

Collaborative Invoice Management On-Premise and Cloud Solutions by SAP

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An SAP Company

Agenda

Collaborative inbound invoice management

An integrated network centric approach for collaborative invoice management

Tractor Supply Company – customer presentation

Does this scenario look familiar?

We can't say which invoices we've received across departments and have no control over time-to-payment

CEO

CFO

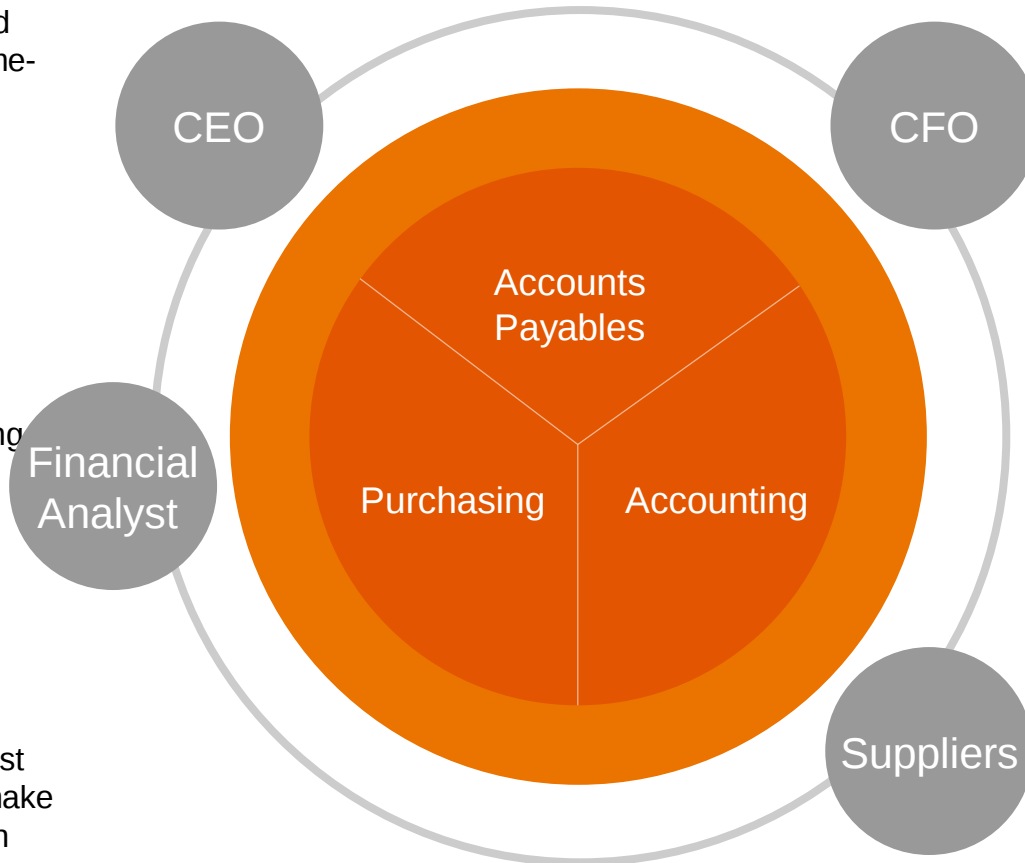
I have limited visibility into my accounts payables related liabilities

We spend more than 50% of our time responding to calls and emails from suppliers

Use of cash discounts is low, cost of capital is rising

Financial Analyst

We could lower the cost of goods if we could make systematic use of cash discounts



Suppliers

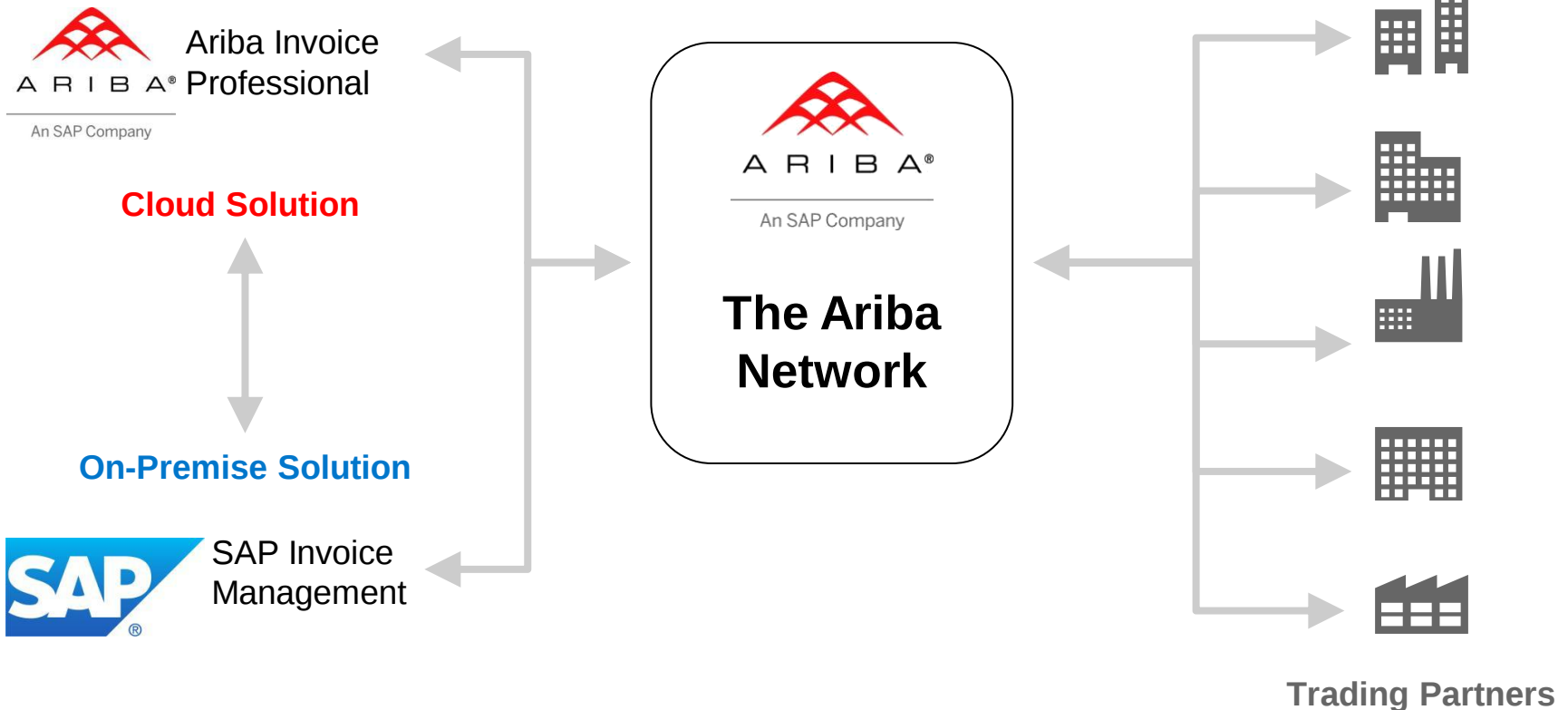
Doing business with that company is difficult as they are unable to tell when they pay their invoices

Delivering strategic value to customers...

Application choice + inter-enterprise collaboration

Invoice Processing Solutions

Ariba Network with Invoice Automation, Supplier Collaboration and Discount Management



Benefits of a hybrid on-premise and cloud solution

Invoice automation powers financial transformation

- Automates labor-intensive invoice reception and reconciliation
- Frees line operations from finance administration work

The ability to control and anticipate

- Comprehensive overview of all invoices across the corporation
- Increased control of time-to-payment
- Allows for better cash usage based on comprehensive insight

State-of-the-art shared services delivery platform

- SAP architecture enables leveraging economies-of-scale
- SAP automation improves efficiency in administrative processes

A Pragmatic approach to streamlining AP invoice processing in retail environment

Canchi Ramana

John Trotter

Tractor Supply Co.



Tractor Supply Co

- Who are we ?
 - \$4.2 billion retail company
 - 1200 stores in 45 states
 - We sell pet supplies, animal feed, animal health products, power tools, riding mowers, lawn and garden products and more



Tractor Supply Co - Accounts Payable

■ AP Statistics

- We process 2.5 million invoices a year
- 350,000 paper invoices are processed through the current system
- 1200 TSC Stores and 26 Del's Stores
- 92 TSC and 4 Del's District Offices
- 6 Distribution Centers
- 32 Store Support Center Departments
- 29 A/P Team members

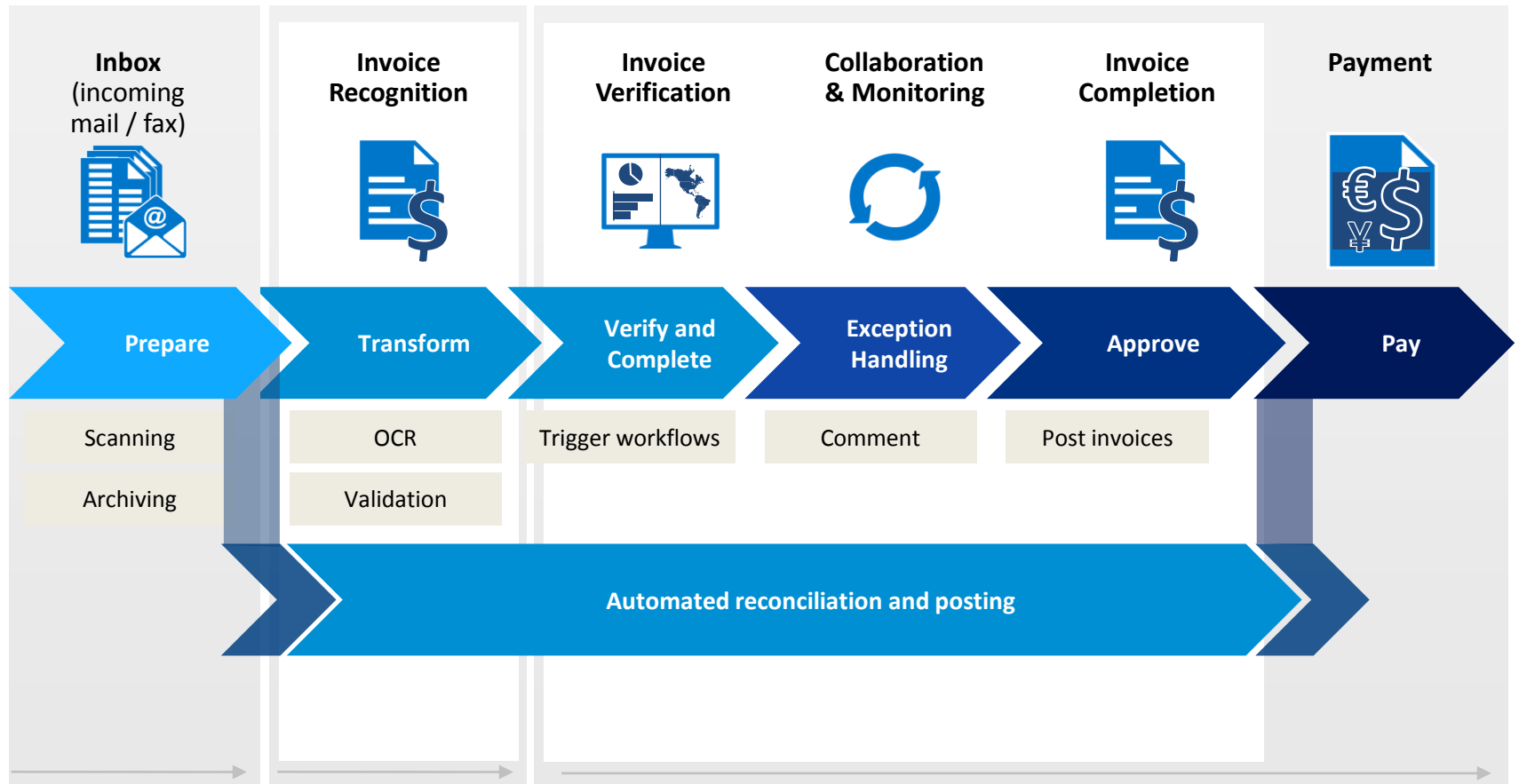


What was the problem ?

- Current Platform is highly customized and does not have a direct upgrade path for AP Imaging.
- IT support on these systems has grown steadily and IT is not able to provide a stable system to the users on a consistent basis.
- Current Platform does not scale to on-board other department's document imaging needs



Imaging Process



Top 5 extensions

- Enhance VIM analytics to reflect "Price and Qty "variance related status.
- Send email to stores for Qty variance
- Back-populating EDI data into VIM Analytics for tracking purposes
- Program to mass download images for selected invoices for batch Balancing in OpenText Invoice Cockpit
- Enhance reminder program to send reminder to work item holder and their manager. Add Invoice Date and Invoice Number fields in the email body. Custom Logic for checking reminder period.



IT Highlights

- All extensions are maintained by TSC
- Any changes to the extension are done by TSC
- Leveraged existing hardware
- Approval hierarchy maintenance done in SAP
- Access to approvers using SAP Portals



What did we do well ?

- Management buy in with the product
- Realistic planning
- Business willing to compromise on functionality
- On-time delivery by the vendor
- Coordination between TSC and OT PMs
- Detailed testing by IT and the business



What could we have done better?

- Understanding of the Infrastructure Landscape
- Get an upfront view of the software landscape
- Get Training on the SW before the Project starts
- Have more training classes for the end users
- Better understanding of OT product suit for non-SAP applications



What did we accomplish ?

- 3 new scanners with VRS
- Scan to data entry in SAP: 18 invoices an hour to 80 an hour
- Rolled out Invoice Approval Portal for 1100 plus stores without additional training
- No Re-boots since go-live
- Ability to view invoices without licensing limitations
- Converted 2.3 million Invoice documents
- Implemented a scalable product for the Enterprise



THANK YOU FOR PARTICIPATING

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