



## Case Study: Nitto Inc.

### Nitto Selects ART based on Ease of Use, Implementation & Affordability

Number of Accounts	Customer Industry	Implementation Timeframe	Competitors Reviewed	GL Platform
~700	Automotive & Manufacturing	~20 Hours	BlackLine Trintech	JD Edwards

#### How It All Started

In 1918, Nitto Denko Corporation was established in Tokyo. The global company was founded in order to produce electrical insulation materials. In the 100+ years since, it has grown into a leader in the environmental solution markets in optronic, life sciences, energy materials and industrial spaces. Part of the company’s proprietary technology is the ability to turn ocean water into clean drinking water. Headquartered in New Jersey and established in 1968, Nitto Inc. (Nitto) is the U.S. subsidiary of the Japanese parent company. Nitto was established to provide services in various markets, such as: automobile, paper, electronics, metal processing, health sciences, house construction appliances, etc.

During an organizational restructuring, Nitto condensed its multiple independent legal entities into one and proceeded to centralize operations. At the time, the month-end close process dominated the accounting team’s resources. It was manual, expensive to maintain, and drained people’s time and mental energy. Nitto had also made multiple acquisitions, which made the spreadsheet based month-end close process even more cumbersome and hard to manage.

Due to J-SOX requirements, each month the accounting team had to prepare hundreds of reconciliations on spreadsheets and paper, scan the supporting evidence, and when necessary, ship the reconciliations across the country.

The manual nature of the month-end close was not conducive to maintaining the highest levels to J-SOX internal controls. The audit resulted in multiple findings, including:

- Incomplete supporting documentation
- Missed deadlines
- Lack of evidence of review
- Inability to locate reconciliations timely

Nitto’s management also recognized several internal challenges. The various acquired companies each had its own staffing team, technology systems and month-end processes, which made centralization of month-end work extremely difficult. Access to global status during month-end close was hard to come by, and consistency in reconciliations varied from site to site.

## Why ART?

At the recommendations of its consultants, Nitto’s accounting team decided to evaluate solutions to automate the reconciliation process. Three vendors were chosen to participate in the evaluation process: Trintech, BlackLine and SkyStem. After tailored demos and a prioritization of the team’s key business requirements, SkyStem was ultimately selected as the vendor of choice. Implementation began shortly after.

SkyStem’s ART solution met Nitto’s objectives in the following key areas:

- **Time Saver:** ART allows electronic submission of prepared reconciliations for review. This provides supervisors with full access to each reconciliation as soon as work is complete. Email notifications and alerts let the team quickly identify and address time sensitive issues.
- **Task Management:** The flow and organization of the Task Master module alleviated a huge burden for the accounting team by prioritizing each process, assigning roles and improving their overall coordination by realigning and assessing clear steps & more efficient month-end tasks.
- **Customer Support:** With the various channels for training and the accessibility of hands-on customer service experts at all knowledge levels, training and support were vital factor for Nitto. Customer Support was vital because it ensured the team’s objectives, vision and needs were never lost. The accounting team had copious accessibility to all types of learning preferences: job aids, FAQs, live- and web-based trainings.
- **Fast Implementation:** Nitto needed a solution that would not disrupt the team’s schedule. ART stood out as a top performer in the accounting team’s research for fast and efficient implementation. ART was fully implemented in less than 60 days.

## The Results

Since implementation, Nitto Inc. has achieved the following with the help of ART:

- Decreased financial statement risk through high quality reconciliations while reducing paperwork
- Total transparency and real-time status with dashboard and Task Master
- Increased efficiency and time savings
- Improved ability to meet closing deadlines
- Automated internal controls while preventing and detecting errors more easily
- Standardized reconciliations to improve quality
- Actionable insight for analysis
- Time savings during audit



The close is the last thing completed before issuing financials, and reconciliations are one of the key closing activities. There certainly are reconciliation elements in all aspects of fraud detection.



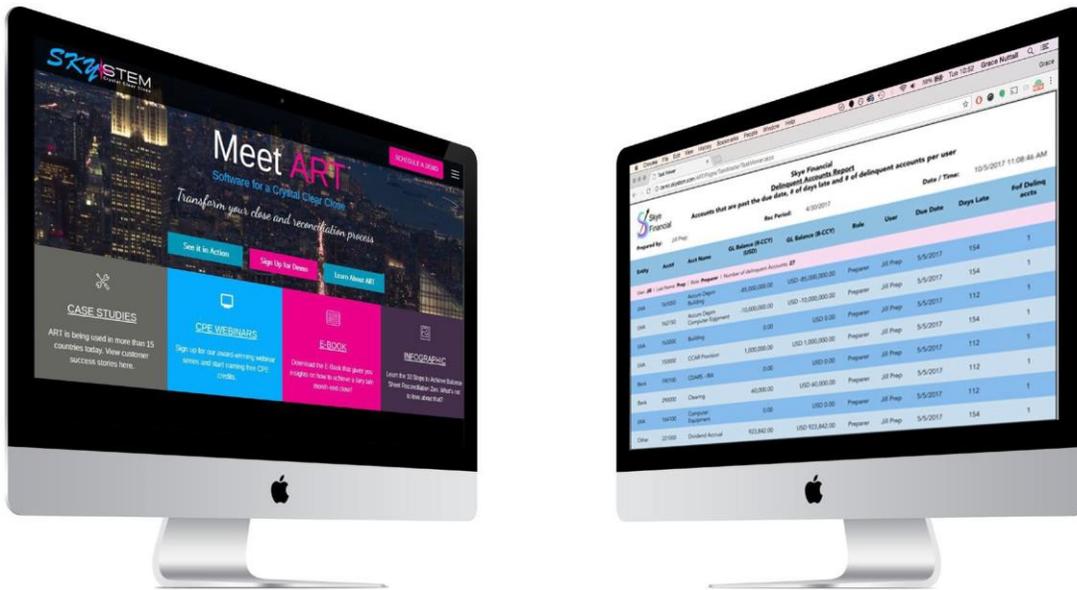
## Final Words from the Customer

For other organizations looking to implement ART, Nitto Inc. Corporate Controller has the following advice:

“

We had a narrow objective and didn't want to implement something that we weren't 100% certain on, nor did we want a software that was overwhelming either. ART was a necessity for us.

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### About SkyStem

Headquartered in the heart of New York City, SkyStem delivers a powerful month-end close solution for organizations seeking to streamline their financial processes. The company's flagship solution, ART, is an enterprise technology that helps CFOs and Controllers shorten the month-end close and the time to issue financials by automating balance sheet reconciliations, managing month-end tasks, performing flux analysis and providing insightful reporting. The web-based solution streamlines and eliminates up to 90% of manual activities while strengthening internal controls and corporate governance.

Visit [www.skystem.com](http://www.skystem.com) to access more helpful materials.