



The global e-Invoicing network

Electronic Invoice Delivery at ArvinMeritor

“The OB10 service was exactly what I was looking for. I was attracted by a number of benefits. The simplicity of the concept itself appealed. The network also had a successful track record of supplier uptake. Crucially, the solution enables us to achieve the efficiencies required and a ROI by month 6.”

Lidija Foley
Process Improvement Manager
ArvinMeritor

Introduction

ArvinMeritor, providers of technologically advanced systems and modules for the automotive industry, has today announced its subscription to OB10, the electronic invoice delivery network run by OB10.

Membership of the OB10 network is part of a new phase of finance improvement initiatives, aimed at creating a more efficient back office, to release resources from repetitive and laborious manual tasks. OB10 enables ArvinMeritor to eliminate a high percentage of paper invoices. In future, invoices will be delivered as data, providing more accurate and accessible reporting information.

“Our aim was to transform the Finance Department to better support our business and provide management with accurate financial reports, making the business more competitive, able to win new business and grow,” commented Mark Bennett, Senior Director Finance, ArvinMeritor, LVS Door Systems.

ArvinMeritor embarked on a business process improvement initiative back in January 2003 with the establishment of a shared services centre in France. The crucial driver behind the decision to implement shared services was to improve efficiency and reduce cost. “We needed to reallocate staff from low value activities in finance and move them to more productive activities in the business” says Lidija Foley, Process Improvement Manager, ArvinMeritor.

It was soon recognised however, that the ambitious targets were difficult to achieve.



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“Invoices enjoy immediate and guaranteed delivery,” says Lidija Foley, Process Improvement Manager, ArvinMeritor. “Those which contain common errors are rejected by OB10 and the supplier is notified. This process should guarantee payment by due date. As you can imagine this improves our relationship with our supplier base.”

Lidija Foley

Process Improvement Manager

About OB10

OB10's (www.OB10.com) standard-setting global B2B e-Invoicing solution simplifies and streamlines the complex invoice-to-pay processes between companies and their suppliers, while reducing the cost to manually process invoices by as much as 60 percent, and delivering ROI in less than six months. Operational in Europe, North America and Asia, web-based OB10 is compliant with each region's regulatory requirements, such as Sarbanes-Oxley and VAT. To ensure unrivaled supplier adoption, 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: Hewlett-Packard, GlaxoSmith-Kline, Agilent Technologies, General Motors, Crown Holdings, BAT, Cargill, Mohawk Industries, TUI, Readers Digest, Eaton, Medas (BBC), Fisher Scientific, and Xansa (BT).

Three of the sites serviced by the shared services are Aperture Systems assembly plants located in Sully-sur-Loire, Esson and St. Die in France. These operate JIT (just in time) inventories, which result in a much larger quantity of invoices. The procure-to-pay process was therefore resource heavy and inefficient.

To reduce the resources needed to process the large number of invoices, ArvinMeritor investigated a number of process improvement solutions which included scanning, EDI, self-billing and electronic invoicing. Although the adoption of EDI is widespread in the automotive industry it is problematic. There are still no common industry standards for EDI, it is costly to set up and maintain, and requires VAT approval for every link – with cost implications.

It was a UK-based company, OB10, with its simple Electronic Invoice Delivery solution and no hardware, no software subscription model that appealed.

With OB10 all invoices are electronic, data processing is accelerated, transmission and filing are fully automated and costs are reduced. This leads to immediate resource and cost savings in the area of storage. This is of particular relevance in France where companies are required by law to store invoices for 10 years. Supplier benefits have ensured a high uptake of the service.

Three months after subscribing to the OB10 network, ArvinMeritor has re-assigned resources to more analytical roles. “What we have done,” says Mark Bennett “is encourage individuals - traditionally transaction processing, data entry staff – to think differently and grow their potential within the business. The combination of automating the transaction processing roles such as keying in invoice data, with the creation of self-managed teams where the individual is responsible for the success of each team has inspired this.”

ArvinMeritor plan to roll out OB10 in Germany and the UK and eventually consolidate shared services into a single European Shared Services centre.

Jamie Gunn, CEO OB10 says, “We're pleased to welcome ArvinMeritor to the OB10network. As new reporting standards come in to play, the role of the finance function is growing. Shared services in particular, play a key role in providing the business with the right data at the right time. We're glad that OB10 membership will help ArvinMeritor achieve their goal of creating finance functions, which can better support the business in strategic decisions. ArvinMeritor joins an ever-growing number of shared services companies on the network, organisations such as GlaxoSmithKline, Pearson and Cargill who are all using the network to improve their back-office operations.”