CASE STUDY: RSM HELPS EMERGING LIFE SCIENCES COMPANY INCREASE FINANCIAL VISIBILITY

Overview

Headquartered in Whitehouse Station, New Jersey, InteguRx Therapeutics is a pre-revenue-stage life sciences organization that is developing a patented gel for the treatment of nausea and vomiting during pregnancy, utilizing its state-of-the-art technologies in transdermal drug delivery. Its product is the first treatment of its kind in women’s health care, and the company’s core team is leading efforts to bring this new drug delivery system to market.

Background

As a pre-revenue company, InteguRX needs to establish its foothold in the marketplace as it moves toward its goal of becoming a leader and delivering a product in a very challenging industry. A priority for the company is to ensure it can show strong financial management and analysis in order to acquire additional funding as it navigates the complex process of working with the Food and Drug Administration (FDA) and the pharmaceutical industry as a whole.

From the start, InteguRX managed its financial information in Excel files, but knew that this solution was not viable long-term. Information managed in spreadsheets can get unwieldy, so the company sought an accounting platform to start to account for transactions appropriately for its own financial reporting needs, for when it takes on financial or strategic investors, and also for the ease of future tax return preparation.

Project

RSM US LLP was initially introduced to InteguRX through an attorney for tax-related support. However, through that process, RSM learned of the company’s additional financial reporting challenges related to growth. Based on the RSM team’s experience helping position similar companies for future success, InteguRX chose RSM to implement a finance and accounting outsourcing (FAO) solution for the company, and to develop a 15-year forecasting model, projecting a range of growth scenarios to present to prospective investors.
RSM’s FAO team worked closely with InteguRX executives to determine which back-office needs could be outsourced to an Intacct enterprise resource planning (ERP) system. In Intacct’s Software-as-a-Service (SaaS) ecosystem, all of InteguRX’s financial operations are integrated into one platform, providing the company’s leadership with real-time access to key financial information. In addition, the entire FAO solution facilitates a much cleaner and efficient tax planning and preparation process, which is important for an emerging company to make better business decisions.

The RSM team set up InteguRX’s general ledger structure to capture research and development costs, and categorized expenses so the company could understand how costs are being incurred. Whether InteguRX is spending money with consultants in support of FDA requirements, or with its patent attorney or general counsel, the growing company now has greater insight into how it is allocating its financial resources.

Financial checkpoints are managed systematically within the FAO platform, which ensures financial information is correct at all times. The company can take advantage of dashboards and metrics to access real-time reporting for business decisions and forecasting, allowing leadership to efficiently prepare presentations for investors and other potential funding partners. Additionally, InteguRX can better manage costs as it prepares to go to market to help ensure its products are competitively priced.

InteguRX now has more financial visibility and consistency with RSM’s FAO platform and the Intacct ERP system, as business processes are being managed more effectively at all levels. RSM understood the growing company’s current and future challenges and worked with InteguRX to implement a comprehensive FAO solution that can scale effectively with anticipated growth. Management now has detailed information about all facets of their operations and the organization can make better decisions to implement strategies for continued improvement.

Other benefits of RSM’s service to InteguRX include:

- More accurate and comprehensive financial data for lenders and potential funding partners
- Migrating all financial operations into one platform
- Custom dashboards and real-time access to key financial information
- More efficient tax planning and preparation capabilities
- Detailed insights into expenses and uses of capital
- An increased ability to focus on the company’s core competency, rather than being sidetracked by financial concerns