

**FranklinCovey**  
Salt Lake City, UT  
www.franklincovey.com



**Year Founded**  
1997

**Annual Revenues**  
\$275.4M (FY04)

**Number of Employees**  
1,349 (2004)

**Industry**  
Retail

**Sabrix Products Used**

- Sabrix Sales Tax
- Sabrix Consumers Use Tax

**Platform**  
Oracle Accounts Receivable

## FranklinCovey Empowers Its Tax Professionals with Sabrix

### The Customer

FranklinCovey Co. is an international firm whose mission is to inspire change by igniting the power of proven principles so that people and organizations achieve what matters most. Through the sales of implementation tools and training (including planners, audio and video tapes, books, and software) FranklinCovey seeks to be the premier personal and organizational effectiveness firm in the world, impacting millions of lives each year and building a great enduring company – a model of what they teach.

### Tax Challenges

- With a diverse client base FranklinCovey became challenged with the complexity of heavy usage of exemption certificates and the need to maintain tax data for almost every jurisdiction in the US and Internationally.
- There was a need to simplify tax tools, eliminate the manual processes and the burden of support from the IT department.
- Give the Tax Department control over implementing tax changes without dependency on the IT department.

### Why Sabrix?

- Sabrix enabled FranklinCovey to centralize the worldwide tax rules and rates in one system
- Sabrix increased tax management capabilities reducing the burden on IT.
- Sabrix empowered the tax management department leading to increased accuracy and speed.

### Business Benefits

- Reduces the need for IT involvement which further lowers costs
- The efficiency of Sabrix's automation and tracking for tax liabilities has freed up the tax team
- Improved tax payment and accrual accuracy for use tax.
- Centralization of worldwide tax rules and rates in one system.

*“ Instead of our Tax Department spending all of their time on compliance issues, they will be able to look for opportunities to reduce the overall tax burden.”*

*-- Paul Allen,  
CPA - V.P. Tax and  
Compliance, Franklin-  
Covey*

## The Solution

Prior to implementing the SabrixSolution, transaction and tax data were maintained on multiple systems. This led to time-consuming, manual processes to aggregate and harmonize tax data across the enterprise.

For example, the tax department had to consolidate much of the data across applications manually. In addition, each time a tax rule, product, exemption, or other content change was implemented, multiple systems needed to be updated, increasing the cost of growth and change.

FranklinCovey uses The Sabrix Solution to process and archive all transaction data from its catalog sales system - over 60,000 transactions per month. This enables simplified reporting and provides an overview of the entire catalog sales system in real time to simplify strategic tax planning. In the future, both the in-store sales (Tomax) and training (Assist) systems will also be integrated into the Sabrix Solution, providing an enterprise-wide view of transaction data.

With Sabrix Solution, FranklinCovey's tax professionals can manage rules, rates, and other data, freeing the dependence on IT to implement change.

### Increased Flexibility Enables Growth

In the past FranklinCovey experienced untimely and lengthy delays in sales and marketing of certain products because systems could not handle taxability decisions for these products until programming changes were made. With the full implementation of the Sabrix Solution these taxability decisions can be handled quickly and easily, enabling immediate marketing and sales of any new product or service.

One of the features that attracted FranklinCovey to Sabrix Solution was the international capability of the Solution. This will allow FranklinCovey to register in selected foreign locations and decrease delivery time to international customers, eliminating customer dissatisfaction due to cross-border delays.

The Sabrix Solution handles all sales and purchase transactions, both domestic and international. The Sabrix Solution correctly determines what tax is owed, to whom, and how much for all taxing jurisdictions in over 130 countries worldwide, including the US, Canada, the European Union, Brazil, India, Australia, New Zealand, and many others.

FranklinCovey was particularly interested in the Sabrix Solution capabilities to account for special VAT situations when shipping to and between EU countries. These include correctly handling distance sales and exempting transactions that do not meet minimum value thresholds.

When FranklinCovey wants to expand, Sabrix is ready. By integrating world-class Sabrix Tax Research, selling into a new territory is a breeze.

### Tax Department Controls Own Destiny, Leads to Increased Accuracy and Speed

Prior to implementing the Sabrix Solution, FranklinCovey's tax department was frustrated by an inability to move away from dealing with compliance issues and move towards strategic tax planning and reviews for bottom-line savings. In addition, the department had to ask for and wait for an allocation of limited IT support to handle their own tasks, such as implementing custom tax rules, managing products, and dealing with audits.

Now, the tax department controls its own destiny. Using The Sabrix Solution is simple, intuitive user interface FranklinCovey's tax professionals can quickly model and implement changes, including tax rates, exemption certificates, distribution locations, product exceptions, and other data affecting calculations. A change that could have taken weeks for IT to implement on multiple systems, such as adding a new product exceptions list, can now take minutes on the Sabrix Solution.

The tax department will also have access to reporting tools designed to facilitate immediate response to audits, eliminating the time-consuming task of consolidating data.

### IT Overhead Greatly Reduced

IT at FranklinCovey will see its burden reduced in the following ways:

- IT will no longer need to service the requests of the tax department to update rules and rates on multiple business-systems, or generate reports.
- IT will no longer need to support multiple tax calculation systems and integrate data using manual processes.
- IT will no longer need to operate in crisis mode in order to produce reports needed to satisfy auditors' demands.

# SABRIX®

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