

Recurring Contract Management

PRADA

**Successfully manage
all the Group's rental and leasing
contracts on a global scale**

How Prada was able to cut management times by 50% and to
reduce manual processing of financial statements to 0



PRADA

COMPANY PROFILE

Prada S.p.A. is a global leader in the luxury goods industry and is listed on the Hong Kong Stock Exchange.

The Group produces and distributes luxury leather goods, footwear and apparel through its brands: Prada, Miu Miu, Church's and Car Shoe.

The Group also operates in the food sector with Marchesi 1824, and in the eyewear and fragrance sectors under licensing agreements.

www.pradagroup.com

SECTOR

Luxury Goods & Retail

KEY FIGURES 2019

- 5 Brands
- € 3,225 M Turnover
- 13,988 Employees
- 641 Shops
- 70 Countries
- 22 Plants

EXECUTIVE SUMMARY

Prada, faced with the challenge of standardizing the management of recurring contracts across the entire Group, has chosen to rely on the **Akeron RCM** solution. This decision has translated into significant specific process benefits:



-50% ERP checking and data gathering times



-100% Manual processing of accruals and deferrals



+70% Data managed directly within the system



Perfect and automatic correspondence between contractual and accounting data



Uniform data always up to date, from all over the world

THE CHALLENGE

With 641 directly managed stores in over 40 countries, Prada Group needed to structure a unified process to manage all rental contracts. The ultimate goal? Transform the regulatory obligations of IFRS 16 into a chance to grow and innovate.

To do so, the solution had to standardize the management of contractual information on a global scale, as well as to provide all the accounting information for the month-end financial closing form the entire Group.

Furthermore, these evolutions had to be pursued together with a flawless integration with the SAP ERP system already in use in the group.

In this scenario, the complexity involved was relevant:

 **1269**

Lease contracts

 **414**

Company's fleet leasing contracts

 **170**

Industrial machinery rental contracts

 **30**

Currencies

 **120**

Users in 48 countries worldwide



Need to close the monthly consolidated financial statements

“...It used to take us 5 days every month, just to get all data harmonized for the financial closing!
Without an integrated and ready to go solution, we would have had to resort to time-consuming error checking processes on heterogeneous spreadsheets coming from each individual region....”

Elena Martinelli
Prada Group Project Manager

GOALS

Ensure a constantly updated flow of contractual and accounting information to feed the corporate ERP and automatically generate all relevant financial statements.

SOLUTIONS

Akeron RCM was selected to successfully manage all the Group's rental and leasing contracts thanks to:

- The ability to integrate IFRS 16 data with the CCH Tagetik CPM platform.
- The flexibility to help them defining any kind of contractual clauses, thus covering all the peculiarities of each served country.
- The automatic monthly calculation of accruals that is coherent with the different accounting standards worldwide.
- The freeing of offices from manual tasks.

RESULTS & FUTURE PLANS

Within few months Prada Group has created a shared and constantly updated repository of all recurring contracts (even those that are not subject to IFRS 16) and today the solution in place encompasses an audience of around 120 users in 48 countries.

Today **Akeron RCM** can perfectly satisfy the needs of a month-end closing process in line with international best practices.

In addition, the Akeron solution represents a single interface for entering the rental and leasing invoices of all the Group's companies, thus becoming an automatic feeding source for the SAP transactional system implemented in the company. Besides the value of the results already achieved, some add-ons have emerged in the meantime as future enhancements of the initial project. In particular for the Italian market, where the Prada Group concentrates its production, the possibility of integrating the EDI flows for e-invoicing would certainly result into freeing resources that could be used in more strategic activities.

For the same purpose, but with obvious benefits for all countries, payments will be directly issued through **Akeron RCM**.

The image shows the ornate entrance of a Prada store. The main focus is a large arched window with a decorative stone frame. Inside the window, several large green plants are visible. Below the window, the word "PRADA" is displayed in large, gold, serif capital letters on a dark background. The entrance is flanked by two white globe lamps with gold-colored bases. The floor in front of the entrance is made of polished stone tiles with a complex geometric pattern in shades of orange, red, and white.

PRADA

“..Thanks to **Akeron RCM** we have reduced the feeding times of the corporate ERP of the entire Group by 50%... and thanks to the automation and the optimization of the process, we have refocused the activity of the responsible offices from a quantitative to a quality-oriented management...”

Elena Martinelli
Prada Group Project Manager

Recurring Contract Management



WHERE TO START?

DISCOVER RECURRING CONTRACT MANAGEMENT

Optimize the management of all types of recurring contracts.

Guarantee each user the ability to manage all processes and obligations efficiently, without getting lost in unnecessary complexity.

[Book a demo →](#)



ABOUT US

Akeron Srl develops modern applications that increase productivity, manage and improve business performance and put people at the centre of processes. Based in Lucca, Italy, Akeron Srl has more than 500 clients covering all sectors and sizes, ranging from leading names such as Intesa Sanpaolo, Decathlon, Bolton Group, Prada and Cressi Sub to small and medium-sized companies.

CASE STUDY