

**A CUSTOMER SUCCESS STORY**

# Global transportation and logistics leader on path to 100% automatic invoice processing

**LARGE GLOBAL TRANSPORTATION COMPANIES TYPICALLY HAVE COMPLEX FINANCE ORGANIZATIONS AND SIGNIFICANT VOLUMES OF INVOICES FROM GLOBAL SUPPLIERS. ONE SUCH LEADING SEA FREIGHT, AIRFREIGHT, AND LOGISTICS COMPANY BASED OUT OF EUROPE FITS THAT BILL.**

“Together with our e-invoicing partner, Tradeshift, and our key relationship bank, Citi, we developed a fully integrated, one channel, seamless straight through invoice-to-cash platform. It is complemented with an accelerated supplier payment feature in the form of a receivable purchase option.”

—Group Treasurer

## Challenge

Imagine the burden of processing eight million paper, fax, and PDF invoices from over 160,000 suppliers across 900 offices worldwide every year. The logistics company clearly needed to digitize and automate in order to improve its procure-to-pay process and eliminate the costs of handling paper and bring visibility into payments, exceptions, and errors.

It needed a e-invoicing solution that could convert 100% invoices to pure electronic form and onboard large strategic suppliers, its long tail of small suppliers, and everything in between on a global scale. It needed dynamic validation of documents, and a better, intuitive way to collaborate with its high volume of suppliers. The company reasoned that the manpower needed to open, review, and sort thousands of paper

invoices every day would be put to better use if diverted to more value-driving initiatives.

The final requirement was to provide its suppliers with an early payment solution without having suppliers or their own employees connect to different platforms.

## Solution

After conducting an international RFP process that included all the major players -- including SAP Ariba, Basware and OB10 -- the company decided to implement Tradeshift® Pay e-invoicing with a supply chain finance offering enabled through banking partner, Citibank.

The key advantage was that suppliers would be able to use Tradeshift for free, and because of its human-centered design, which made it simple and intuitive to drive adoption. “In a test

environment, everyone was really surprised by how remarkably easy it was to use Tradeshift. We were able to send invoices back and forth in literally minutes,” said the company’s US AP manager.

Software interoperability was another key requirement. Because Pay is built on a standards-based platform, it could interoperate with virtually any ERP or accounting system. The company purchased a new version of its existing financial system and was pleased to learn that Tradeshift would integrate with it seamlessly using any among the dozens of supported formats, including UBL, xCBL, PIDX, and in the case of this customer, EDIFACT.

It also needed a place to centralize invoices. In the US alone, 80 branches receive invoices through every possible way, including email, fax, EDI, and even hand-delivery. By consolidating to one digital channel and centralizing all of documents, the cost and ease to retrieve them later down the road became incomparable. Tradeshift allows for any document to be accessed from anywhere in the world with any device, even your iPhone.

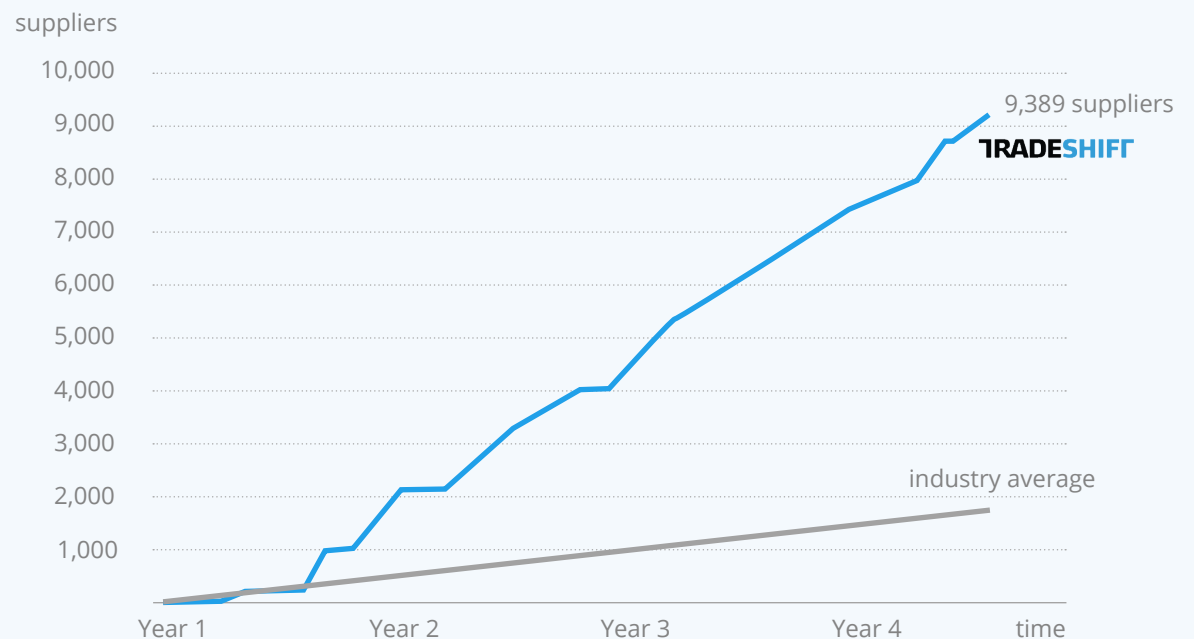
Not that phone conversations with suppliers is a bad thing, but if they’re about tracking down lost invoices or payment statuses, it can become a burden at scale. With Tradeshift, this challenge is overcome because suppliers can track every invoice at any point in the process and spark a conversation or inquiry on the platform itself, much like you would message a contact over a social network like Facebook or LinkedIn.

The link between the e-invoicing platform to Citibank delivers a seamlessly integrated global channel for suppliers, which has improved their invoice-to-cash cycle and has ensured fast invoice payment to those who participate. Additionally, they have benefited from attractive financing rates. This has resulted in significant working

capital improvement for both the company and its suppliers.

With Tradeshift in place for several years, the company is seeing a steady flow of business outcomes that more than justifies its ongoing investment.

### Supplier adoption that is 5x faster the industry average



## Benefits

- **Reduced processing costs.** Costs fell exponentially as less manpower is needed, allowing the company to reassign employees to more meaningful and greater value-generating activities.
- **Actionable insights and analysis.** Electronic Invoices are routed for coding, approval, and hold resolution, providing a data trail for straight-through processing, early payment discounts, matching rates, and spend by supplier. This data is always accessible within seconds to the AP and procurement teams for optimize working capital.
- **Improved visibility and cash management.** A global, end-to-end view of the business process allows for better visibility into the company's liabilities relative to its cash flow, which has enhanced cash management. They can also measure the performance of their suppliers and ensure consistent contract pricing.
- **Greater supplier satisfaction.** The solution has strengthened the company's relationships with its suppliers because of timelier payments and early payments to those who participate in the receivables purchase program.
- **Hardened internal controls.** Tradeshift Business Firewall automatically reduces errors and prevents exception handling, ensuring the validity of each transaction. The company has been able to establish, document, and improve internal processes. Lost documents became virtually extinct.

## Next steps in the digital transformation journey

The logistics provider is averaging about 180,000 processed invoices per month and has seen a recent lift in transactions by adding Norway using interoperability enabled via PEPPOL (ELMA). China and several countries in LATAM are next in line for the company's expansion strategy as well as continued worldwide onboarding of its supply base. It will also roll out supply chain financing across Europe and beyond. The company views Tradeshift's network and apps as being beneficial to evolve and deepen its relationships and collaboration with its suppliers.

"Our aim is to get as close to 100% electronic invoicing as possible, with minimal cost and impact to our suppliers. It was important to us that we did not force costs on our suppliers, and we are confident that they will recognize the benefits and sign up to Tradeshift."

—President, IT & Finance

### ABOUT TRADESHIFT

Founded in 2010, Tradeshift is the world's largest business commerce platform that connects buyers and sellers. Tradeshift connects over 1.5 million companies across 190 countries, processes over half a trillion USD in transaction value yearly, and has a marketplace containing 28 million SKUs. It offers solutions for procure to pay, supplier engagement and financial services, and enables companies and partners to build custom or commercial apps on its business commerce platform. Tradeshift is headquartered in San Francisco, with offices in Copenhagen, New York, London, Paris, Suzhou, Tokyo, Munich, Frankfurt, Sydney, Bucharest, Oslo, and Stockholm.