

Success Story

Rapid growth demands robust financial management

Weave

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Joel Meriwether

Director of Finance, Weave

Company overview

Based in Lehi, Utah, Weave provides brilliantly powerful tools for filling schedules and maximizing client relationships in dental, optometry, and other professions. Its multi-channel communications platform includes phone and text automation that helps small and mid-sized businesses increase client engagement. Weave is ranked the 21st fastest-growing company in Utah in 2018 by MountainWest Capital Network.

Executive summary

Previous software:

- Intuit QuickBooks

Results with Sage Intacct

- ROI within six months post-implementation.
- Scalability to handle 100% annual revenue growth.
- Monthly close 75% faster, gross margin up 67%.
- Accounting team stable at three FTEs despite rapid growth.



Sage

Company

Weave

Location

Utah, US

Industry

Technology & Software

Sage Products

Sage Intacct

 **weave**



Weave began netting return on investment from Sage Intacct within just six months.

Rapid growth demands robust financial management

Launched in 2014, Weave delivers a multi-channel communications platform that helps dental, optometry, and other businesses efficiently engage with clients, streamline scheduling, and improve engagement and loyalty. Named as one of Utah's fastest-growing companies for four straight years, Weave by late 2015 had expanded its customer base to over 2,000 — with plenty more growth in the pipeline. That remarkable success was pushing the limits of a QuickBooks application that Weave had installed upon its launch.

“I saw our growth trajectory and growth potential and knew we needed capabilities far beyond what we had with our previous accounting system,” said Director of Finance Joel Meriwether, who joined Weave in early 2015. “Using QuickBooks, we were doing a ton of manual work around rev rec, deferred revenue, billing, and reporting. There was no way we could scale on QuickBooks.” In one example, it took Joel's team 3½ months for due diligence reporting for a Series B funding round that closed in October 2015. That painful exercise underscored the need to upgrade to a more robust and sophisticated financial management platform.

Joel had used Sage Intacct as a director of finance at a previous software company, at which Sage Intacct was implemented to replace a problematic NetSuite system. “NetSuite ended up being a terrible experience especially around rev rec... a lot of things we were promised just were not the case once we were up and running,” Joel said. “Once we moved to Sage Intacct, we were very pleased with the how the system worked and its functionality.” Joel's past experience made Weave's choice of Sage Intacct an easy one when it came time to move up from QuickBooks.

ROI in six months and massive time savings

Weave's decision has paid off in a big way. The company began netting return on investment (ROI) from Sage Intacct within just six months. In nearly two years on Sage Intacct, Weave has scaled its customer base from 2,000 to 6,800, and continues adding 400 to 500 customers a month. Revenue is growing at roughly 100% a year, while the workforce has surged from 78 to 283. Meanwhile, Weave is rolling out a new industry-agnostic version of its communication platform for small and mid-sized business.

Despite that tremendous growth, Weave has maintained a lean three-person accounting and finance team while capitalizing on Sage Intacct automation for subscription billing, revenue recognition, accounts payable and receivable, and deferred revenue management. “We've seen significant time savings in every process since adopting Sage Intacct,” Joel said. “We would have needed to add 10 new people to handle processes that are automated in Sage Intacct. To keep doing things the old way would have been a staff-killer.”

The breakthrough efficiencies have enabled Weave to cut its monthly close time by 75%, from 20 days to just five. It's also accelerated quote-to-cash 100%, with further improvements in the pipeline once Weave integrates Sage Intacct with its Salesforce CRM solution and automates what's now a manual step of turning quotes into recurring billing schedules. Meanwhile, Weave needed just three weeks of due diligence reporting for a round of Series C funding in 2018 — much less than the 3½ months a similar exercise took before the company deployed Sage Intacct. It's also gained much stronger controls and segregation of duties important for venture capital funding and rigorous financial management.



Better margins and future-proof scalability

With newfound time, Joel's team has evolved from number-crunching chores to being a strategic partner in business growth. Dimensional reporting in Sage Intacct makes it easy for Weave to report on key metrics such as customer acquisition cost, customer lifetime value, and customer churn. Instead of needing days to prepare a board report or address a specific question, Weave's finance team now has real-time data on demand. "Sage Intacct lets us analyze performance and focus on process improvements not just within accounting, but across other departments and the business as a whole," Joel said. "Our ability to quickly and easily report key metrics to the board and do budget-to-actual calculations has been an enormous benefit."

The insights from Sage Intacct reporting have been instrumental in helping Weave improve its gross margin by 67%, from 39% to 65%, while simplifying margin calculations based on customer use of both Weave software and telephone (hardware) systems. That rising margin has been essential as Weave builds out its solutions portfolio and continues growing the customer base. Plus, the company's decision-making capacity is markedly improved. "Financial metrics and details coming out of Sage Intacct help us analyze and understand where additional resources are needed, or maybe where we need to improve process efficiency," Joel said.

With objectives for an IPO within several years, Joel is confident that Weave has a future-proof platform to help power its next stage of growth and excel as a public company. He and his colleagues have been impressed with the new features and functionality included in Sage Intacct updates. "Sage Intacct seems to be hitting the nail on the head with new functionality so we say, 'Yes, this is exactly what we've been asking for,'" Joel said. "I view Sage Intacct as a partner in a common goal of growth — helping us drive that growth, sustain that growth, and analyze the growth."

