

LAURA ASHLEY LTD



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—PAUL MAINWARING, GROUP FINANCIAL ACCOUNTANT, LAURA ASHLEY

THE COMPANY

The story of retail phenomenon Laura Ashley Ltd. Could be described as a ‘headscarves to riches’ tale. From humble beginnings of the headscarves designed and printed on the kitchen table of Bernard and Laura Ashley in the 1950s, Laura Ashley has grown to become a household name with a turnover in 2001 of £260 million. The company’s primary activities are its flourishing ladies fashion and home furnishings businesses. After a troubled few years for the retail fashion industry as a whole, Laura Ashley has returned to profit and is now geared for future development.

THE CHALLENGE

In the highly volatile retail environment, Laura Ashley has managed to forge a steady path with its distinctive style. This has meant that the company needs to respond to retail trends and economic pressure with a pragmatic approach and intelligent financial control. Recognizing the need for sound financial systems, Laura Ashley took the decision to deploy Cognos’ financial consolidation solution – Controller – in January 2001.

OBJECTIVES

A large number of reporting entities make up the Laura Ashley group. Each shop in the U.K., for example, is a cost center and reports individually. Data is held within the general ledger under the cost center. As Paul Mainwaring, Group Financial Accountant at Laura Ashley, explains, “At Laura Ashley, we report everything by cost center. Each of the 500+ cost centers has to be treated as an individual company entity.”

THE SOLUTION

Controller was selected for a number of reasons, not least because its processes mirror how accounts work. The flexibility of the system, and the SQL database on which it is based, offered Laura Ashley the most appropriate fit to meet the way the company operates.

Each month, data is drawn into Controller for top-level, consolidated company information. Half-year and yearly fiscal reporting and monthly management accounts are the responsibility of Paul Mainwaring: “The Controller implementation has given us far greater visibility of the fiscal structure across the whole group.” According to Paul, this affords Laura Ashley considerable benefits. “With Controller, we get a clear dividing line between the fiscal picture and the management picture. We can be looking at the fiscal picture one minute, and then run a different report to give the internal view the next.”

ABOUT LAURA ASHLEY

Established in the 1950s, retail fashion and design company Laura Ashley now has a turnover of £140 million (2002/3 half year). The company operates from 255 outlets in Europe, 191 of which are in the U.K., and also markets through DIY retail giants, the Internet and mail order.

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Naturally, the accuracy and validity of the underlying data is essential for the company's confidence in the information generated – something which Paul Mainwaring acknowledges, "We upload the data from the general ledger; we are very happy with how this performs, and are confident in the integrity of the data."

With a large number of companies and cost centers, the visibility of core data for fiscal and management reporting purposes is valued by Laura Ashley, as is the flexibility inherent in the Controller solution, including the variety of deployment options offered by Cognos. Clients can choose to deploy Controller in traditional methods either centralized or distributed in typical client-server environments. At Laura Ashley, Controller resides on a central database with the thin-client front-end deployed through Citrix Server. Also of value to Paul Mainwaring is Controller's Excel Link that he employs to set up reports. "Historically we have used Hyperion for our reports, but now we have developed these reports in Controller, which is now our sole environment for fiscal reporting."

The improved visibility of the fiscal structure across the whole group, together with the management reporting functionality all within a single environment, has delivered Laura Ashley the dual benefits of faster, smoother closing and reporting, and more effective decision making.

ABOUT COGNOS

Cognos is the world leader in business intelligence, consolidation, and enterprise planning software. Our solutions for corporate performance management let organizations drive performance with planning, budgeting and consolidation, monitor it with scorecarding, and understand it with business intelligence reporting and analysis. Cognos is the only vendor to support all of these key management activities in a complete, integrated solution. Founded in 1969, Cognos now serves more than 23,000 customers in over 135 countries.



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