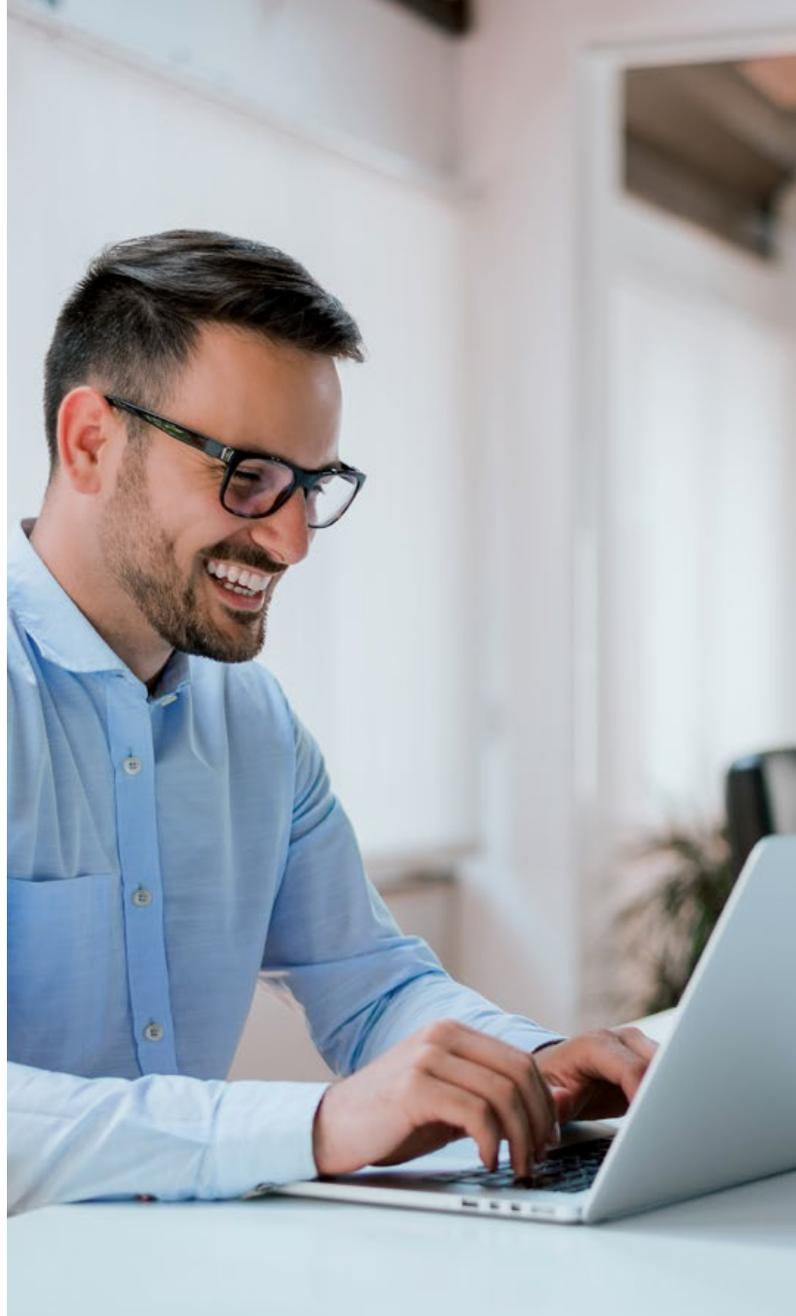


➤ Five Case Studies to Inspire Your AP Automation Strategy

How to streamline and automate end-to-end accounts payable processes



“We estimate that productivity per person has increased by as much as 400% with Kofax RPA.”

Accounts Payable Shared Services Director,
global telecommunications provider

KOFAX

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Introduction

What if there was an untapped opportunity to save your organization tens, if not hundreds, of thousands of dollars per year? And what if, in the process of realizing those cost savings, you could ease the pain of compliance, make processes more efficient and reposition an entire department as a strategic partner in your business?

It isn't a fairytale. No, this opportunity for epic transformation is well within the realm of the possible. It's your current manual and paper-based accounts payable (AP) processes.

But the best part of this transformation story is that the benefits of end-to-end AP automation are far from fictional. Actually, they've been proven over and over again. According to research and advisory firm Ardent Partners, organizations can expect to reduce cost per invoice by an average of 80 percent, lower the days outstanding for invoices by 50 percent and process invoices 75 percent faster.¹

If your enterprise is dealing with high volumes of invoices, gaps in your ERP's coverage or compliance issues, like meeting new mandates for e-invoicing, Kofax can help you streamline your AP processes. From invoice capture, to coding and routing through workflow, Kofax AP Automation offers a complete solution with the flexibility to integrate with any ERP and deploy on-premises or in the private or public cloud.

That's how Kofax empowers your business to work today like the workplace of tomorrow.

Discover the power of Kofax AP Automation in these five inspiring case studies.

¹[Cohen, Bob. AP Metrics That Matter – 2020 Update. Ardent Partners, Webinar.](#)





Global Telco Provider Switches to a Faster, More Efficient Approach to Invoicing.

This telecommunications provider moved to a fully digital mailroom, and harnessed Kofax RPA™ to power fast, accurate electronic invoice processing. The new approach supercharged productivity by up to 400%, helping the company pay bills faster and reduce late payment penalties.

Challenge

Paying bills is hardly the most enjoyable task, but it's one that just has to be done—whether you're a private individual or a big business. For this telecommunications provider, getting the bills paid on time is a top priority. But with hundreds of suppliers and partners to reimburse, including demanding utilities companies and government agencies, staying on top of accounts payable (AP) workload posed a tough challenge.

The company's Director of Accounts Payable Shared Services explained, "We receive upwards of 1,000 mail items every day in AP, most of it invoice-related. In the past, people had to open and sort through all of those items, then pass the invoices on to another team for validation. Finally, staff would have to key the invoice data into our finance systems manually so that the bills could be processed and paid.

"It typically took us 14 days on average to process a single bill. As many of our suppliers have 20- or 25-day payment terms, delays meant that we would incur a 2% or 3% late fee on a large portion of bills."

He continued: "What's more, some suppliers will cut off services if payments fail to reach them in time. If the electricity or water were to be cut off at one of our offices, the consequences would be severe: our staff would be unable to do their jobs and our customers could be left without service. We couldn't afford for



"We estimate that productivity per person has increased by as much as 400% with Kofax RPA."

Accounts Payable Shared Services Director,
global telecommunications provider

AP AUTOMATION FOR TELECOMMUNICATIONS

About the Company

This global telecommunications provider operates a large broadcasting and cable television network, and offers internet and telephone services.

Products

Kofax RPA™
Kofax Capture™
Kofax Transformation™

Focus

Accounts Payable Automation
Digital Transformation
Financial Process Automation
Robotic Process Automation (RPA)

inefficient manual processes to hold us back from getting bills paid in a timely manner, so we set out to streamline AP operations.”

Solution

As a first step, this telecommunications provider implemented Kofax Capture™ and Kofax Transformation™ solutions to extract key information from vendor invoices automatically and integrate the newly digitized content with its back-end finance systems.

“We achieved remarkable efficiency gains by moving from manual data entry to optical character recognition processing with Kofax software,” recalled the AP Shared Services Director. “Productivity per person rose by approximately 200%, and we were able to reduce the number of FTEs involved in processing invoices by 50%. As we were handling invoices faster and more accurately, we were also able to shorten time-to-payment—thus reducing the risk of late penalties and disruption to services.”

Enhancing document capture and processing was just the first step on a far-reaching digital transformation journey. The company plans to create a fully digital



“I see Kofax RPA as a great enabler for where we want to take the company in terms of digitizing processes.”

Accounts Payable Shared Services Director,
global telecommunications provider

mailroom, and recently introduced Kofax RPA™ software to enable this objective.

A powerful, market-leading robotic process automation platform, Kofax RPA provides this company with a fast and efficient way of automating a wide range of repetitive tasks and processing information from a multitude of applications and data sources, where software robots interact with applications, trigger responses, and communicate with systems and employees.

Kofax RPA has been the catalyst to move from paper to electronic billing, enabling the telecommunications provider to take advantage of online bill payment facilities offered by a number of government agencies and utilities companies. Using Kofax RPA, the company has built dozens of robots that automatically retrieve invoices from online portals and deliver the information to finance systems, ready for processing and payment.

The AP Shared Services Director said, “We evaluated several robotic process automation solutions and we felt that Kofax RPA best matched our requirements. There were a few smaller-scale products that just weren’t robust enough for our needs; they felt more like a set of components that had been strung together rather than a fully established solution. We also considered some professional service-based solutions from larger-scale outfits, but these providers wanted to come in and configure their tools for us, which meant that we would have very little control over the development and maintenance of the software ourselves.

“What set Kofax RPA apart was that it offered the best balance of an enterprise-grade product backed by professional support, which we could take ownership of

AP AUTOMATION FOR TELECOMMUNICATIONS

ourselves—and with fewer IT resources than many competing solutions.”

Today, the company uses Kofax RPA to retrieve around 9,000 invoices a month from 30 vendor websites and developed a dedicated Kofax RPA robot for each of these vendor sites.

The AP Shared Services Director explained, “The Kofax RPA robots go out to the web and bring back all the invoices automatically. The software then inserts the data into an interface table, where it goes through a series of checks and validations to make sure it’s all correct and complete. Once the invoice data is validated, it runs right into our finance system. It’s a completely digitized, touchless process, and it’s much faster and more accurate than scanning paper invoices.”

The telecommunications provider continues to use Kofax Capture and Kofax Transformation to help process its paper-based invoices—but its ultimate goal is to eliminate paper billing entirely, and completely transform the entire process to digital, powered by Kofax RPA.

“We are steadily expanding our web data extraction work, and ultimately plan to cover more than 100 vendor sites, using Kofax RPA to retrieve more than 15,000 invoices every month,” noted the AP Shared Services Director. “Our use of Kofax RPA is now really taking off, and we expect to achieve a full return on our investment within just twelve months of our original implementation.”

Results

This telecommunications provider has set its sights for robotic process automation much higher than just the AP department. The company is gradually working to extend Kofax RPA to other areas of the business, including its customer service division. Here, it has developed a Kofax RPA robot that reviews open support cases, then categorizes them and assigns them to teams—saving staff valuable time and effort.

The AP Shared Services Director stated, “We receive hundreds of support cases every day via email. In the past, a staff member would have to read through all of these emails, determine what the issue was, and route the case to the appropriate customer service team or individual agent. Today, we’ve developed a Kofax RPA



AP AUTOMATION FOR TELECOMMUNICATIONS

robot that uses pre-determined business rules to categorize support cases and route them to the relevant team for resolution.

“Now that we have Kofax RPA handling this work up-front, our customer service agents no longer have to waste time reviewing emails and can focus on addressing the support cases, which is helping us to deliver more responsive customer service.”

With the introduction of Kofax RPA, the company is well on the way to achieving its goal of a fully digital mailroom, helping AP teams work more productively and driving down costs.

“With the addition of Kofax RPA, we have digitized close to 95% of AP operations, and we are on track to go fully electronic by the end of 2017,” said the AP Shared Services Director. “The increased digitization and automation have delivered another big boost to efficiency—we estimate that productivity per person has increased by as much as 400% with Kofax RPA. We have been able to reallocate three FTEs from invoice processing to other areas, and we currently run with a team of just five people, which is helping us to keep operating costs low.”

Thanks to the efficiency gains delivered by Kofax RPA, the telecommunications provider has been able to reduce invoice processing times dramatically. As a result, the company can make sure it pays invoices within term, keeping suppliers satisfied and reducing the number of late payment penalties.

The AP Shared Services Director confirmed, “Whereas in the past it took us an average of 14 days or more to process an invoice, we can now turn around invoices in just a day or two. Similarly, we have accelerated check cashing by an average of eight to nine days. This has considerably reduced instances of late payments, helping us to avoid hundreds of thousands of dollars in penalties and to keep operations running smoothly around the clock.”

He concluded, “This is just the beginning for us—we have big digital transformation plans, and I see Kofax RPA as a great enabler for where we want to take the company in terms of digitizing processes. We’ve been breaking new ground with this solution and we look forward to extending the benefits to more of the business in the future.”



Bottling company launches new self-service web portal for quicker, easier supplier invoicing

This bottling company introduced a new supplier portal, built on Kofax software, that empowers suppliers to submit and view invoices themselves. The company has more than doubled AP team productivity, reduced headcount by more than 50 percent, and gives suppliers unprecedented insight into invoicing.

Challenge

Every year, the accounts payable (AP) team at this bottling company processes more than 200,000 invoices for more than 1,000 third-party vendors. The business relies on AP to process its vendor invoices rapidly and accurately—putting huge pressure on the team to deliver higher value services year after year.

It was this drive for continuous improvement that led the company to establish a shared services center, which consolidated systems and processes for more than 20 different accounting and finance departments in a single location. To underpin AP functions at the new shared services entity, the company chose Process Director from Kofax to provide a comprehensive control center for all invoices entering its core SAP ERP system.

Moving to a shared services model and introducing ReadSoft solutions for AP processing allowed the bottling company to standardize processes and deliver more consistent, high-quality service to the business—all while unlocking valuable efficiencies and cost-savings.

However, the company recognized that there was still room for improvement, especially when it came to up-front invoice capture and processing.

The company's Procure to Pay Process Manager explained, "We must adhere to strict regulations that



"Since moving to the shared services model, standardizing the processes and using solutions from Kofax to automate manual processes, we have reduced overall headcount in AP. We can confidently say that our new approach is helping us to run a more productive and profitable business."

Procure to Pay Process Manager, Bottling company

About the Company

This company is engaged in the bottling and distribution of soft drinks, water, juices and energy drinks.

Products

Kofax Process Director™
Kofax ReadSoft Supplier Portal™ for SAP®
Kofax Process Director Web Portal™

Focus

AP and Invoice Automation

require us to retain hard copies of all invoicing documentation. So although we had successfully automated parts of the AP workflow, we still had a dedicated team of people whose sole responsibility was to manually scan all the paper invoices we received, and then validate the information before it was sent to our SAP ERP system for payment.

“When you consider that we handle more than 20,000 invoices a month, you can imagine the sheer amount of time and effort that we dedicated to processing these documents. We knew there had to be a better way. We set out to find a solution that could help us lift the burden of manual invoice processing and data entry from our teams, while maintaining regulatory compliance.”

Solution

The bottling company arrived at an elegant solution—introducing a self-service web portal to empower suppliers to submit and view invoices themselves.

The spokesperson commented, “Our supplier portal helped us achieve two goals at the same time. Firstly, we were releasing our team from the burden of manually capturing and validating invoices—they would just have to archive the original vendor invoice for compliance purposes. And secondly, we were giving suppliers a way to check on the status of their invoices in real time—a capability that they never had before.”

The company harnessed ReadSoft Supplier Portal for SAP to enable the new approach. Today, more than 1,000 vendors take advantage of the supplier portal to submit and view their invoices. When a supplier uploads an invoice to the portal, the Kofax software automatically extracts key content, including the purchase order (PO) number, vendor code, tax amount, and more, and then pre-populates the electronic invoice. The supplier simply has to enter the individual items and amounts before submitting the electronic invoice for payment.

Suppliers can also use the portal to gain instant insight into the status of all their invoices, which helps them stay informed as items move through every stage in the invoicing lifecycle.

In addition, the bottling company has deployed a corresponding Process Director Web Portal for its internal teams, offering them a comprehensive view of all payment requests that are not submitted directly by vendors in the supplier portal, as well as newly automated workflows for handling exceptions.

The spokesperson explained, “Previously, if there was an issue or discrepancy with an invoice, a member of the AP team would have to email the owner of that invoice, asking them to correct the discrepancy or provide the missing information we needed to complete processing. The teams often exchanged several emails to resolve the issue, and they needed to log all milestones—including when the issue was raised, when the invoice owner responded, when we reprocessed the invoice—in a separate spreadsheet that we used for exception tracking.

“Today, we’ve set up an automated workflow in ReadSoft that allows us to raise and resolve issues within the web portal. If an exception crops up, the system will send an alert to the invoice owner, who can then resolve the matter directly within the portal. And as the system already tracks all activities linked to a particular invoice item, there’s no need for staff to log their actions in a separate spreadsheet. This is saving a great deal of time and effort for our team, and faster resolution of exceptions and issues helps us keep invoices moving through the system quickly.”

Results

The new approach helps AP Team staff to work faster—driving down costs and improving the efficiency of the AP division.

“In the past, waiting for paper invoices to arrive by postal mail created delays, and there was always a risk that items could get lost, causing further lags in the process,” confirmed the spokesperson. “Today, it takes just minutes for suppliers to submit invoices electronically via our portal. And as we no longer require the original paper files in such a time-sensitive manner, and can start processing using the electronic invoice, many of our suppliers have started bundling these documents and delivering them in batches—saving them money on shipping costs.

“What’s more, while we used to have a team of 12 people solely dedicated to the task of scanning, validating and archiving paper invoices, we have cut this down to just five people—a more than 50 percent reduction in headcount. Today, this team simply handles the validation and archiving of original invoices for tax regulatory purposes.”

In fact, productivity is up and headcount is down across the entire AP team. The spokesperson continued, “Our productivity in AP has more than doubled. Prior to introducing the new ReadSoft solutions, we were processing more than 5,000 invoices annually per FTE [full-time equivalent]; today, we are processing more than 12,000 invoices per FTE. Similarly, we’ve increased our invoicing volumes as the entire process is 20% faster and more streamlined. Previously, we were processing around 20,000 invoices a month, and now we are getting through as many as 30,000 invoices every month.

“Better still, we’ve taken on this increase in workload while dramatically reducing our headcount, simply because our processes are so much more efficient. Since moving to the shared services model, standardizing the processes and using solutions from Kofax to automate manual processes, we have reduced overall headcount in AP. We can confidently say that our new approach is helping us to run a more productive and profitable business.”

Introducing the supplier portal has helped the company to reduce volume of e-mail inquiries by 70% to its support team and strengthen supplier relationships by providing up-to-the-minute insight into invoices.

The spokesperson noted, “Before, we were receiving more than 3,000 emails a month from our suppliers, asking questions such as: ‘Have you received our invoice?’, ‘When can we expect to be paid?’, and: ‘What is the status of this invoice?’ Since introducing the supplier portal, we have reduced this figure to less than 1,000 inquiries a month—and most of them pertain to transactions that are not managed in the portal, such as historic invoices that were submitted many years ago. This has freed up a considerable amount of time for our support team.”

They concluded, “Now that our suppliers have this instant visibility into the status of their invoices, they have much more confidence in the process. In this way, we are adding greater value across the business—strengthening relationships with key suppliers and delivering the responsive back-office services that franchises need to keep their day-to-day operations flowing smoothly.”

Capita Cuts Over 70% Off the Cost of Processing an Invoice.

Capita Group plc, a FTSE top 50 company, is the UK's largest business process outsourcing (BPO) and professional services company, with annual revenues of £2.7 billion. Capita Group's existing purchase-to-pay (P2P) processes were labour-intensive, requiring significant manual keying and re-keying of inbound paper invoices into SAP. Requiring around 40 employees at multiple UK sites, the process had proved slow and error prone, with inefficient approval cycles and excessive queries.

Challenge

The lack of adequate controls or visibility of processes, plus the large volumes of paper movement and storage the process created was unacceptable. Richard Good, SAP Programme Manager at Capita, explains: "It was a major task dealing with inbound invoice management and approvals, and as a result we had gained a reputation for late payments. The cost per invoice processed was also high, at around £8, well above the industry standard." In order to ensure operational excellence and added value to clients, as well as to maintain mutually beneficial relationships with suppliers, Capita sought to lead by example, and improve its own Business Process. To achieve this, the company's goal was to establish a UK Shared Services Centre and offshore AP processing to India; implement a new SAP ERP (Enterprise Resource Planning) system; and automate its manual purchase-to-pay (P2P) processes.



We've cut the cost of per-invoice processing to just over £2 (down from £8 per invoice)."

CAPITA

Listed on the London Stock Exchange, Capita Group plc is a UK-based provider of business process management and integrated professional support service solutions, employing a staff of 75,000 across 94 multi-service business centres in the UK, Northern Europe, India, South Africa and Dubai. Capita clients include both public (47%) and private (53%) sector organisations.

Products

Kofax Insight™
Kofax Mobile Capture™
Kofax SignDoc®

Focus

Automating Purchase-to-Pay Processing

Solution

Capita Document & Information Services (CDIS) division was tasked with creating and running the new Shared Services Centre located in Darlington. CDIS created a consolidated single central delivery address, with different PO box numbers for each of Capita Group's legal entities. All inbound invoices were then received and scanned by the Capita CDIS team. Capita also demanded an implementation of OCR (Optical Character Recognition) technology for centralised, high-volume invoice scanning, integrated with SAP. This, as Good observes, would: "Enable us to automate our inbound paper invoice processing, reduce our people costs and store scanned documents in a single place."

To achieve this Capita turned to document process specialist Kofax. Kofax recognises that manual sorting, distribution, and preparation bleed unacceptable amounts of time and resources. Kofax ReadSoft Invoices™ OCR software is classifying, sorting and distributing incoming documents.

ReadSoft Invoices can process any type of invoices, including handwritten documents, automatically extracting, identifying and verifying Capita's invoice data. With invoices captured, the software is able to detect and verify supplier and buyer identities, the type (general expense or purchase order) as well as whether it is an invoice or a credit note. Thus the correct business rules are automatically applied.

Extended line item tables and multiple VAT rates may be extracted, with all information checked, using either calculations or by comparison with resident data, such as ERP ledgers. If everything is correct and the invoice corresponds to an approved purchase order, it can bypass manual verification and be posted automatically. Any invoices not passed through automatically are escalated to Capita's back-office AP processing facility in India, where staff check and verify any queries before passing the invoice back into the approval cycle. Any noncompliant invoices are rejected and sent back to the vendor.

Verified invoices are routed for approval via electronic workflow using Kofax Process Director. This provides Capita with an electronic workflow for processing invoices in SAP. Operators can have a personalised inbox containing only the invoices they are authorised to handle. Process Director uses the existing SAP system which means that Capita users can work in a familiar environment they know well to handle exceptions, coding and invoice approval. Any correction is automatically revalidated according to the predefined rules.

Operators have clearer sight of where invoices are in that process even when out of the office, preventing bottlenecks. "Users are able to log in to a customised Web portal to check and approve invoices, and do not need access to SAP," said Steve Long, Project Team Lead, Capita. "They can log in from wherever they are, it's simple to use, and we save on SAP user licences and training."

Results

According to Richard Good, automating manual purchase-to-pay (P2P) processes now means, "Invoices received by mail in the morning are scanned and are available same day on the system. Payment on-time has increased, significantly enhancing our reputation, and we have far fewer query escalations."

Despite the rising number of invoices received and processed, around 400,000 per annum, Capita is seeing significant benefits from its new automated Shared Services Centre operation. "We've cut the cost of per invoice processing to just over £2, and reduced our back office resources from 40 in the UK to 20 in India, saving in excess of £1 million per annum," said Good. "We achieved ROI on scanning in the first year of operation, and have been able to implement better controls and improved visibility of our invoicing processes, avoiding fraud and duplicate payments which previously cost us hundreds of thousands of pounds a year."

Deploying Process Director has also helped meet the demands Capita established to implement a new SAP ERP system. With all data within SAP it

now has a much faster, accurate and reliable way to get its invoices through the purchase to pay process with approved invoices paid via SAP. Further reductions in invoice processing costs are anticipated from initiatives such as purchase order and invoice matching in SAP, and integration with SWIFT, the online banking payments community.

1. Using Kofax solutions, Capita has managed to cut the cost of processing a single invoice to just over £2 from £8 per invoice - a 70% cost reduction.
2. Capita have reduced back office staff from 40 in the UK to 20 in India and are saving £1 million pounds per year.
3. The company opted to use the ReadSoft Invoices and Process Director solutions.
4. The Kofax solutions were integrated with Capita's SAP ERP system and helps them process more than 400,000 invoices each year.

North American Food Manufacturer

Business growth was stretching paper-based accounts payable processes to the limit. By moving to a digitized and automated approach, this North American food manufacturer slashed the purchase-to-pay cycle from weeks to days, and has doubled invoice volumes while increasing headcount by just 1.5 full time employees.

Challenge

This North American food production company has big expansion plans—recent acquisitions have put the company on track to double the size of its business and become a top-20 food and beverage company.

Growth will bring lucrative opportunities for the company to increase its presence on supermarket shelves and strengthen competitiveness. However, it is also creating fresh challenges for the teams who work to keep operations running smoothly behind the scenes, such as accounts payable (AP).

A spokesperson at the company's AP department explained: "We work with around 2,500 different suppliers, who provide everything from the ingredients that go into our products to office supplies for thousands of employees. These vendors form a key link in our supply chain—without them, we'd struggle to keep shelves stocked with our products—so it's vital that we pay them correctly and on time for the goods and services they provide.

"In the past, we relied on a mostly manual, paper-driven approach to processing supplier invoices. We were handling around 6,000 to 7,000 invoices a month—a number that was growing fast—and we recognized that our old approach was quickly becoming unsustainable."

Previously, when the company received paper invoices, the AP team would ship the documents in batches to a third-party provider for scanning. Once it had scanned and classified the original documents, the provider would return electronic copies. The AP team would then review the invoice and complete processing in the company's core SAP ERP system.



"Kofax Invoice Portal is an amazing tool; it really is a one-stop-shop for invoice processing"

Spokesperson,
Leading North American Food Manufacturer

AP AUTOMATION FOR MANUFACTURING

About the Company

This multinational food products corporation manufactures dairy goods and infant nutrition. The company's North American branch is one of the group's fastest-growing divisions.

Products

Kofax Invoice Portal™
Kofax Process Director™

Focus

Invoice Processing
Accounts Payable Administration

"Because so much of the process was manual and reliant on paper, it took considerable time and effort to handle invoicing—sometimes it could take up to a month for us to process and pay a single paper invoice," said the spokesperson. "And without a consistent way of storing and managing invoices, there was a risk of losing individual documents in the shuffle; if this happened, we'd have to start the process all over from scratch and incur further delays."

Archiving posed a similar challenge for this food manufacturer. The company is required to retain most invoicing documents for at least seven years, and regulators perform regular audits to ensure that the company is doing its due diligence.

The spokesperson continued: "We relied on the same provider to manage archiving of our invoices; once they scanned the invoices, they saved the digital versions on CDs and shipped them back to us. If we were asked to provide a copy of an invoice during an audit, we would have to find the right CD, pull the relevant file from it, and print out a separate copy to send to our auditor.

"Not only did this take a great deal of time and effort, there was also a risk that we might be unable to retrieve the required documents because we were depending on an outside source to handle the archiving. If they overlooked a certain document or if there was an error during the scanning, we likely would not know until we came to retrieve a file from the CD, and by then, it could be too late to correct the issue. While we have always



"We estimate that we have saved around USD 76,000 in just one year now that we are no longer sending invoices off-site for scanning and archiving."

Spokesperson, Leading North American Food Manufacturer

been able to successfully fulfill our audit requirements, the risk posed by our old approach was simply too high. We set out to find a solution that would enable us to process and archive our growing volumes of invoices in a more efficient and reliable way."

Solution

This food manufacturer decided to digitize and automate the end-to-end invoicing process and chose Kofax Invoice Portal as the key enabler for this new approach. An advanced optical character recognition (OCR) and data capture platform, Kofax Invoice Portal automates the scanning, classification and filing of invoice data.

The company has done away with pushing paper; whether invoices are delivered by post, fax or email, AP teams take advantage of the Kofax solution to extract and validate key data from invoice documents automatically and transfer it to SAP ERP for processing.

"Kofax Invoice Portal is an amazing tool; it really is a one-stop-shop for invoice processing," remarked the spokesperson. "Our staff no longer have to deal with piles of paper and electronic files scattered across different file systems and email inboxes—all the information they need is instantly available in one central location.

"We've been very impressed by the solution's search capabilities—we can search for invoices by purchase order [PO] number, vendor code or vendor name, and even browse for invoices received within a specific timeframe. Thanks to Kofax Invoice Portal, it couldn't be easier to find information."

For invoices sent by email, the company has set up a single, dedicated inbox and leverages Kofax ReadSoft

AP AUTOMATION FOR MANUFACTURING

Collector to sort incoming messages into different folders upon delivery for easier search and management. For example, all invoices sent by suppliers of marketing services are sent to a 'Marketing' folder. The Kofax solution also detects email attachments and instantly transfers them to the core Kofax Invoice Portal system for data capture and validation.

To boost invoicing accuracy, this food manufacturer uses three-way matching capabilities provided by Kofax Process Director to compare information from each vendor invoice against corresponding PO and master data in SAP. If any issues are found, such as inaccurate quantities, prices that do not match up or damaged goods, the system will automatically notify the appropriate team member, so he or she can resolve the discrepancy before submitting the invoice for payment.

The spokesperson stated: "When we encountered exceptions in the past, it took a lot of manual work to resolve them. Today, we've set up a series of workflows in Kofax Process Director that will instantly route a specific invoice to the relevant controller depending on the nature of the exception. For instance, if the system flags up a pricing discrepancy with a particular invoice, we now have a workflow that routes it to the creator of the corresponding PO. Then, that employee can use a split-screen view to compare the invoice against data held in SAP ERP. There's no need to juggle multiple windows, dig through paper files or a collection of CDs, which makes it much quicker and easier for our teams to check all the data and resolve the issue."

In addition, the company has brought archiving in-house, using OpenText Archive software to provide a single, secure repository for all invoices processed with Kofax ReadSoft solutions.

"We estimate that we have saved around USD 76,000 in just one year now that we are no longer sending invoices off-site for scanning and archiving," noted the spokesperson. "We don't have to go to the added effort of shipping out paper files and storing huge CD collections. Kofax solutions have also been a godsend when it comes to audits. Instead of having to retrieve files from physical disks and print out paper copies, which could take hours, we can search for the requested files with Kofax Invoice Portal and extract them as PDF files, then email them to our auditors in a matter of



"With Kofax solutions we can process invoices faster and with fewer resources than before. We've effectively doubled our volumes while increasing headcount by one and a half FTEs: an exceptional outcome."

Spokesperson,

Leading North American Food Manufacturer

minutes. Plus, we can be confident that all the required documents will be properly archived and available, minimizing the risk of non-compliance."

Results

Kofax solutions have helped this leading food producer bring unprecedented control and transparency to the end-to-end invoicing lifecycle.

"We have gained a whole new level of insight into our AP operations," said the spokesperson. "We now have full traceability of each and every invoice, so we can see when a specific invoice was received, and how long it has spent at every stage in the cycle. We have also set up reminders that notify users when a certain invoice has been pending action with them for more than five days. This ensures items are not overlooked and helps our team keep invoices moving through the system steadily."

The spokesperson adds: "The improved visibility also helps us track and manage enterprise performance much more effectively. Take accruals for example. Instead of having to go through hundreds of invoices one by one and manually add up the expenses, we can simply select the files we require in Kofax Invoice Portal and export one report with all the relevant data. Previously, it took at least four to six hours to complete a single set of accruals; now we get the same work done in about two minutes, which is a tremendous achievement."

AP AUTOMATION FOR MANUFACTURING

The new approach to invoice capture and processing has supercharged the productivity of the AP team at the company—accelerating purchase-to-pay timelines and helping the department take on rising business volumes while keeping resources lean.

“With Kofax solutions we can process invoices faster and with fewer resources than before,” explained the spokesperson. “Instead of it taking up to a month to pay invoices like it did in the past, today we can complete the entire process—from invoice receipt to sending out payment to a vendor—in just five to ten days.

“The efficiency gains mean that our team can now process six to seven invoices in the time that it used to take to process a single invoice before. This increase in productivity has allowed us to absorb a huge rise in business volumes. We’ve gone from handling around 6,000 to 7,000 invoices a month with about six and a half full-time employees (FTEs) to processing some 13,000 invoices a month with eight employees. So, we’ve effectively doubled our volumes while increasing headcount by one and a half FTEs, which is an exceptional outcome, and one that surpassed our expectations.

“Between the reduced costs we have seen through higher productivity and the savings we have made by bringing archiving in house, we have been able to achieve a complete return on investment on the Kofax solutions within one year.”

In addition, a more automated and streamlined approach to invoice processing has eased the burden of repetitive manual work on the AP team and freed up more time for controllers to focus on higher-value activities.

“Before, there were times when it was a real challenge to stay on top of our work in AP, especially during busy periods,” recalled the spokesperson. “Today, invoice processing is a much smoother and controlled process, which creates a far better working environment for our team. People are no longer rushed off their feet and have more time to look for efficiencies, and build relationships with our vendors, which helps strengthen the business as a whole.”

For this food manufacturer’s suppliers, more efficient AP processes translate into better quality of service.

The spokesperson concluded: “Now that we have improved visibility into each and every invoice, if a vendor calls requesting a status update, our team can give them an answer right away—there’s no need to put that vendor on hold, or follow up later in an email, as we can bring up all the information related to their account in seconds.

“With Kofax Invoice Portal helping us power fast, accurate invoicing, we can make sure suppliers are paid correctly and on time, increasing their satisfaction and their likelihood of continuing to do business with us. Ultimately, this helps us keep our supply chain running efficiently, so we can continue to deliver great-tasting food and beverages to customers all across North America.”



“With Kofax Invoice Portal, we can make sure suppliers are paid correctly and on time, increasing their satisfaction and their likelihood of continuing to do business with us.”

Spokesperson,
Leading North American Food Manufacturer



TransMontaigne

TransMontaigne Inc. distributes refined petroleum products to a diverse customer base throughout much of the U.S. and parts of Canada. Using a cost-leadership approach for its supply chain, TransMontaigne has earned an impeccable reputation as a leading provider of energy products and services. The company launched a project to improve invoice visibility, cut invoice processing times and reduce operational costs.

Challenge

The dilemma of decentralized AP

Decentralized operations work well for TransMontaigne when it comes to providing core products and services to its customers at the local level, but its decentralized invoice processing structure caused the firm problems. A high number of touch points bred high error rates and slow cycle times.

Suppliers would initially send invoices to TransMontaigne's local terminal where they would be manually coded. The paper invoice would then be mailed to the company's operations department in Atlanta for another review. From there, the invoice would be mailed for a third time, this time to the AP department in Denver for final processing and payment.

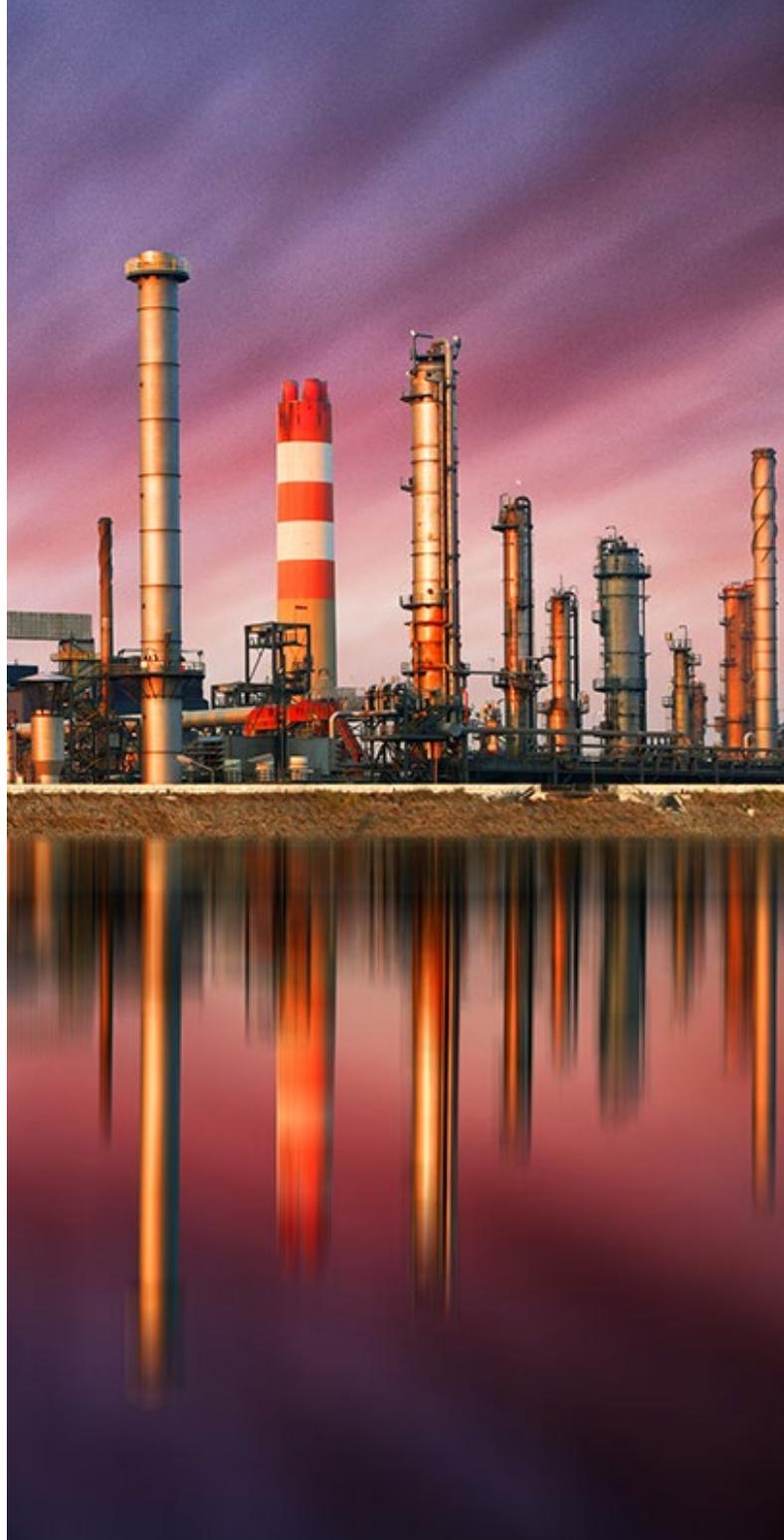
The average cycle time from receipt to payment was a lackluster 32-34 days. Of the 56,000 invoices processed per year, 85-95 percent were paid late. In an effort to align its invoice processing with the successful strategy in place in operational areas, AP set a goal of achieving full visibility into the invoicing process by centralizing it in a single system.

Solution

TransMontaigne conducted a thorough evaluation process and enlisted SAP partner Kofax for its document process automation needs.

Discovering the value of an integrated solution

With automated invoice processing in place, suppliers now send their invoices directly to the company's AP



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ABOUT TRANSMONTAIGNE INC

TransMontaigne Inc. has more than 15 years of experience in the distribution and marketing of petroleum fuels and energy products. The company has operations in 23 U.S. states and in Canada.

- Maintains extensive network of fuel storage providers with reliable downstream supplies of competitively priced unbranded fuels
- Offers fuel transport services, crude oil transport and commercial marine fuel supplies

Products

Kofax ReadSoft Invoices™

Focus

Automated invoice processing

department in Atlanta where they are immediately scanned into the Kofax SAP-certified solution. This has created instant visibility for all stakeholders in the AP processing cycle. Incoming invoices are then automatically routed for coding and approval inside of SAP. The solution allowed for faster payments, vendor discounts and greater control throughout the process.

The solution's easy-to-use interface proved to be especially helpful during implementation. TransMontaigne's AP processors were already familiar with SAP, so the familiar look and feel of the Kofax solution allowed for smooth adoption by the AP staff. Front-end data capture makes each invoice immediately accessible, facilitating a broader scope of efficiencies. The solution's back-end integration with SAP has enabled expanded reporting capabilities.

Results

Within six months of implementation, TransMontaigne's AP processing was propelled to record speeds as the cycle time of an invoice dramatically dropped from 32 days to fewer than seven. Automation also accelerated the processing rate of 1099 forms from 15 days down to just two.

Achieving efficiency and visibility

Instead of paying late fees, the company began to take discounts for the first time. TransMontaigne also was able to manage its cash flow with ease—dramatically reducing the number of accruals for outstanding invoices.

Greater visibility into the process drove further strategic benefits to the firm. Employees were able to identify and dispute invoices immediately, and management gained real-time understanding of the organization's total liabilities and cash position. Staff now have time to focus on strategic tasks, such as compliance, internal customer service and vendor relations. The AP manager spends 15 hours per week managing the department; a sharp contrast to the pre-automation average of 60 hours per week.

Other gains in efficiency include:

- Reduced average cost of transaction from \$30 to less than \$7
- Monthly accrual reduced by \$1 million
- Reduced number of duplicate payments by 90 percent
- Increased vendor term discounts covered the cost of the project in the first year
- Reduced overtime by 98 percent in the first year
- Improved Dun and Bradstreet score by 20 points
- Reduced department error rate to .043 percent

With efficient use of resources and clear visibility into its AP processes, TransMontaigne is now able to focus fully on the growth of its assets. It continues to leverage automation technology to bolster its long-term commitment to process improvement.

Next Steps

Experience the world's most complete end-to-end AP automation solution for yourself.

For more information on **Kofax AP Automation** or to request a demo, contact us at info@kofax.com or give us a call at: **+1 949.783.1333**

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KOFAX

