



Cisco Systems, Inc.

ONESOURCE Determination improves Cisco's ability to respond rapidly and accurately

The Customer

Cisco Systems, Inc. is the worldwide leader in networking for the internet. It provides the broadest line of solutions for transporting data, voice, and video within buildings, across campuses, and around the world. Cisco's products and services help customers build their own network infrastructure and enable communication with customers, prospects, business partners, suppliers, and employees. Its IP networking solutions are the foundation of the internet and most corporate, education, and government networks around the world.

Tax Challenges

With tax professionals and systems distributed worldwide, tax consolidation and visibility became a challenge. Due to its rapid expansion into new markets and increased channels of distribution, Cisco needed a central audit and compliance database. Its goal was to find a truly global solution that could address global business practices, providing real-time, global tax determination For Each Transaction.

The Benefits of ONESOURCE Determination

Thomson Reuters ONESOURCE™ Determination provides a multitude of benefits:

- Achieves a quicker response time in support of all business and system changes globally.

- Simplifies and improves tax automation processes through globally distributed management and control.
- Achieves real-time, global tax visibility.
- Reduces costs.
- Tax professionals worldwide now have the ability to rapidly implement and control tax changes in support of business and system changes.
- Cisco's corporate team has worldwide visibility and control over all transaction tax.
- No underpayments, overpayments, or penalties will be incurred, reducing risk and exposure.
- Improved strategic tax planning and optimization.
- Cisco increased efficiency and saved money by reducing transaction tax management costs, and its IT group is no longer burdened with tax policy, rules, or content maintenance.

The Technical Requirements

Cisco's technical team required a single, centralized tax solution that could connect to all of their systems worldwide with the scalability and performance capabilities necessary to support their significant global transaction business volume. To ensure an effective rollout, Cisco required that the chosen tax solution meet all business and technical requirements of a rigorous pilot test.

At a Glance

Year Founded

- 1984

Industry

- High Technology

Products Used

- ONESOURCE Determination Application Suite for sales and use tax and VAT
- ONESOURCE Determination Integration for Oracle E-Business Suite Applications

Platform

- Oracle 11i E-Business Suite



The Business Requirements

A tax solution that provided Cisco's tax professionals with the ability to respond to and fully support the company's rapidly changing global business environment was a top priority. They needed a solution that would empower them to quickly and easily implement tax, business, and system changes without requiring substantial support and custom programming by IT.

To be appropriately responsive, Cisco tax professionals in each country wanted access to the tax system so they could manage tax determination for their business units and ensure that they correctly met the requirements of the tax authorities where they did business. They needed a configurable solution that provided real-time control and visibility over all tax data and changes that impacted their areas of responsibility. In addition, their list of requirements included tools to facilitate planning and modeling for strategic decision making, as well as a global exemption certificate and product exception management and application.

The global transaction tax solution needed to seamlessly integrate with their mission critical Oracle 11i E-Business Suite Applications and provide accurate tax determination for all sales and purchase transactions at the line and item level, as well as at the total invoice level.

The Solution

Cisco is now deploying ONESOURCE Determination globally. Its decision to centralize and automate transaction tax operations was driven by the need to:

- Improve the tax department's ability to respond rapidly and accurately to business change. Cisco estimates that with the centralized ONESOURCE Determination solution, it will be able to significantly increase the accuracy and consistency of sales, use, and VAT determination on all sales and purchase transactions worldwide.
- Have global visibility and control. With ONESOURCE Determination, Cisco has real-time visibility and control through the identification of its transaction tax exposures for all transactions worldwide.

In addition, Cisco has one centralized audit and compliance database of all transactions for reporting, auditing, and compliance requirements. With ONESOURCE Determination, Cisco is now able to reduce the time required for returns processing, enabling more available time for strategic tax planning and analysis.

- Reduce unnecessary IT and tax costs. With ONESOURCE Determination, Cisco is able to reduce costs related to system maintenance and increase responsiveness and efficiencies for its global sales and procurement activities. This also enables Cisco to eliminate its highly customized, and expensive-to-maintain VAT system, which would have also significantly complicated their Oracle 11i upgrade.

By automating global transaction tax through ONESOURCE Determination, Cisco will achieve significant reductions in their costs of compliance and tax system maintenance, as well as added business responsiveness, global visibility, and control and seamless integration with its sales and purchasing business processes.



"The Sabrix* solution has given us the confidence that we will be able to handle the volume of transactions we have, and to streamline compliance on a global basis."

— Glen Rossman
Vice President of Tax

Contact Us Today

+1 800 865 5257

onesource.thomsonreuters.com

onesource.indirecttax@thomsonreuters.com

*Sabrix was acquired by Thomson Reuters in December 2009.



About Thomson Reuters ONESOURCE Determination

ONESOURCE Determination is part of the Tax and Accounting business of Thomson Reuters with solutions designed to help companies effectively and efficiently comply with the growing complexity of indirect tax requirements around the world, including sales and use tax, VAT, GST, and industry and country specific taxes.

The ONESOURCE Determination solution was formed from three renowned brands: Sabrix, Abacus VAT Compliance, and ONESOURCE Sales and Use Tax. ONESOURCE Determination offers end-to-end global software solutions and consulting services to streamline tax planning, indirect tax determination, calculation, and reporting processes, and local tax compliance for small- to medium-sized businesses and global 2000 multinational corporations.



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