

MIKRON

Quality Extruded Products

AT A GLANCE

TATUM FINANCIAL REPORTING, CFO SERVICES, FINANCIAL PROCESS & IMPROVEMENTS

Tatum guided timely, reliable and accurate completion of year-end, month-end and quarterly reports.

TATUM TECHNOLOGY STRATEGY & SOLUTIONS

Tatum spearheaded efforts to address SAP challenges. This led to improvement in ordering, project management procedures and improved reporting.

TATUM OPERATIONS OPTIMIZATION SOLUTIONS

Mikron's inventory was out-of-date and lacked data integrity. The Tatum-led team conducted multiple physical inventories and integrated them into the SAP system for improved reporting.

TATUM OPERATIONS SOLUTIONS & NEGOTIATIONS

One of Mikron's manufacturing facilities languished renewal negotiations for nearly two years. Tatum completed the enterprise risk scenarios in a timely fashion and renegotiated favorable terms for the lease.

Window parts company restores order and closes the year on a high note.

Brief Overview

Washington-based Mikron Industries produces and sells window parts to window manufacturing companies predominantly in North America. In order to accurately and efficiently take and ship large-scale orders, Mikron must have a streamlined, organized accounting and technology system. As a wholly owned subsidiary of publicly-owned Quanex Building Products, the company also must ensure its financials are accurate and transparent.

When the vice president of finance abruptly announced his departure one month before the year-end closing, timely production of these financials was put into jeopardy. Mikron was also challenged with inventory and ordering procedures as the result of a complex SAP installation.

With very little notice, Mikron needed a leader who could guide the company through its year-end closing and quickly bring its inventory accuracy back on track.

Situation

Obtaining accurate, reliable and timely data for the year-end, quarterly and monthly financial closings was difficult with the SAP system not close to production-ready form. The integrity of the system's data was also in question because it was unclear if it was up-to-date and correct.

In addition, there was a backlog of projects on the vice president's desk that required immediate attention including developing enterprise risk scenarios and negotiating lease renewals at Mikron's warehouses in a dynamic market where their lease terms were coming to a close.

Why Tatum

Mikron wanted to enlist Tatum's assistance in executive services leadership, which involves bringing in operating executives and their specialized expertise on an as-needed basis to take on targeted management initiatives without incurring permanent overhead.

“Tatum kept the business moving forward. We didn't skip a beat, and that was key.”

– Brent Korb, Chief Financial Officer, Quanex

This adaptable alternative offers a way to remain nimble in a high-risk, rapidly changing business environment. At higher levels, executive services leadership can help companies complete an important initiative they otherwise lack either the capacity or technical capabilities to handle. It can also help accelerate progress toward strategic goals.

With its depth of corporate knowledge and proven experience in the business world, Tatum helps clients address high-priority issues and improve overall business functions.

Quanex executives tapped Tatum for its executive services leadership because they knew Tatum could offer the insights and direction the organization needed. Mikron was searching specifically for a firm that could offer expertise in both accounting and technology. Mikron was also drawn to Tatum's reputation for getting up to speed fast and taking tangible action once in the office.

Tatum worked closely with the outgoing vice president before he left and quickly established a relationship with executive management at both Mikron and Quanex.

"I could have reached out to other folks and likely would have taken the full two weeks to (bring them on board)," said Brent Korb, CFO for Quanex. "I would have missed getting that transfer of knowledge."

Results

Tatum stepped in and quickly stabilized the accounting and technology departments. Working closely with executive management and employees on the ground, Tatum was able to establish a foundation, instill confidence and help Mikron move forward during a difficult period.

With Tatum's guidance, Mikron had a smooth year-end closing. Collaboration with the IT department and the SAP provider contributed to solving their software problems. Reconciling the data also included overseeing several physical inventories at Mikron's warehouses in order to improve accuracy within the system. In addition, Tatum helped Mikron develop project management processes to ensure inventory, ordering and record-keeping would be accurate, reliable and timely moving ahead.

Adding even more value to its engagement, Tatum negotiated a


\$100,000 billing reduction on a previously signed contract with the SAP provider because the initial implementation had presented Mikron with so many challenges.

Responding to related challenges, Tatum completed the Enterprise Risk scenarios in a timely fashion and renegotiated favorable terms for the lease at one of Mikron's manufacturing facilities in Washington which had been languishing in renewal negotiations for nearly two years.

Tatum also helped Mikron get a suitable, permanent vice president of finance in place and help him transition into his new role.

"We didn't lose anything with the other person's decision to leave the company. Tatum kept the business moving forward."

- Brent Korb, Chief Financial Officer, Quanex

According to Korb, Quanex and Mikron were pleased with Tatum's ability to hit the ground running and help Mikron transition smoothly despite its large challenges. 

About Tatum

Companies turn to Tatum when critical business challenges arise because we immediately deliver C-level financial and technology operational expertise via solutions tailored to the Office of the CFO. We understand the urgency of NOW and our VELOCI-T solutions were designed to help business leaders accelerate results to *create more value™*.