

CASE STUDY

ENABLING SUPPLIER INVOICE PROCESS AUTOMATION

AT A GLANCE

CLIENT:

A large industrial machinery manufacturer

PROBLEM:

Non-compliance with Import Customs Regulations, delays in customs clearance, and increased production parts outages

SOLUTION:

Enable an automated import declaration process where invoice information from the inbound system is copied to the outbound system

IMPACT:

Successfully met compliance requirements, achieved on-time customs clearance, and reduced production part outages



THE CLIENT

The client is a large industrial machinery manufacturer, which also offers financial services, parts services, and power systems. With the goal of providing various industries with high quality equipment and related services, the client aims to continually enhance its business processes and position itself as the equipment supplier of choice for its customers across the globe.

THE PROBLEM

For every supplier, the electronic versions of original invoices are pivotal to speedy and efficient process execution. This is particularly important during the import declaration process where customs authorities require that all goods come with their corresponding supplier invoices prior to receiving them at warehouses.

This process was the source of significant inefficiencies that impacted procurement activities. Despite the automation provided by SAP GTS, it lacked support for vendor invoice automation due to its inability to take in supplier invoice information from SAP. This created serious workflow bottlenecks in its global trade transactions management that often resulted in production parts shortages due to the absence of supplier invoices during import declaration.

While SAP GTS version 11, offered invoice automation functionalities, its capabilities did not fully satisfy the requirements of the client, forcing them to resort to painstaking manual preparation across the Global Trade operations of its business.

SBP SOLUTION

SBP helped the client develop a solution for streamlining and optimizing the import declaration process. The solution implemented an enhancement that enables the copying of inbound invoice information from the IDocs of SAP ERP to the IDocs of outbound SAP GTS. By so doing, the client could prevent or alleviate production delays and parts outages.

SBP's solution also enabled custom brokers to get a generated report that produces output in the form of a comma delimited flat file built from GTS Invoice IDocs. The enhancement was implemented over a period of 6 months, and had no disruptive effects on production

BUSINESS IMPACT



Customer has increased up to 20% productivity hours of its employees



Human errors were avoided



Customer became compliant with Customs authorities by correctly reporting the invoice values



Overall productivity and savings for customer has increased up to 15% every year