

Pacific International Lines

Chinese shipping company benefits from having Unit4 aboard

Pacific International Lines operates from 23 sites across China and Singapore and it is crucial that every operation is working from the same up-to-the-minute management information. Unit4 Financials (formerly Coda) provides key performance data instantly across the entire organization, including 15 sites in China alone, so the company can optimize profitability and competitiveness.

Overview

Pacific International Lines (PIL) was established in 1967 and has developed from a coastal ship-owner/operator in Singapore to become one of the largest ship owners in Asia. Today, it is ranked among the top container ship operators in the world. PIL has diversified into logistics related activities, such as supply chain management, consolidation/distribution facilities, warehousing, container depot operations and trucking, as well as having interest in ship-agencies worldwide, container manufacturing, marine engineering and real estate.

As a pioneer foreign shipping line that entered the China market in the 1960s, PIL presently offers its customers 16 container liner sailings a week out of China. Its China network includes ten fully licensed branch offices and 13 representative offices. Unit4's finance system supports business operations in Shanghai, Beijing, Tianjin, Guangzhou, Shenzhen, Xiamen, Dalian, Qingdao and Nanjing from a single software implementation.

With its Group turnover of over \$3.8 billion, PIL is well established as a leading total transportation company in Asia. As such, PIL has committed itself to more investment in information technology (IT) and its internet based infrastructure to enhance its day to day operations and to provide a platform for e-business. Unit4 Financials has significantly contributed to this modernization program.

Multi-site Chinese operations require specialist, world-leading financial software

As a truly diverse organization, PIL has to collate and deliver performance information about its cargo and shipments to whoever may require it, in a relevant form for the person requesting it. Mr. Ronald Koh, Chief Accountant at PIL explains: "We recognize that delivering this kind of information is the responsibility of the financial accounting function and we must have systems in place to support that. As part of the organization's e-business program, we wanted to improve the speed of information delivery to ensure we could report, on request, up-to-date numbers relating to our Asian shipping business. We knew that the flexibility inherent in Unit4's browser-based Unit4 Financials software and its multi-language capability, including simplified Chinese, would make it the right solution to meet our requirements."



With the Simplified Chinese version of Unit4 Financials, PIL can allow its Chinese sites to manage and produce their own financial accounts and local reports, while maintaining control over all operations through Financials' unified database.

"The Asian business market is a complex one, but Financials' has the built-in multi-company,

multi-language, multi- currency and multi-cultural functionality that we need,” says Koh.

As PIL has grown and added to its fleet, its data volume has increased making data analysis and reporting more complex and decentralized. As such, a new systems infrastructure was required to support the larger business and PIL knew that an advanced finance system would create the backbone for operations.

Each branch office reports into the finance department at head office using the Unit4 Financials system which has been implemented centrally. This means that setting up a new branch on the system is a very straightforward task, and because the information is always up to date, PIL has been able to automate much of the consolidation process making reporting much quicker and easier. “Its flexible chart of accounts structure reflects the way in which the business operates so it can cope with complexity while being very easy to use,” continued Mr. Koh.

Company-wide reporting and analysis

In order for it to be competitive and remain profitable, PIL needs to be able to analyze its performance constantly throughout the day. Unit4 Financials has delivered efficiency savings by automating many of the analysis and reporting processes. Integration with PIL’s shipping system ensures that the finance team has access to performance data through the finance system and can make confident decisions to ensure maximum profit is achieved.

“The account code structure of Financials delivers the flexibility we need to capture and analyze the financial data for each vessel and company within the Group,” says Mr. Koh. “We can analyze information in lots of different ways at different levels of detail. The browse tool lets us customize reports so they are relevant for different people in the organization, and as a finance

department, we feel we are adding real value to day-to-day operations, rather than simply providing a repository for financial information.”

Organization-wide accountability

In just a few months, PIL rolled the new system out to its entire shipping business across all 23 sites and has already witnessed operational changes and efficiencies as a result. Information is more immediate and reliable, so the finance departments are confident when answering queries from any part of the organization, including customers and suppliers. The business is recording more useful information enabling it to track performance to the smallest level of detail very quickly.

Procurement processes have also improved dramatically. Integration with the shipping system has enabled the automation of many processes relating to invoicing, credit note production and receipting. As a result, purchasing practices and supplier relationships are more controlled and disciplined. “We can measure profitability by customers, by order and by vessel for example,” adds Mr. Koh. “The finance team is able to spend time analyzing the numbers to improve the business, rather than simply inputting data into the systems and struggling to get it out again in any meaningful format.”

Accounting for the future

“We are confident the Unit4 Financials system will support PIL for years to come,” concludes Mr. Koh. “As a leading shipping company, we need the systems infrastructure to support us and help us remain competitive in everything we do and we feel we have it now. Unit4 Financials delivers a clear return on investment, as implementation has been relatively straightforward and user training minimal, as well as low cost of ownership relating to installation and maintenance. It is built for diverse organizations like ours and has met all the challenges we have thrown at it.”

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