

Client: Koppers Inc.
Solution: Vertex® Tax Accounting

Automated global provision using a single set of workpapers.



Company Profile

Koppers Inc. is a multinational chemical manufacturer operating in North America, South America, Europe, Asia, and Australia. There are 20 U.S. manufacturing locations and 60 foreign entities. They employ 1,800+ people worldwide. The tax function produces 100 domestic corporate income tax returns, 63 foreign informational returns, and more than 100 sales & use tax and property tax returns with a centralized tax and finance department of 25 people.

The Challenge

Koppers was looking to advance their provision process from a laborious manual approach to a streamlined automated process. And in automating the process, Koppers wanted to integrate reporting from 20 U.S. locations and 60 foreign entities into a single worldwide provision.

Koppers goals included:

- Incorporate foreign entity data without re-keying.
- Integrate foreign tax reporting into a single worldwide provision reporting utilizing a single comprehensive set of workpapers.
- Eliminate manual calculations for worldwide provision.
- Produce reports and workpapers acceptable to external auditors in a timely manner.

Overall, Koppers wanted to improve the efficiency, accuracy, and processes for data preparation and provision reporting for a clearer global view.

The Solution

Koppers implemented Vertex Tax Accounting to automate data management and provision calculations. The system supports multiple ledgers, multiple accounting standards, multiple currencies, multiple years, and multiple jurisdictions. In-country statutory reporting and global parent statutory reporting are easily viewed in a single solution. The technology also provides configurable prior year adjustment features impacting current year provision, account reconciliation, and journal entries by year and by account. A full multi-ledger global tax provision with translation across bases can be viewed in a single screen.

As part of Koppers whole solution, they also took advantage of Vertex Implementation Consulting to assist with custom reporting and best-in-class process efficiencies.

Summary

Company

- Multinational chemical manufacturer
- Operating in North America, South America, Europe, Asia, Australia
- 1,800+ employees worldwide
- Centralized tax and finance department (25 people)
- Tax data providers for global provision: 20 U.S. locations, 60 foreign entities
- 100 domestic corporate income tax returns; 63 foreign informational returns; 100+ sales & use tax and property tax returns

Vertex Solution

- Vertex® Tax Accounting
- Vertex Implementation Consulting

Results

- Proactive issue resolution
- Single unified worldwide provision
- Faster, more efficient close
- Streamlined, automated prior year return-to-provision true-up
- Improved reporting and controls for audit process
- Real-time system access for remote users such as foreign controllers

"We replaced our 'just-in-time' approach with a proactive, 'touch data once' approach to provision."

Kip Kuzior
Manager, Corporate Tax
Koppers Inc.

The Results

According to Kip Kuzior, Manager, Corporate Tax, Vertex Tax Accounting enabled changes large and small in the Koppers provision process.

- Eliminated re-keying data and manual calculations.
- Streamlined trial balance data import for all entities to 15 minutes.
- Integrated foreign reporting to create a single set of workpapers and a single global provision.
- Improved response to late entries and adjustments.
- Generated custom reporting to meet the needs of management and auditors.
- Reduced overall risk by eliminating manual processes.

“We reduced the time spent on trial balance import from 1-2 days to 15 minutes.”

Donna Latimer
Tax Analyst
Koppers Inc.

By streamlining data management processes, Koppers was able to increase from quarterly to monthly account reconciliation, allowing for a more proactive approach to identifying and resolving issues. And the system even enabled the Koppers tax team to identify accounting errors which could then be corrected in the same period, prior to audit.

A ‘Touch-Once’ Approach to Data

The most transformative change was data management, explains Kuzior. “We replaced our stressful ‘just-in-time’ approach to provision with a ‘touch once’ approach to data. We can make a single change and the system flows that change into multiple places and updates multiple reports.” That time savings has allowed Kuzior’s team to spend less time manipulating data and more time analyzing data to improve tax performance. They can produce reports faster so there’s more time to dig deeper into the data for more valuable analysis.

Tax Account Reconciliation

“The tax account reconciliation screen has made life so much easier,” says Donna Latimer, Tax Analyst. “We used to struggle at year-end to book full temporary differences. Now we can add those adjustments along the way. We can react

so much faster. And once our auditors saw the tax account reconciliation screen, they didn’t have many questions for us,” she adds.

Compliance Integration

Once Koppers calculates the provision in Vertex Tax Accounting, the data can be seamlessly shared with their compliance system.

Global Collaboration

From a global perspective, Koppers users around the world, including foreign controllers, all work efficiently in a single real-time system, even during the fast-paced year-end closing.

Improved Audit Management

With Vertex Tax Accounting, the Koppers tax team can easily produce custom reporting to meet audit needs. And they can quickly generate reports after late entries and changes. “With a few clicks we can get the report the way we need it including ETR reconciliations and deferred tax footnotes,” says Latimer. “We even created a ‘role’ in the system for the auditors which allows them read-only access to certain data,” she explains. “This eliminates the staff time spent on data requests.”

“Since we automated the process, we were able to move from quarterly to monthly account reconciliation. Now we can look at our data on a monthly basis, and resolve issues sooner.”

Kip Kuzior
Manager, Corporate Tax
Koppers Inc.

Reporting to Meet Management Requests

Every company has certain reports that executive management prefers. In addition to the canned reports provided in Vertex Tax Accounting, Koppers tax professionals can easily configure custom reports for management without requiring IT assistance.

Automation Equals Efficiency

With Vertex Tax Accounting, Koppers streamlined the whole income tax close process. They reduced the time spent manipulating data, accelerated processes, and freed up more time to proactively analyze data prior to audit.

About Vertex

Founded in 1978, [Vertex Inc.](#) is the leading provider of corporate tax software and services to automate, integrate, streamline or outsource tax processes for companies of all sizes, from small to medium-sized businesses to global multinationals. Vertex provides solutions for all tax types with industry-specific solutions for retail, communications, hospitality and leasing industries.

Locations

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King of Prussia, PA

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