

DP DHL slashes invoice processing costs by 88% with OB10

Introduction

DP DHL is the recognised market leader in the international express and logistics industry. DP DHL's international network links more than 220 countries and territories worldwide and employs 500,000 staff, generating revenues of more than 46 billion Euros each year. The company offers a wide range of services in express, air and ocean freight, as well as international mail solutions.

The Challenge

Although the initial project was to improve the invoice process in Europe, as a global business, DP DHL's first challenge was to implement a solution that would work in and alongside all the regions in which it trades. Invoice processing was an expensive and complicated procedure mainly due to incorrect invoices arriving late or being lost. Indeed, each invoice DP DHL received was costing the company an average of 5 Euros. Furthermore the process was slow – invoices were taking longer to process due to errors on the invoices or being sent to the wrong person within the organisation – a cumbersome process and reliant on the postal system in each different country.

With such a large supplier base, DP DHL needed to review and improve the way it managed supplier invoices, while still accounting for regional variations and different tax systems.

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Senior Process Consultant*

DP DHL



The Solution

DP DHL took the strategic decision to switch to e-invoicing in order to improve the way it processed invoices and tendered for an e-invoicing partner to support it moving forward. OB10, the global e-invoicing network was chosen due to the additional services that are included in its solution, such as supplier enrolment, and its best practice programme management capability. OB10 demonstrated an impressive global reach that includes a highly skilled multi-national team with international experience who are able to support each region in their own language and culture. The initial contract was for e-invoicing to be rolled out within 17 entities across 6 countries of the DP DHL and OB10 identified the key priorities, defined which entities and regions would be transitioned to e-invoicing with a target of 70% of suppliers to be enrolled within the first two years.

Gabrielle Philippens, Senior Process Consultant at DP DHL said: “As a global company, OB10 was an obvious choice. We needed to work with a partner that could not only understand European VAT and regional complexities, but could (in the future) manage a global roll-out. In addition to their impressive customer list and obvious international experience, the fact that OB10 offered additional services such as supplier enrolment as part of their solution was key. It is essential for us to have dedicated supplier enrolment that is managed by OB10 in our suppliers’ local language”.

Benefits

DP DHL started to see the benefits in terms of cost reduction almost immediately. Prior to implementing e-invoicing through OB10, the cost of processing an invoice was approximately €5 from start to finish. Following the implementation, the cost of processing an invoice has fallen to just 60 Euro cents – a remarkable 88% reduction. In addition, e-invoicing through OB10 made processing invoices much faster and more accurate, which in turn enabled the finance function to devote time to more strategic, value-added activities.

e-Invoicing also offers undoubted benefits to DP DHL’s suppliers. The new invoicing procedure has enabled DP DHL to process invoices on time, resulting in a benefit for



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the suppliers. OB10's e-Invoicing includes a validation process that will reject an invoice at submission if it has incorrect or missing information; saving the time that would be wasted on dealing with an incorrect invoice. The suppliers also receive confirmation when the invoice has been delivered, and are given support and guidance on what to do if an invoice is not fit for processing. Furthermore, suppliers can still submit invoices in any data format they choose without the need to implement additional hardware or software.

DP DHL prides itself on its commitment to the environment, with projects such as the GOGREEN initiative, which is a carbon efficient shipping option for DP DHL Express Business customers. It is important that the companies DP DHL partners with also have a strong commitment to the environment and corporate social responsibility. OB10's operations reduce the amount of paper used globally by removing the need for paper invoices and the company has won three prestigious Green Apple awards, thus cementing OB10 as an ideal business partner for DP DHL.

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The Future

DP DHL has now signed a second contract with OB10 to increase the number of electronic invoices they receive and to roll out across a further 10 countries and 18 entities by 2012. Due to the great success of OB10, DP DHL is also looking to include Inter-company invoices in the near future.

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About OB10

OB10 simplifies and streamlines the complex invoice-to-pay process. Neither client organisations nor their suppliers are required to implement any hardware or software, and OB10 is independent of the data file formats.

Operational across Europe, North America and Asia, OB10 is compliant with the requirements of VAT, tax and e-Invoicing legislation and exchanges invoices between thousands of customers in over 130 countries.

To ensure unrivalled and rapid supplier enrolment, each new customer’s suppliers are supported by an implementation services team responsible for getting them up and running on the OB10 network.

Customers include: Agilent Technologies, Aviva, Barclays, BP, Cargill, DHL, DSG International, Fisher Scientific, General Motors, GlaxoSmithKline, Hertz, Hewlett Packard, IBM, Kellogg’s, Logica, Deutsche Lufthansa, Mohawk Industries, Pfizer, SaraLee, Shaw Industries, Tesco and Xerox.

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