

Cooke Aquaculture Unlocks Liquidity with In-House Banking and Payment Factory Successes

KYRIBA SUCCESS STORY

In 2020, Cooke Aquaculture introduced Cooke Bank as a concept for centralizing its global liquidity and FX exposure. Between October 2020 and April 2021, a multi-layered, fully tax and transfer pricing compliant In-house Bank (IHB) Solution was configured in Kyriba with a fully automated current-account relationship between treasury and operating units.

Cooke Aquaculture has a robust growth strategy, including acquisitions and ongoing strategic search for development opportunities. The company's global operations journey resulted in the need for Cooke to develop a Treasury function that would make cash a corporate resource across the enterprise and unlock liquidity.

Key Challenges with Legacy Processes:

- Decentralized Cash Management
- Decentralized & manual payment processing
- Poor access to surplus cash balances
- Complex, manual processing of intercompany liabilities
- Multi-layered fiscal structure
- Decentralized FX Management

Objectives of In-house Bank Project

- Implement tax compliant, multi-layered in-house bank structure
- Unlock otherwise trapped liquidity
- Reduce number of cash management banks and bank accounts
- Real-time, multi-currency liquidity management
- Reduction in transaction costs / external money flows
- Integration with ERP to support payments
- Centralization of FX exposure management
- Robust management and tax reporting

Cooke

Founded: 1985

of Employees: 10,000

Revenue: \$2.4B CAD

Cooke Aquaculture Inc. is a vertically-integrated family company based in Blacks Harbour, New Brunswick, Canada with salmon farming operations in Atlantic Canada, the United States (Maine and Washington), Chile and Scotland, as well as seabass and seabream farming operations in Spain.

“The primary goal of the in-house bank model was to internalize as many transactions as possible using the resources available in order to unlock liquidity.”

— Onaolapo Badejoko
Treasury Risk Manager
Cooke Aquaculture Inc.

Key Take-aways for successful in-house bank implementation



Timing

- Engaged early with internal accounting, tax and legal teams
- Sequencing workflow efficiently was critical for Cooke's successful implementation



Standardization

- Simple structures from an implementation, adoption and performance standpoint resulted in 100% accurate and automated accounting and reconciliation
- Implemented a standardized process across all entities



Clarity

- Established clear project roles and responsibilities
- Set a roadmap, project plan and stuck to deadlines and due dates



Integration

- ERP integration eliminated excessive manual input
- Unlocked 20% of full-time employees in the financial shared service center for more strategic-level work

WINNER 2022
Treasury
Transformation

LIQUIDITY
EXCELLENCE
AWARDS

Successful in-house bank and payment factory implementation delivers multiple benefits

In-House Banking

- Administration of intercompany (cash) liabilities
- Cooke Bank is the liquidity provider of the whole group

Payment Factory

- Payment process efficiency
- Control over WHEN and HOW to pay or get paid

Additional Synergies

- Cooke Bank becomes the preferred "banking partner" of affiliates
- Reduced bank fees

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Our in-house bank success story has led to a lot of cost savings. In terms of the payment factory rollout where all payments flow into one location, we now have control over when and how to pay, as well as over who gets paid. This has led to economies of scale, payment process efficiency, and full control over liquidity, group-wide.”

— Onaolapo Badejoko
Treasury Risk Manager
Cooke Aquaculture Inc.



“Cooke's in-house bank promotes centralization and standardization of payment processes while enhancing controls. Their streamlined payment process reduced costs, improved cash liquidity and visibility, and minimized risk while increasing productivity.”

— Craig Chapman, Senior Manager, Actualize Consulting