liquidity planning

The worldwide efficient interplay within the Dematic Group reflects in its liquidity planning. Approximately 30 contact persons

all around the world co-operate closely with the treasury headquarters in Luxembourg. Dematic plans six months in advance on a rolling basis. At the beginning of each month the headquarters determine the opening balances of the cash positions for each company and distribute them to local partners via an automatic upload to the six monthly plans. Within four working days the subsidiaries report their planned intercompany payments for the next six months which are also uploaded by the headquarters. The ITS system displays this information separately per company in 25 liquidity plans.

These liquidity plans are supplemented by external cash flows, wages and salaries by the subsidiaries. Requests for intercompany financing can be reported as well. After reviewing the plan details, consolidation takes place at holding level. The administration of all liquidity plans within the treasury system is user-friendly, enabling users to look at individual positions from the consolidated plan via simple drill down.

*The worldwide efficient interplay within the Dematic Group reflects in its liquidity planning.*



**Sandra Brühl**  
Treasury Associate, Dematic Group

Sandra Brühl has been Treasury Associate with Dematic Group in Luxembourg since July 2007. She previously held positions in Avaya, where she experienced Six Sigma Black Belt training, and Tenovis, both in Frankfurt. Sandra studied at the American University in Washington, DC, and the Leipzig Graduate School of Management.

### Sophisticated and comprehensive

The group works with around 20 currencies. The subsidiaries plan in their respective national currencies but can also register cash flows in other currencies according to the project situation. However, the consolidated group plan of the holding displays all positions in euros, the company's currency. Foreign currencies are converted online within the system. Via a simple drill down function we can reproduce the original currency at the touch of a button at any time, which is one of the conveniences of a centralised treasury system.

### Interaction for treasury deals

For money market deals and currency transactions the intralogistics expert also trusts in bilateral coordination between the subsidiaries and the holding. All transactions

are dealt by the headquarters at Dematic. The holding records all transactions using a dual control principle and mirrors them on the subsidiaries' intercompany accounts. According to the company-wide risk management strategy Dematic also closes hedging transactions. They are processed after consulting the subsidiaries at headquarters.

### Comprehensive group reporting

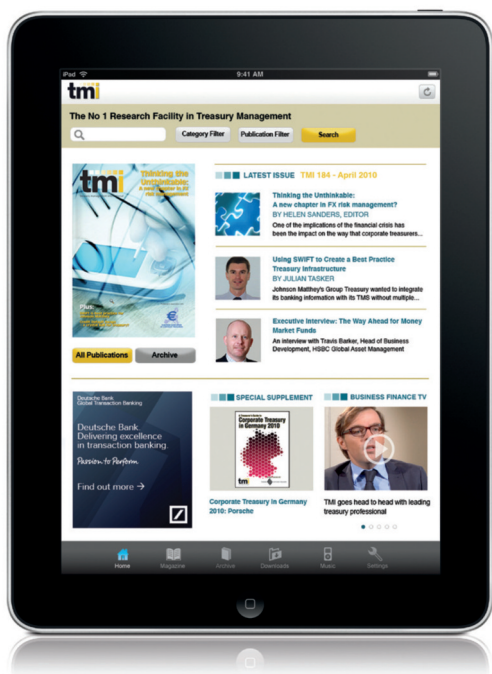
All information on liquidity planning merges in the monthly cash flow report.

The report is available to the shareholder as well as the subsidiaries. Via planned/actual comparisons the liquidity plan is regularly controlled. Due to close co-operation within the group the planning quality increased significantly. Today deviations mainly result from international project business itself - if there are for example shifts in individual projects. Furthermore the group reporting includes reports on cash positions, netting, exposure management and guarantees as well as working capital. ■

*All information on liquidity planning merges in the monthly cash flow report.*

# Risk Management?

...we have an App for that



Sponsored by Deutsche Bank



Visit the iTunes App store to download for free