

PLACEMAKERS OUTSOURCES ACCOUNTS PAYABLE PROCESSING

...TO REDUCE COSTS, IMPROVE ACCUARCY AND TRANSPARENCY

PlaceMakers is New Zealand's leading and largest supplier of building materials and hardware, employing over 2,500 staff at more than 50 stores across the country. PlaceMakers is the trading name of Fletcher Distribution Limited, a division of the retail trading arm of Fletcher Building Limited in New Zealand.

The Business Challenge

The finance division at Fletcher Distribution receives over 100,000 invoices a month. Prior to the use of Speedscan around half of these were being delivered via Electronic Data Interchange (EDI) from major suppliers, but the remainder arrived in the post.

“When we first moved to EDI the technology wasn't there to handle the other invoices electronically”, said Steve Scott, Finance Manager of Fletcher Distribution. “Father Christmas would arrive each day with a big mailbag and dump the envelopes on a desk. We had 15 staff that spent their day opening mail, checking the invoices and manually keying in data. It was very expensive”. PlaceMakers knew this process was not sustainable and approached Speedscan to provide an accounts payable workflow solution that would work for their business.

The Solution

The Speedscan workflow solution has done away with the daily delivery from Father Christmas at Fletcher Distribution. Invoices are now delivered to a private box and dispatched to Speedscan's scanning facility in Glenfield, Auckland each day.

The invoices are scanned and a 2-way match is performed using the Purchase Order number to compare to Look Up Tables sent on a daily basis to Speedscan. In the future PlaceMakers will explore moving to a 3-way match, using Purchase Order, Goods Receipt and Invoice. At the moment scanning captures the header information from each invoice and the line item details on the invoice are checked on-screen from the purchase order.

***“Speedscan were innovative,
flexible and easy to work with”***

Steve Scott, Finance Manager Fletcher Distribution

Speedscan integrates with Fletcher’s BizTalk server, sending relevant data in XML format to allow integration with Fletcher’s Oracle workflow. “There is a lot of handshaking going on between our two systems and we ensure the Look Up Tables are always up to date”, said Scott.

The Result

“We did look at adapting an in-house solution but it would have still left us needing people to open envelopes and the IT resources to support the hardware and deal with the software upgrades”, said Scott.

“The Speedscan solution has lowered the demand on internal IT resources and reduced our full-time staff. The ability to destroy the original invoices after three months has reduced our storage requirements enormously”. There has been significant improvement to accuracy and validation between Speedscan and Oracle.

The outsourced solution has provided an immediate operational cost savings with minimal CAPEX required. ‘It has created visibility into an area that was previously difficult to review”, said Scott.

Speedscan reporting allows monitoring of productivity and efficiency, including the reporting on the time it takes to process and invoice. It also provides improved Audit tracking and Accountability through the use of History screen and management.

Speedscan’s Scanning Facility

Speedscan’s Auckland scanning facility boasts an array of best of breed hardware technology including Kodak High Performance Scanning equipment and Dell Server Infrastructure. This combined with Speedscan’s custom developed routing and workflow engines incorporating OCR, Forms Recognition and Image enhancement components as well as advanced data entry and validation tools.