

HOUGHTON TRUSTS GTM TO MANAGE WORLDWIDE TAX FUNCTION IN CRITICAL TIME OF TRANSITION

INDUSTRY:

Industrial Chemical Manufacturing

COMPANY:

Global Houghton Ltd (“Houghton”) is a global leader in delivering advanced metalworking fluids and services. With headquarters in Valley Forge, PA, Houghton operates research, manufacturing and office locations in 33 countries around the world.

GROWTH STRATEGY:

Houghton acquired Ohio based Wallover Enterprises in July 2016. In April 2017, Quaker Chemical Corporation (NYSE: KWR) and Houghton announced a definitive agreement to combine the companies. The transaction is expected to close by the end of 2017 or early 2018.

SERVICES PROVIDED:

Houghton began outsourcing its sales and use tax compliance work to GTM in 2011. The relationship grew when Houghton called upon GTM for tax automation services to maximize its use of ONESOURCE™ Tax Provision and ONESOURCE Income Tax compliance software. When the department later needed experienced seniors to help during year-end close, GTM provided tax provision assistance. In March of 2016, the tax department underwent personnel changes and Houghton looked to GTM to provide a full outsource of the tax department. Currently, two GTM Directors, with domestic and international expertise, manage all tax department operations worldwide. Together with a team of GTM senior managers, supervisors, and seniors, the outsourced department prepares the quarterly tax provision, manages tax compliance, tax audits, BEPS and country-by-country reporting, and special projects including excess foreign tax credit planning. Most notably, GTM managed the due diligence process for the Quaker-Houghton combination.

CHALLENGE:

Houghton’s tax department was in transition. They needed a stable presence to fill their tax resource gaps while delivering quarterly tax provisions, adhering to federal, state, and international compliance deadlines, generating tax savings through special projects, and supporting M&A.

SOLUTION:

With a set monthly budget, GTM provided a core dependable team to Houghton with the flexibility to bring in additional specialists when needed. Each tax project was staffed with the right technical resource utilizing GTM’s federal, international, state, sales & use, and tax automation specialists. Having the ability to use specialists in every aspect of the department’s function created the ideal tax department, and allowed Houghton to realize significant business impacts while successfully accomplishing all tax reporting requirements.

“In a time of transition, I relied on GTM to become our internal tax team, and they delivered. GTM brought the stability and technical tax acumen I needed to meet our day-to-day tax reporting needs, and execute special tax projects that benefitted Houghton’s tax position. They know how to lead a large multinational tax function and identify opportunities to reduce tax liabilities.”

- Keller Arnold
CFO, Houghton International



VALUE DELIVERED

In a period of 18 months, acting as Houghton’s interim tax department, GTM led the following business impacts:

