# VL VISUAL LEASE

# Toshiba America Business Solutions and Toshiba Global Commerce Solutions

How two of Toshiba's biggest operating companies have managed their global lease portfolio with minimal resources.

| | |
|---|---|
| **INDUSTRY** | Manufacturing |
| **EMPLOYEES** | 4,500 |
| **REVENUE** | $2 billion |
| **HEADQUARTERS** | California & North Carolina |
| **AUDITOR** | PwC |
| **COMPANY TYPE** | Public |
| **LEASES** | 1,500+ |
| **LEASE TYPE** | Real Estate, Equipment, Vehicle |
| **ACCOUNTING STANDARD** | ASC 842 |

## Introduction

Toshiba America Business Solutions and Toshiba Global Commerce Solutions are part of one of the world's largest conglomerates, with a complex global lease portfolio of real estate and equipment – all of which, prior to Visual Lease, was managed through disparate systems and processes. To Lee Ebaugh, head of the organization's leasing team, that was not sustainable even before the stringent compliance standards came into play.

So in 2014, as the company's portfolio continued to grow, it's real estate team began to look into digital solutions. When evaluating options, Ebaugh, the organization's Director of Global Real Estate and Business Continuity, had the background and experience with leasing technologies to kick off a project. At the time, he was the only person in charge of a shared-service lease team that handled leases for six different operating companies, so he was hoping for a system that would be easy to adopt by his internal stakeholders.

"I wanted [one system] that people could go into and get the answers they were looking for," Ebaugh said. "One thing that drew me to Visual Lease was that it was very user friendly. I could have everyone out in the field – the finance departments in each region – have access to the system. That's what made Visual Lease work for us."

The platform was easy enough to use that Ebaugh implemented it by himself, abstracting Toshiba's leases and setting up their portfolio inside of Visual Lease. He found the setup and onboarding to be cut and dry, and was able to customize the Toshiba's platform to collect all of the information he needed for his day-to-day.
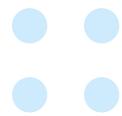
But as the organization grew and its business structure evolved, Toshiba's use of Visual Lease has evolved alongside it. In 2016, the organization abandoned the idea of a shared services leasing team, instead forming their own real estate and lease teams inside each business unit. The two largest operating companies remained on the Visual Lease platform - Toshiba America Business Solutions and Toshiba Global Commerce Solutions – with Ebaugh's team running leasing for both. For legal and compliance reasons, the two companies have to have two separate platforms, but Ebaugh and his team have been able to keep the data consistent across the two systems.

The continued growth also means that Ebaugh now has more than just himself in the system and a much more efficient business process to manage their portfolio. There's a lease administrator who abstracts an executed list, and then Ebaugh and another member of the team double check the details to ensure they're correct in the system. The team also has their counterparts in finance as users in the system, who they work cross-departmentally with to alert them to changes and reporting updates they may need to make.

**Company-wide transparency across every lease**

**Everyone on the same page**

**100%**

> "We have a great dialogue with finance. They're in the system. We delineate our responsibilities really well, and we communicate proactively with them both inside and outside of Visual Lease."

**Lee Ebaugh**
Director, of Global Real Estate & Business Continuity
**Toshiba America Business Solutions**

Between the two operating companies, Ebaugh's team has about 150 real estate leases, including office, industrial and lab spaces, and then an additional 1,400 equipment and vehicle leases represented in Visual Lease. The system tracks their critical dates, and stores the PDF for each contract so it's easily accessible when additional information is needed. The efficient search options, the easy-access to the lease PDF files, the continued upgrades to usability – they all help the small team stay efficient and make strategic decisions.

Toshiba typically doesn't sign leases longer than 3 years, and the team negotiates about 18 months prior to renewal, so at any given time they are working on some level of a lease transaction for over half their portfolio.

"After I open my email, I open up Visual Lease. That's one of the first things I get into on a daily basis," Ebaugh said. "I am looking for lease details, evaluating facilities, space planning, doing market research. We go in depth on every single transaction. All of the data we use to make those business decisions comes from Visual Lease."

Ebaugh and Toshiba are also a part of Visual Lease's Customer Advisory Board, a group of customers who help weigh in on Visual Lease's strategic future and product decisions.

"I've always felt like we had a voice," Ebaugh said. "I felt like I could pick up the phone and talk to someone – whether it's technical support or our account team – and I am not just lost somewhere and a number."
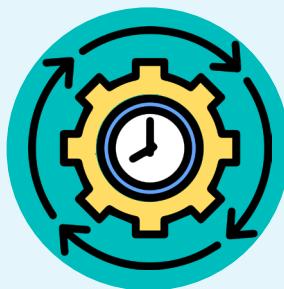
## Toshiba's Implementation Best Practices

Ebaugh's initial implementation of Visual Lease was done all by himself, and even though the team has grown, one his favorite best practices to share is to be consistent with your lease abstracting.

"There's a few key pieces of information that every lease needs, but as we know each lease is vastly different," Ebaugh said. "Standardizing the major data points is key.

Even with users in the system, Toshiba has created a handbook for their internal admins on how the organization abstracts, which helps lead to less user error and a better understanding between teams. The "playbook" is essentially a checklist of key information that need to be fished out of the lease. It's constantly evaluated to see if the process needs to be updated.

"It's easy to onboard people, because we show them our playbook and teach them how to do it," Ebaugh said. "The key is consistency. To make sure you have the important information where it's supposed to be."