



SUCCESS STORY FOR WHOLESAL DISTRIBUTION

MicroWarehouse LTD

MicroWarehouse Ltd is Ireland’s largest independently-owned IT distributor. Its focused vendor portfolio includes brands such as Microsoft, Apple, Nikon, and Sony. To save time and money with the processing of thousands of invoices yearly, MicroWarehouse turned to a solution from Kofax and Kofax partner Glantus Adest.

Challenge

The automation plan for MicroWarehouse LTD was to deliver a comprehensive electronic data interchange (EDI) solution that would transmit invoice data between key vendors and MicroWarehouse. The company’s finance team processes 10,000-15,000 vendor invoices per year.

“The invoices emailed to the team would have to be manually printed off before we could process them,” says Sean Dunne, Financial Controller. “Processing invoices was identified as a huge drain on resources, resulting in delays, especially at month end. It was a process that we believed should be automated.”

MicroWarehouse engaged Adest, a leading supplier and developer of accounts payable (AP) software solutions, and a Kofax partner. Adest began trying to get MicroWarehouse’s main suppliers onto EDI, but for a variety of reasons the process was not happening quickly enough.

Because all invoices received still had to be processed manually, the ADESTAP product—together with Kofax ReadSoft Invoices™ —became the invoice-processing answer.

Solution

Adest designed and implemented an AP solution for MicroWarehouse that would enable all its vendors to send their invoices as PDFs via e-mail. Invoice data was automatically captured, identified and then matched and approved by the ADESTAP system before being electronically posted to MicroWarehouse’s SQL-based Microsoft Dynamics system.



MicroWarehouse began operations in 1987 from an office in the south-Dublin area of Rathfarnham, Ireland—and the bulk of its storage space for products was between desks and stacked in hallways. Today MicroWarehouse is Ireland’s largest Irish-owned IT distributor, offering next-day delivery for nearly every order

Products in Use:

- ◆ Kofax ReadSoft Invoices™

Focus: Invoice Processing

Partner: Glantus Adest

“We no longer see bottlenecks, the system is quicker to manage and more accurate. Now the team can be deployed to resolve problems rather than pushing paper.”

Sean Dunne, Financial Controller, MicroWarehouse Ireland

Comprehensive data capture

Working in the background, the Kofax solution can interpret any attachment type—PDF, TIF, PNG or JPEG—and capture and extract the relevant data. The benefit for MicroWarehouse is that emailed data is processed automatically by the Adest system in the same way as data from paper invoices, allowing the team to handle every type of invoice, and apply the same business rules in the same way.

“Invoices arriving by email are now directed to a single dedicated mailbox,” Dunne says. “The attachments are extracted and those that meet validation are automatically processed for posting.”

Streamlined workflow

After the Kofax solution automatically captures and extracts information of interest from the incoming invoice, the data is validated by ReadSoft Invoices and passed to ADESTAP, where it is then matched, coded, authorized, and approved before being exported to MicroWarehouse’s ERP system by the AP staff.

Adest provided MicroWarehouse with a helpful feature of its system. Because the same product codes were referenced on both the purchase order and the supplier invoice, the ADESTAP system could match each invoice to the corresponding purchase order information at line-item level.

This feature contributed to efficiency, as the Kofax solution could be configured to work at both levels. ADESTAP provided matching and approval of each invoice at line-item level prior to posting to MicroWarehouse’s instance of Microsoft Dynamics.

Faster retrieval, less storage space

As each email is processed, it is removed from the mail server and archived. As a result, a limitless number of incoming invoices can be processed and be ready for approval in a matter of seconds, without fear of overloading MircoWarehouse’s storage system capabilities.

“Our invoice processing can now be achieved on a daily basis,” says Dunne.

Results

The implementation was completed in March 2011, and the results have been apparent to Dunne and his team.

“Automation represents a better way to operate,” he says. “Exceptions and the occasional OCR issue are dealt with immediately by the team and where necessary, passed onto management for approval.”

As a result of the implementation, MicroWarehouse has achieved a “fast and significant” return-on-investment. Because the company can now process vendor invoices faster and with fewer delays, it is able to issue financial reports faster.

“All round, there is a lot less stress,” Dunne says.

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