



Scorpion Electro Systems – Sage Financial Forecasting Case Study

Scorpion Automotive is a big worldwide brand, which has for many years been associated with quality innovative products supplies into the automotive industry. Particular in the past the brand has been associated with security products, alarms, immobilisers.

Managing Director, Mark Downing comments on the changes he has made since acquiring the brand in January 2005.

“ I acquired the brand two years ago and since then I’ve expanded the product range quite considerably. We now have a complete range of cellular communications’ accessories for mobile phone in-car kits, MP3 player products and newly developed stolen vehicle recovery tracking systems. The company has doubled in size since I acquired it and, as a result of that, the pressures on me and my staff have been great. One of the most important things to me is financial forecasting, but using Sage-Forecasting products I’ve actually been able to control my business during this growth period.”

Mark Downing, Managing Director, Scorpion Electro Systems



In fact, Mark considers forecasting throughout the business to be one of the most important functions.

"We have to know where we're going as a business and what the implications are, especially the financial implications of our strategy and the plans that we've laid down" he comments.

Before using Sage Financial Forecasting, Mark used simple spreadsheets, but found them time consuming.

"More recently I've used Sage Winforecasting which was a stand alone product at that time and it was very good but it didn't have the benefit of being integrated with actual data from my Sage Line 50. Prior to using Sage Financial Forecasting it was a major task to update a forecast, I could create a forecast in a couple of days from scratch producing an opening balance sheet position and inputting all the forecast data, but it very quickly becomes out of date. The beauty of Sage Financial Forecasting for me is the dynamic nature of the product which enables me to keep the forecast up to date on a month by month basis. "

In looking at how forecasting for his business has changed now that Mark uses Sage Financial Forecasting he comments

"I place a very high priority on forecasting. It's absolutely essential to this company that I know at all times what is coming up in the next few months, especially in terms of funding requirements based on my plan, which is updated all the time given current events and new opportunities.

Indeed the biggest change for me is to keep the forecast current because it's linked via hundreds if not thousands of hot links to Line 50 and also to Excel. I'm able to make the computer do the work and update every month as part of my monthly routine the opening position for my forecast. I can also make a few small changes to the actual forecast sales or purchases given the opportunities that may have come along, and run a new cash flow and I forecast for the coming 12 months based on that new opening position."

This is a great advantage when you consider that other methods can often be more laborious with results that can very quickly become out of date.

Using Sage Financial Forecasting as a basic tool, Mark has been able to grow his business, watch it expand and remain successful. A key element of this is the company's relationship with the bank and with financial backers of the business.

"The ability we have now to produce timely information means I can talk with the bank about funding requirements that are coming up in the near future. Because of the growth that we are experiencing and the opportunities that are coming through this really gives me an opportunity to plan properly and always be able to arrange the funding requirements that the business needs, without any drama."

The ability to link Sage Financial Forecasting to Sage Line 50 or other Sage Accounting packages and Excel, and to create reports that are compatible with Excel, is very powerful.

"Once it is set up the work doesn't have to be repeated, instead the computer then does the work for you and all that you need to do to update another month. Every time I run the forecast and roll forward a month then I've got extremely accurate and readily available data that enables me to run the business."

What would Mark consider to be the main benefits of Sage Financial Forecasting over Excel?

"I don't really think that there is any comparison. Excel works in harmony with Sage Financial Forecasting in that the reports can output to Excel or Sage Financial Forecasting and can use Excel as an input method for inputting the actual forecast data. If somebody wanted to create a simple spreadsheet then ok, they can do that but the degree of sophistication and potential for your business, using Sage Financial Forecasting is simply much much greater."

"Would I recommend Sage Financial Forecasting to others?"

I would say that if there is one thing that a small business must have it is some form of financial forecasting package. I have tried several, the best system that I've ever come across is the one that I'm now using therefore I can recommend it unreservedly to anyone who wants to get their business under control."

Mark Downing, Managing Director - Scorpion Electro Systems.

