

GENESCO



## REDUCING COSTS WITH STREAMLINED COLLABORATION THROUGHOUT THE REAL ESTATE LIFECYCLE

### INDUSTRY

Retail

### ACCRUENT SOLUTIONS

Lucernex - Lease Administration & Accounting, Project Management, and Market Planning & Site Selection

### INTEGRATIONS

PeopleSoft

*"We chose the Accruent solution because it was able to meet the needs of multiple departments and create synergies between those teams. Accruent also listens to us and helps us stay ahead of rent reduction, FASB compliance, and other key retail initiatives."*

– Kimberly Williams, Director of Lease Administration



**1,500+**  
RETAIL STORES

**3.3M+**  
SQUARE FEET

**\$2.2B**  
ANNUAL REVENUE

**16,000+**  
EMPLOYEES

## THE COMPANY

Genesco is a specialty retailer of footwear, apparel, and accessories in more than 1,500 retail stores and leased departments through the United States, Canada, the United Kingdom, the Republic of Ireland, and Germany. The Company's brand names include Journeys, Journeys Kidz, Schuh, Schuh Kids, Little Burgundy, Johnston & Murphy, Dockers Footwear, and more.

## THE CHALLENGE

Genesco lacked an organization-wide system for tracking and controlling lease management and accounting, as well as managing new store build projects and site selection documents. The lack of visibility caused disconnects among departments including Legal, Real Estate, Construction, Finance, and Lease Accounting. These information silos made for inefficient lease negotiations, contract approvals, and construction processes.

- A cumbersome manual process for calculating accruals and straight line rent
- Inefficient and ineffective control of equipment costs
- Lack of compliance with the FASB 842 lease accounting standard

*“As a predominately mall-based retailer, our lease agreements typically are built off of a pro rata share of a mall. Lucernex easily handles these extra layers of complexity while improving the thoroughness of our lease audits to ensure we capture the highest rent savings possible.”*

– Kimberly Williams, Director of Lease Administration

## THE SOLUTION

Genesco implemented the Lucernex product suite to create a single information source, accessible across departments. The Company uses Lease Administration & Accounting capabilities to manage rent obligations and ensure FASB compliance for more than 3,500 real estate and equipment leases. Project Management capabilities enable centralized document access for new store construction projects, and use of Market Planning & Site Selection is streamlining the site selection approval process.

- Easy report generation increases visibility for negotiating better lease terms
- Automated calculation of rent obligations improves payment management
- LOI comparison tool maintains up-to-date records for greater team accountability

*“With Lucernex, we’ve improved our processes for identifying underperforming equipment assets or poor lease contract terms, allowing us to negotiate better renewals and lower overall costs. We’ve identified \$15,000 in printing equipment lease savings alone.”*

– Kimberly Williams, Director of Lease Administration

## THE RESULTS

As a result of using Lucernex, Genesco has synergized workflows across departments, creating comprehensive end-to-end processes while improving collaboration throughout the store lifecycle. The company has maximized profitability through more efficient evaluation of potential risks and liabilities, and reduced risk of lease contract overpayment and missed deadlines.

- Approximately 20% reduction in time to sign new leases and legal contracts
- Comprehensive processes that ensure FASB/IASB compliance
- Improved dispute processes for better spend control
- Smoother site selection approval process with data compiled in one digital system
- Better-informed equipment lease decisions through centralized asset tracking

