

Canadian Music Label Turns to Sage Intacct for New Insights to Fuel Growth

Monstercat

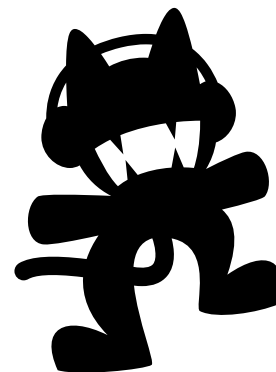
Challenges

In Search of Flexible, Cloud-Based Financial Reporting

With a mission to empower creatives, Monstercat is an independent electronic music label based in Vancouver, Canada. Following the music industry's dramatic changes during the first part of this century, in 2011, the company's founders turned their passion for electronic dance music and their knack for monetizing it via YouTube into a fresh community-based approach to promotion and distribution. A few years ago, Rob Hill joined the team to provide finance support and quickly saw the need to replace their Sage 300 on-premises accounting software – a platform that has served them well, overall, but was no longer an ideal fit for the company's current operations. He wanted to lay the groundwork to better manage and report on Monstercat's dynamic revenue streams – spanning royalties from streaming services like Spotify, Apple, and YouTube, along with publishing revenue, physical sales, and licensing.

"We were getting to the point where the tools we had to track our financials were just not going to be sufficient as we added more entities and currencies," remembers Hill, Monstercat's Director of Finance. "Sage 300 was sitting on a physical server, so once COVID-19 hit and our team was all working from home, that became very problematic. It was a stroke of luck that we migrated to Sage Intacct's robust, cloud-based financial management solution right when we did."

The team was confident that Sage Intacct was the right fit, due to its powerful reporting functionality, comprehensive dashboards, ease-of-use, and ability to integrate with other business software. As a result of making the switch, Monstercat gained unparalleled visibility across the business, while saving days of monthly report preparation and increasing finance team productivity by 30%.



"Sage Intacct brings a new level of transparency to the business. This motivates both the finance team and department heads to do analysis that helps us stay on top of our budgets and overall financial performance."

– Rob Hill, Director of Finance, Monstercat

Company
Monstercat

Location
Vancouver

Employees
60

Industry
Media

System
Sage Intacct



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Solutions

30% Efficiency Gain Frees Team to Support Expansion

Working with Sage consulting partner, The Answer Company, Monstercat deployed the new system and established a multi-entity financial infrastructure that was well-equipped to handle continued growth. "We already had a great working relationship with our business technologies partner, The Answer Company, from working with them on Sage 300. They invited me to one of their big conferences, where I first saw some of what Intacct can do. While we looked at other options, we liked what we saw in Sage Intacct and we trusted the Answer Company to recommend the solution that would meet our needs." He continued, "Their understanding of our business and our current solution meant that we could accelerate the implementation process. They helped us seamlessly migrate off the old system, restructure our chart of accounts, and configure Sage Intacct to support our unique workflows," shared Hill.

The Answer Company's team demonstrated how great a fit Sage Intacct was, especially highlighting the reporting functionalities at great length. Sage Intacct streamlined the business' key financial processes, such as estimating passive royalty income coming in from various services on differing schedules, allocating payments to individual artists, as well as managing credit card reconciliations, intercompany transactions, monthly reporting, and global consolidations. All throughout the design and delivery phases, Monstercat and The Answer Company worked closely together to optimize and firm up business processes. "The nuances of our workflows can pose issues for us, but when we brought them to The Answer Company, they would say 'Okay, I understand your problem. Let me find a solution'. It was great to feel like there was collaboration, and then there was a very quick response to all of this as well."



Before Sage Intacct, Hill spent days at a time compiling five reports and checking their accuracy before sending out his monthly reporting packet. He rarely ran consolidations across the company's Canadian and U.S. entities, because that was somewhat tedious in Sage 300. Using a custom report group he recently built in Sage Intacct, Hill now produces over a dozen reports at the click of a button and can do simple consolidations or reconsolidations as needed, in just a few seconds. This frees his time to provide decision-makers with valuable analysis of that information and connect with the rest of the business so he can stay informed about what's happening.



Previous Technology Sage 300

New System Sage Intacct

Results

- Slashed days from report preparation
- Increased monthly reports by 3X
- Boosted finance team efficiency 30%, gaining capacity to scale
- Improved visibility across departments, customers, and revenue types

About Monstercat

Monstercat is one of electronic music's most influential independent record labels. Founded in Canada in 2011, its mission has remained the same: to empower a creative and passionate community of artists and fans through innovation. Championing a cadre of world-renowned artists including Marshmello, Slushii, Kaskade, and Vicetone, Monstercat celebrated over 2.6 Billion audio streams in 2020, and exceeds 200 Million global streams monthly. Beyond recorded music, Monstercat channels the undeniable power of its brand into apparel, live event promotion, gaming partnerships, sync deals, and more.



About The Answer Company

The Answer Company is a leading supplier of business management software and technology consulting services.

Since 1995, we have been helping businesses answer the difficult questions with regards to investments in technology and information systems. Our goal is to make businesses more successful at what they do and gain confidence to make profitable moves in their respective industries.

Our software solutions support accounting, operations, CRM, human resources, time tracking, merchant services, and the specialized needs of the manufacturing, construction, distribution, healthcare, nonprofit, and real estate industries.

"It's been a big time-saver to replace manual tasks for credit card reconciliations, recurring invoice accruals, weekly cash balance reviews, and accounts receivable tracking with more intuitive automation in Sage Intacct," said Hill. "All that data input is much simpler, making our four-person finance team much more efficient and capable of keeping up with the business' expansion in Singapore and beyond."

Results

Multi-Dimensional Visibility Brings Crucial Transparency to the Business

Monstercat takes full advantage of Sage Intacct's custom report writer, which uses flexible dimensions – such as items, departments, customers, or revenue type – to filter, group, and organize financial data. As a result, the finance team can compare results across different aspects of the business, drill down into various expense categories, and easily produce consolidated balance sheets and net income reports. For example, Hill noted, "With Sage Intacct, we were able to generate an informative report on where our costs were going, and are making changes accordingly. I can pull information in any way that my stakeholders want, without having to worry about difficult data manipulations in Excel."

He continued, "I especially love the Sage Intacct dashboards, and use mine all the time. It has our monthly P&L broken out into the account types I want to see at a glance, so I always have a good idea of how the company's doing and can quickly spot trends or anomalies in our expenditures or monthly revenue." In addition, Hill uses his dashboard to monitor each department's revenue and expenses against expectations, spending and payroll by department, week-over-week cash balance, and year-to-date P&L compared to the prior year and forecast.

Sage Intacct automatically distributes the monthly reporting package to each of Monstercat's executives and directors, who also have their own personalized dashboards in the system. This boosts transparency across the board since leaders can check metrics on their own rather than relying solely on the finance team to provide the information they need. All of these views into the company's financials increase confidence in the numbers and help reduce variance between actuals and budgets.



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