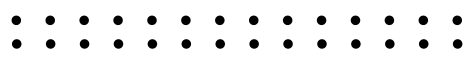




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CASE STUDY: THE SMART GROUP ADVANTAGE WITH SMRTPHONE



The Rise of a New Era in Communications Technology

smrtStudio Global, Inc. has become a major player in the telecommunications industry since its inception in 2017. Known for its cloud-based, all-inclusive phone system, smrtPhone stands out for its deep integration with Customer Relationship Management (CRM) systems, enabling businesses to streamline operations and maximize client engagement.

Over the years, the company has grown significantly, closing in on \$10 million in revenue and expanding its workforce to 60 employees. Despite operating in a highly regulated and complex industry, smrtPhone has worked through these challenges effectively through a strategic partnership with **Accountability Services**.



Complexity in Telecom and SaaS

From the beginning, smrtPhone faced regulatory challenges due to the nature of the telecommunications industry and operating across state and national borders. From regulatory requirements and taxation complexities to the intricacies of telecom billing and usage, these issues are compounded by operating as a software-as-a-service (SaaS) model, which adds another layer of complexity.

Jordan Fleming, CEO of smrtPhone, emphasized the overwhelming nature of these challenges: "Although we develop software we're a communications company, which places an added compliance burden on us. Accountability Services has helped us navigate some of the extra challenges that go with being a telecom company. With all of the additional reporting and taxation issues, it's a really hard landscape."

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Forming the "Smart Group"

Recognizing the need for expert guidance, Fleming sought out Accountability Services to help manage the complex financial and regulatory landscape. His confidence in their expertise initially came from the relationship he built with multiple subject matter experts on the Accountability Services team.

What began as a client-CPA advisor relationship evolved into something much more impactful - a "Smart Group." This group, consisting of smrtPhone's internal finance team, Accountability Services, and their legal advisors, formed a cohesive unit that could tackle the industry's challenges head-on.



The Smart Group is a "supergroup who are able to work together seamlessly."

This collaboration ensured that all aspects of smrtPhone's operations, from compliance to financial planning, were aligned and efficient. The integration between the legal, financial, and operational teams meant that smrtPhone could focus on growth and innovation without being bogged down by administrative and regulatory hurdles.

An important factor in this successful collaboration was the connection Fleming felt with the Accountability Services team. "You want a team you feel you can connect with," Fleming said. "Accountability Services has a group of personalities that we work with and that we like." This strong relationship contributed to the effectiveness of the "Smart Group," fostering a culture of trust and open communication.

Strategic Implementation

With a Smart Group in place, smrtPhone went on a mission to "tighten the ship" - a process that involved financial planning and analysis, refining KPIs, ensuring compliance with FCC regulations, and optimizing tax reporting systems. A key part of this strategy was the integration of a tax compliance engine specifically chosen to meet the stringent requirements of the telecom industry.

Fleming noted, "Over the last two years, we have gone through a process with Accountability Services of tightening the ship on all these things and making sure that we are aligned because as revenues get larger the fallouts get larger too, if you don't have them in line."

As smrtPhone scaled, Fleming realized that the fast-paced, ad-hoc approach that worked in the company's early days was no longer sustainable. "After a while, you get to a place where 'running fast stops being an achievable goal of management' - there's a tipping point where this is not a viable strategy for scaling."

The Smart Group played a critical role in helping smrtPhone transition from a start-up mentality to a more structured, scalable approach, ensuring that the company's growth was sustainable and well-managed.

This meticulous approach paid off. smrtPhone was able to streamline its financial operations, reduce risks, and improve its ability to forecast and manage cash flow - a necessary factor in sustaining its rapid growth.



A Supergroup Success

The collaborative efforts of the Smart Group have led to measurable successes for smrtPhone. By aligning their legal, financial, and operational strategies, the company has been able to work through the complexities of the telecom industry while maintaining a strong growth trajectory. One of the greatest outcomes has been the reduction of friction between different departments, resulting in more efficient and effective operations.

The love triangle we've been able to develop between our legal team, Accountability Services, and smrtPhone—because of the complexities, one on its own would not be efficient. The team is a supergroup who are able to work together seamlessly," said Fleming.



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Advice from a SaaS Entrepreneur

As someone who has started and exited multiple businesses, Fleming stresses the importance of the relationship between your leadership team and your CPA firm.

Fleming's advice to other entrepreneurs in the SaaS space highlights the importance of building strong relationships with service providers: "You need a cultural alignment, and most CPAs are transactional. Any CPA can crunch numbers. Look for someone who really understands your model and can talk through things versus just ticking boxes."



The Power of Collaboration

smrtStudio Global, Inc. is a testament to the power of collaboration in overcoming industry challenges. By forming a Smart Group that includes internal and external experts, the company has been able to approach the complexities of the telecom and SaaS industries with confidence.

As they continue to innovate and grow, the lessons learned from this collaborative approach will undoubtedly serve as a blueprint for future success.



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