



RAM solves depreciation issue for Wiley

Leading fixed asset software specialist meets US depreciation requirements for global publisher, resulting in substantial cost savings

John Wiley & Sons Ltd, the global publisher of print and electronic products, has selected Real Asset Management's specialist fixed asset management system, Asset4000, to meet the depreciation requirements stipulated by its US parent company.

Wiley, which employs over 3500 staff worldwide, specialises in scientific, technical, medical and educational books and publishes over 2000 new titles in print and electronic formats each year. Established in 1807, its operations are now active in the UK, Germany, Russia, Canada, USA, Singapore and Australia.

Prior to the implementation of RAM's Asset4000 solution, the finance team at Wiley was using a module within its ERP software to calculate depreciation on its asset base. However, one of the reporting rules specified by Wiley's US parent company forced the UK operation to adopt a double declining depreciation method. "The ERP module we were using at the time just didn't have the flexibility to meet those requirements," explained Andrew Richings, financial accountant at Wiley. With over 3000 assets on

the register, it was virtually impossible to spend time manually adapting the figures. Therefore, we always ran the risk that we might be presenting inaccuracies within the figures. Obviously, this was something which we wanted to resolve quickly.

"One option we looked at was to develop the existing system in order to get the functionality we needed," continued Richings. "However, we would have had to have spent a considerable amount on consultancy fees to simply get to a specification stage. It was far more cost effective to invest in a specialist solution. That way, we would also get the benefit of future upgrades, without the need to invest in further development work."

John Wiley implemented RAM Asset Management's Asset4000 solution earlier in 2004 to manage book composition costs. Rather than depreciate assets it has already purchased, it has to apportion the cost of expensing books across the lifecycle of the print. This is because not all books published sell in the first year, so the company incurs different costs, depending on when the books are sold.

"We chose Real Asset Management as our specialist supplier, because it was able to cater for this apportionment requirement as standard and I had also been through an evaluation process to buy a fixed asset system before," declared Richings. "RAM definitely stood out from the rest. As soon as the team saw the software demonstrated, it was clear that it would be able to solve our depreciation issue. Furthermore, it was available on DB2 and could run on our existing AS400/iSeries hardware.

"I would estimate that by implementing RAM's specialist solution, the company has saved over £15,000 in consultancy alone. That's without taking into account any future development costs. I have been extremely impressed with the way RAM has approached the project and plan to move over assets from other business areas to the Asset4000 register."



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