



AP Automation

Major Defense Contractor Obliterates 95% of Paper Invoices

An eInvoicing solution from Direct Commerce gives suppliers more visibility into invoices and payments, while boosting efficiency and cutting costs.

One of the world's largest defense and aerospace companies (with more than 500 locations and \$54 billion in revenue) operates multiple corporate divisions—each with its own unique and sophisticated source-to-pay (S2P) business rules. Before partnering with Direct Commerce, the company processed hundreds of thousands of paper invoices each year, representing millions of transactions.

The company tried Evaluated Receipt Settlement (ERS) and scanning solutions but got resistance from suppliers and was frustrated by the lack of information about shipments, invoice status, freight, and taxes. After completing an in-depth RFP process, the company hired Direct Commerce to implement a comprehensive eInvoicing solution.

The Direct Commerce eInvoicing solution achieved a 98% supplier participation rate and reduced paper invoices by 95% in the first year.

Overcoming Complexity

When the experts from Direct Commerce came in to do

Customer Profile

Client:

Leading Aerospace and Defense Contractor

Global Reach:

- 500 locations worldwide
- 105,000 employees

Annual Revenue:

\$54 Billion

Suppliers:

104,095

Monthly Invoices:

15,440

Direct Commerce eInvoicing Solution Highlights

- 98% supplier participation
- 95% fewer paper invoices
- Greater visibility to suppliers at no cost
- Elimination of the need to process costly exception handling
- Fast implementation despite project complexities



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their job, they knew they had many challenges to overcome, including shifting requirements.

For starters, the sensitive nature of the company's industry demanded extremely high security protocols. Late in the project, the company requested an integration with Exostar's single sign-on solution, for controlled access to the Direct Commerce Portal.

Despite the complexity of the project, Direct Commerce came through with proven processes, sophisticated solutions, and experienced experts whose customer-centric, results oriented approach made success a reality.

During development, the defense contractor was migrating from two separate legacy ERP systems to SAP. The Direct Commerce team needed to integrate its solution with the disparate systems, which each used different business rules.

What's more, Direct Commerce was able to manage complex business rules for handling downpayment transactions, a process that differed across the company's many divisions.

Onboarding On Track

After overcoming these and other challenges and complexities, the Direct Commerce solution was ready for rollout across a widely dispersed group of suppliers and internal stakeholders.

Direct Commerce developed an intricate and multifaceted communications program, which achieved its goal of bringing 50% of suppliers onboard within three months, and 95% of suppliers within a year.



To learn more about how Direct Commerce solutions can transform your source-to-pay (S2P) processes,

email sales@directcommerce.com or call 415-288-9700.