

Growing to America!

In the technology sector, it is vital that a business can take on the international market to maintain a competitive edge. For one Isosceles client in particular, it was this challenge of further international growth that required the industry expertise that we had to offer.

The General Ledger Company, one of the fastest growing software companies in the UK, is the developer of 'The Really Real Time® Inquiry Suite'. This is a real-time inquiry, consolidation and reporting system for the JD Edwards general ledger system.

The vast majority of JD Edwards' users are based in the United States and historically, The GL Company has used business partners to service these customers.

The GL Company needed an international structure to enable it to cope with its increasing international business. In 2005 The GL Company decided that establishing a US subsidiary company would enable them to grow their business in this market as well as better support existing customers.

The Requirement

Consequently, The GL Company needed technical expertise to set up a fully operational subsidiary to strengthen its position in the US market.

For The GL Company, it was an obvious decision to use Isosceles for this undertaking. After all, the two organisations have been partners for many years and in 2001, they outsourced their finance and accounting function to Isosceles.

"We have established a great team with Isosceles," explained Paul Yarwood,

US General Manager, The GL Company. "They provide an integrated, coherent and flexible finance and accounting department with individuals of a very high calibre.

"We did consider using one of the 'big four' to set up the US subsidiary, but their charges were excessive and they had no knowledge of our company. Isosceles, on the other hand, had the individuals with the commercial acumen and business expertise we needed to help us, as well as in depth knowledge of the company."



The Solution

Isosceles is a specialist in the technology sector and as such, we fully understand how clients such as The GL Company need to operate on an international scale.

For The GL Company, the role for Isosceles was to drive the whole process of establishing an international structure within the new US subsidiary.

Having established US trading companies in the past, our team was able to combine good technical and commercial skills with comprehensive knowledge of US business requirements and culture.

Key issues for Isosceles to address within the project were:

- Identify the most effective trading form and location (from both a business, tax, and financial perspective) and complete all required registrations and formalities
- Establish the most effective financial and legal structure and appoint local advisers (e.g. lawyer, co-employer, and tax firm)
- Appoint a co-employer who had local expertise and knowledge as well as a 'ready to go' human resources infrastructure
- Agree the most effective organisational framework
- Repatriate key members from the UK
- Define reporting requirements and provide a consolidated view

"There were a number of complex issues to consider and it needed our practical blend of technical and commercial skills," commented Mike O'Connell, Managing Director, Isosceles. "I had worked with a number of US organisations previously, the federal and legal system is complicated and setting up in the US as a UK organisation is a challenging proposition. Where expert opinion was

required it was sought. The challenge for us was to take the various strands of advice and implement an efficient and legally compliant structure."

Isosceles already had a member of their team on the board of The GL Company and worked intimately with the management team to understand the 'bigger picture' and ensure the most appropriate solution was put into place.

The Results

With the US subsidiary in place and fully operational for the past 12 months, The GL Company is already reaping the benefits as business steadily grows on both sides of the Atlantic.

"This was a daunting task. We relied heavily on Isosceles to guide us through it and we are pleased with the outcome," commented Paul Yarwood. "A major foot stone for our growth has at last been laid by our combined efforts."

Without doubt, it was the close, long-term relationship with The GL Company combined with our proven expertise that enabled Isosceles to successfully deliver on this project. Today, we continue to provide a flexible finance and accounting function along with the additional responsibility of corporate reporting and consolidation.

If you would like to find out more about Isosceles could help your business set up a US subsidiary then simply get in touch.

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