



DataPartner

Datapartner

Customer story

INVEST FOR EXCEL- A MODERN APPROACH TO CAPITAL BUDGETING, CASH-FLOW MODELING AND VALUATION

Kemira

Kemira

<http://www.kemira.com/en>

Industry

Water Chemistry

Services

Water quality and quantity management

Turnover 2010

2 billion euros

Comparable operating profit 2010

110.9 MEUR

Operation

In 25 different countries

Employment

4935

Background

Kemira is an international company that operates in the field of chemistry. The company offers solutions in how to control the quality and quantity of water supplies. The focus of Kemira is to serve customers of water-intensive industries. Kemira's vision is to be the leading water chemistry company and to satisfy the needs of their customers.

25 countries across 4 continents

Invest for Excel® has been in used in Kemira for almost a decade now. The compatibility between the product and the company has stretched across a wide number the company's locations. Being used in 25 countries across 4 continents, Invest for Excel® provides a common framework for Kemira. "Invest for Excel® is a product that brings a harmonious and fluid way to calculate various financial models because it offers a shared common framework that is defined", says The Vice President of Manufacturing asset and Management network of Kemira Mr. Matti Nenonen.

Implementation

Kemira is an international company that has operating factories in 25 different countries. A common framework was needed in order to harmonize investment proposals and to ensure transparency as well as comparability.



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Kemira looked for a way to meet that need and found Invest for Excel®. Having used the software since 2003, Kemira enjoys a long and lasting relationship with Datapartner. This time has allowed Kemira to integrate the software into their work and the company continues to use the software in the future. “The employees have grown accustomed to Invest for Excel®, as if it were a part of the corporate system”, explains Mr. Matti Nenonen.

Challenges prior to Invest for Excel®

Mr. Matti Nenonen admits that before implementing Invest for Excel® Kemira faced certain challenges.

“Although many of the formulas in Microsoft Excel® are relatively close to each other they are not the same, thus we have to ensure they are the same and this is where Invest for Excel® works best.”, says Mr. Nenonen.

The investment proposals are regularly calculated with the software in Kemira, therefore the use of Invest for Excel® was defined in the investment manual of the company. Mr. Nenonen explains that important values, such as Key Performance Indicators need to be calculated in the same manner and with the same formulas in order to be able to analyze the investment proposals appropriately. According to him Invest for Excel® serves this purpose well. The software also ensures that all the necessary input data will be included, as the software guides through the calculations.

Benefits obtained

At the moment Kemira has the Enterprise license and Invest for Excel® is used in the various departments, such as in financing departments and engineering departments.

Mr. Nenonen mentions that Invest for Excel® is relatively easy to use as well as easy to familiarize with because it is based on Microsoft Excel®. The workers are already familiar with Microsoft Excel®, therefore the adaptation of Invest for Excel® has been successful across the various departments of Kemira.

Functionalities - investments planning and acquisitions

Kemira makes over 600 investments per year and an average investment is worth 100 000 euros. The various investments, such as capacity increase and maintenance investments, are calculated with Invest For Excel®. The software also used in acquisitions. In 2010 the company acquired a North American manufacturer of inorganic coagulants for municipal and industrial water and wastewater treatment. The software was used to calculate the Net Present Value and present value. Invest For Excel® provides a good sensitivity analysis that helps Kemira to build a realistic forecast of the future years. Kemira uses Invest for Excel® for both small and large scale investments.

“For me it is a tool to build scenarios and compare them in order to choose the most likely direction for Kemira” Mr. Nenonen explains. Mr. Nenonen also uses Invest for Excel® to make pricing comparisons in order to predict the moves of the competitors and customers.

Support

The support offered by Datapartner has been useful according to Mr. Matti Nenonen. “Datapartner has been able to respond to our most urgent needs”, explains Mr. Nenonen. The company is in a process of customizing Invest for Excel® to suit their purposes. Datapartner is currently working together with Kemira in order to maximize the full potential of Invest for Excel®.

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