



Bluelab Grows its FX Hedging with Hedgebook



CUSTOMER

Bluelab

CHALLENGE

Bluelab needed to manage the risks around hedging multiple currencies in a cost-effective, time-effective manner with the team it currently had.

SOLUTION

Hedgebook

OUTCOME

After a seamless implementation and six months of 'getting their arms' around Hedgebook the team is confidently hedging USD, GBP, EUR, AUD and NZD with comprehensive board reporting.

Bluelab had reached the point where managing its FX hedging in a spreadsheet just wasn't enough. The business was growing rapidly, growing globally and the demands on its finance team were growing daily. It engaged with an external Treasury Advisor who took them on a path to setting policy round FX Hedging and formal reporting to the board. It was a path that led Bluelab to Hedgebook.

Bluelab has been developing and manufacturing tools to help growers achieve exceptional crops and yield for over thirty years. Based in New Zealand, its team is truly global with offices in the United States and Europe. Bluelab is a leader in its field and a multiple award winner. It has a future vision for a world, free of pesticides, reduced water usage and fewer food miles and is working hard to achieve that.

It is a great story of innovation that extends to every part of its business. As Chief Financial Officer (CFO) Mike Marszewski explains Bluelab reached a point towards the end of 2019 where its revenue was going up and the respective FX needs were increasing.

Moving away from spreadsheets

"Our FX exposures were becoming more significant for the company and we needed a single platform to manage and understand our required cover, the hedges we had in place, and the valuations needed for accounting entries. Trying to do that manually in a series of spreadsheets was proving to be a lot more work than it needed to be."

Bluelab engaged a Treasury Advisor who not only strongly recommended they move away from their spreadsheets but also helped them to establish an FX policy and set up periodic board reporting. He recommended Hedgebook as a tool that could be helpful in achieving these goals.

From the time we decided to go with Hedgebook to getting it up and running only took a couple of days. "All we did was send data relating to the list of our then current FX contracts and Hedgebook did all the loading for us," explains Mike.

"They gave us a bit of training and linked us to ongoing support and the online user manual. It took us a little longer than that to get proficient but the Hedgebook team was very supportive and responded rapidly if we had any questions."



“We would have a hard time doing what we do without Hedgebook. If I think about the amount of time we would otherwise spend creating the oversight, reporting, valuations, etc., it’s easy for me to justify the relatively low monthly cost we pay for the platform. The ROI has been an easy case to make from the beginning.”

Bluelab CFO Mike Marszewski

Growing FX hedging a Bluelab team effort

There are a number of Bluelab team members who regularly access and use Hedgebook. Mike is responsible for keeping the system data up to date and is the most regular user.

“I don’t log in every single day but as the primary data maintainer I need to keep across what is happening. I am getting more proficient but given all the various types of instruments we have in play, it does take some focus.”

The Bluelab Finance Manager is responsible for valuations at month end to make appropriate accounting entries. Likewise, the Office Administrator jumps into Hedgebook to understand what contracts are in place when it comes time to actually execute FX trade transactions.

Hard time without it

Bluelab’s Treasury Advisor also has a login and runs the visual reports showing if currently under covered or over covered and where the FX risk sits in relation to the policy limits. According to Mike this has transformed board reporting.

“It is a much more graphical way of reporting to the board. Instead of a spreadsheet with a lot of numbers Hedgebook’s easy to use graphs make it easy to explain our various currency exposures and how we’re managing them to a non-financial audience.”

Bluelab has rapidly embraced Hedgebook and enjoyed getting “their arms around it”. It is now well engrained in the way the business operates and the company is currently looking to add the Canadian Dollar to the range of currencies it is hedging.



About Hedgebook

Hedgebook is an intuitive and easy-to-use treasury management system that helps treasurers and finance departments improve the way they record, report and proactively manage foreign exchange risk. Simple and intuitive, Hedgebook provides real-time visibility and insights of hedge positions for better hedging decisions and eases the burden of management and compliance reporting.

For more information visit:
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