

ESKER *DeliveryWare*

**E-Invoicing for
Business Process
Efficiency** with SAP[®]
Systems

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Executive Summary

Business processes run on input to and output from SAP solutions. Each step in a process involving a manual touch point causes friction that costs time and money. Esker DeliveryWare reduces this friction, helping companies maximize profitability by automating and streamlining document-intensive business processes from beginning to end.

Research by a leading IT analyst has found that companies with the fastest-growing profits in their industry sectors are addressing document processes and achieving real benefits. Businesses with effective document processes are more likely to be leaders in profit growth, and more responsive to changing market conditions. As a result, the recommendation is for organizations to examine key business processes for opportunities to achieve ROI.

For many SAP® customers, billing still involves manual printing and mailing or faxing of invoices and, in many cases, other accompanying documents. These manual processes limit the ability to achieve objectives such as reducing Days Sales Outstanding (a measure of the average time to collect receivables), shortening transaction cycles, cutting overall business communication costs and increasing profitability.

Electronic invoicing has the potential to eliminate the inefficiencies of packaging and mailing paper invoices to customers. By increasing the speed and accuracy of business information exchange through document automation, organizations can collect cash earlier when invoices are received sooner.

Intelligent document delivery technology enables SAP® customers to realize the potential of e-invoicing by automating document delivery based on business rules through logic residing outside the SAP system.

Esfer DeliveryWare and your SAP application

SAP customers looking to achieve greater efficiency and gain additional ROI can choose from several solutions to automate document processes. Only one offers patented DeliveryWare Rules Engine technology and a full range of document capture and delivery format capabilities to maximize the value of SAP applications.

Esfer DeliveryWare

Esfer DeliveryWare offers a comprehensive solution that streamlines document processes by eliminating inefficient steps, making communication more personalized and cost-effective, regardless of the information source or delivery type. Esfer DeliveryWare eliminates manual touch points and brings visibility to document processes while causing no disruption of current business operations.

Designed to optimize internal and external information flow into and out of SAP applications, Esfer DeliveryWare is an end-to-end document process automation platform with patented technology. Managing all inbound and outbound document processes through this central platform simplifies the IT infrastructure, reduces the time and costs associated with document communication and streamlines critical business processes such as invoicing.



1 Document Capture	2 DeliveryWare Rules Engine	3 Document Transport
<p>Esfer DeliveryWare automatically captures invoices and other documents in any format — independent of layout and application or source, without the need for custom programming.</p>	<p>At the heart of Esfer DeliveryWare is patented technology that automatically recognizes and extracts data from electronic documents to determine formatting, conversion, and routing conditions and actions that need to take place, as defined by processing rules.</p>	<p>Esfer DeliveryWare distributes documents automatically, based on organizations’ specific requirements. They can be delivered to multiple recipients in the most complete range of formats (text, XML, PDF, IDoc, PCL, PS, TIFF, etc.) and media (postal mail, fax, print, email, web, file transfer, archive, wireless message, etc.)</p>

E-Invoicing with Esker DeliveryWare

While invoicing keeps vital cash flowing into businesses, it also costs money when invoices are manually processed for mailing or faxing. According to SAP, the cost of mailing an invoice can be as much as \$15 USD. Even with state-of-the-art SAP software, the best efforts of accounting departments are limited by inefficient manual fax or mail delivery of invoices.

Before invoices can be delivered and customers can pay, data from the SAP system must be extracted and composed. Documents are printed and sorted, then manually faxed or folded and stuffed into envelopes for mailing. Invoicing also typically involves photocopying and filing invoice documents for various internal and external recipients involved in the billing process. The higher the volume of invoices to be delivered, the slower the entire process becomes and the greater the potential for human errors.

As illustrated by the following diagram, manual invoicing process is long and time-consuming. Human touch points throughout result in high cost of production and delivery.



IT analyst research has found that the average U.S. company can save millions of dollars annually by sending invoices electronically. The percentage of electronically delivered business-to-business invoices is rapidly increasing because businesses want to reduce costs, improve customer service, and enhance SAP solution ROI; customers want to move money faster and reduce accounts-payable overhead; and the investment needed to achieve savings is relatively low.

Invoicing process cost comparison

PAPER-BASED INVOICES

Preparation Time	3.9 minutes
Delivery Time	1-2 days
Cost	\$1.6

E-INVOICING

Preparation Time	10 s.
Delivery Time	Instant
Cost	\$0

E-invoicing with Esker DeliveryWare solution simplifies billing operations and resource management at minimal cost, helping businesses eliminate manual handling and reduce Days Sales Outstanding. This solution effectively removes direct paper invoice and manual handling costs, helping businesses improve financial metrics and increase process control with automated invoice approval workflow.

Esker DeliveryWare functions as a “printer” to automate invoice document composition and negotiate electronic delivery of invoices directly from the SAP system. Users simply “print” to a business rule to send an email with a PDF invoice attached, and gain instant access to invoices online for viewing and resending. Businesses maintain visibility over the entire invoicing process using integrated monitoring and tracking tools.

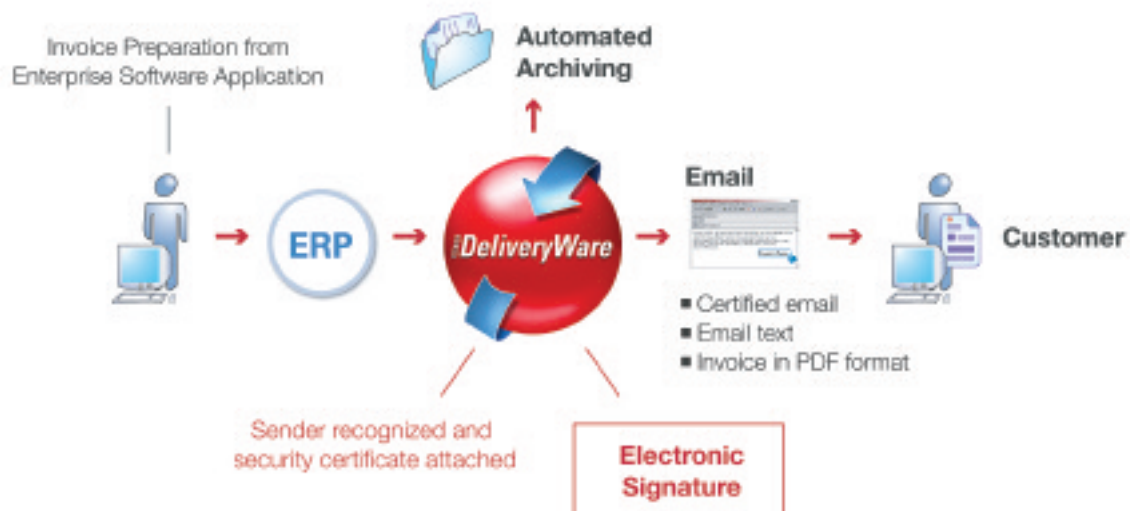
For customers who have not adopted e-invoicing, businesses can also gain significant automation efficiencies by outsourcing processing of paper invoices using Mail on Demand services as part of the Esker DeliveryWare solution. Invoices are sent directly from the SAP system to an Esker on Demand facility for production and postal delivery.

E-invoicing with Esker DeliveryWare also enables automated storage and retrieval. Transmitted invoices can be stored for the long term and made searchable on key indices such as invoice number, invoice date, purchase order number, customer number, etc.

Intelligent e-invoicing benefits

- **Less average time** to collect payment
- **Less** outstanding debt
- **Billing errors and returns** reduced by as much as 90%
- **Lower billing costs** and higher productivity
- **Increased process control** with automated invoice approval
- **Less overhead and paper handling** for printing, folding, stuffing, stamping, and mailing
- **Improved service to customers** and increased competitiveness as other companies adopt e-invoicing

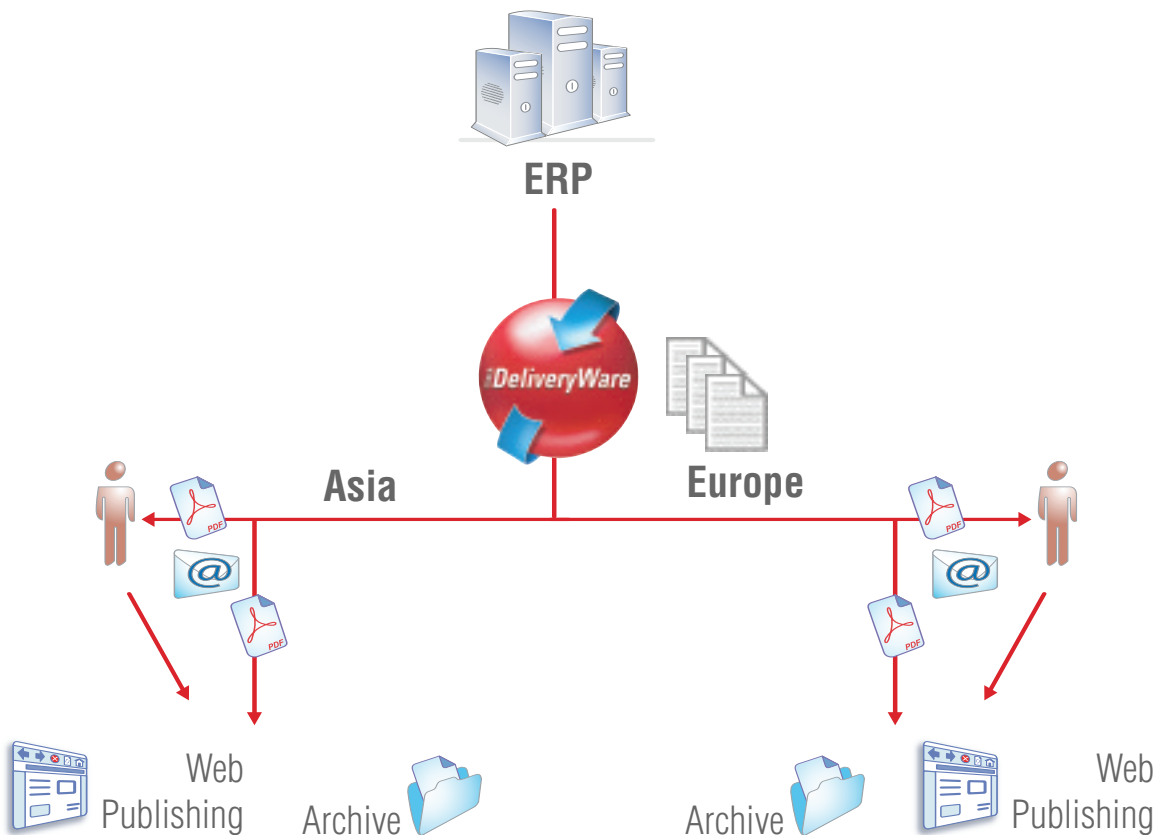
Intelligent e-invoicing process example



Case study

A leading maker of digital circuits sends 100,000 invoices annually to customers around the world. These invoices are generated by the SAP system, printed, and sent each day. Prior to Esker DeliveryWare, the company used archaic green bar forms and sent the invoices via FedEx worldwide. Invoices to Asia were manually batched, and invoices for Europe had to be manually archived for Valued Added Tax (VAT) audits. Total annual cost of the process was estimated to be \$98,000 per year; the company quickly recognized the need to route European, Asian and U.S. invoices in daily batches according to the distributor, and either send a single email with multiple secure PDF attachments, or send all the invoices as one secure PDF attachment.

Today with Esker DeliveryWare, the company shortened its invoicing cycle while gaining automated archiving for storage and retrieval — complete with an audit trail. Invoices go directly from the SAP system via print spool to Esker DeliveryWare, which applies formatting specific to U.S., European or Asian invoices. Asia invoices are batched, converted to a PDF and submitted to a secure web site. Then a notification email is sent to the receiving customer with a link to the batched invoices. Europe invoices are converted to PDFs that are emailed (as attachments or with a secure web link) and electronically archived for searching and retrieval. This ability to merge 100 PDFs into a single PDF and route the document was a key factor in the company's decision to implement Esker DeliveryWare. Initial annual savings totaled \$68,000 with ROI in three months.



Conclusion

An organization's cash flow depends heavily on billing. The ability to optimize cash flow is hindered by manual means of delivering invoices by conventional means such as fax and mail.

Despite the revolutionary impact of SAP solutions on business processes, invoices are among the essential documents that often remain bound to manual delivery. Significant cost and time savings, as well as increased customer satisfaction, can be directly attributed to electronic invoicing.

Esker DeliveryWare enables businesses running SAP solutions to electronically "present" invoices to customers, shortening the time from when the invoice is generated until the time the invoice is available to be processed by the customer. As a result, businesses can collect cash faster and help improve overall profitability through instant invoicing delivery and end-to-end automation, which also lowers invoice production and handling costs to near zero and cuts invoice production time by as much as 100%.

About Esker

Esker is a recognized leader in helping organizations eliminate manual document processes, increase process visibility and control, and reduce the use of paper by automating the flow of documents into, within and outside the organization. Customers gain significant and immediate operational efficiencies, cost savings and measurable ROI in as little as three to six months.

Esker solutions include an end-to-end platform that automates every phase and every type of document-based business information exchange, and online services enabling fax and postal mail from enterprise and desktop applications without the need for printers, mailroom equipment, fax machines and similar infrastructure.

Founded in 1985, Esker operates globally with more than 80,000 customers and millions of licensed users worldwide. Esker has global headquarters in Lyon, France and U.S. headquarters in Madison, Wisconsin.

For more information about Esker or other Esker product lines, email info@esker.com or visit: www.esker.com.



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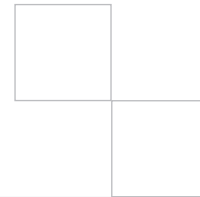
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