

## Transactional Print Case Study

### The Food Company Billing System

#### Background

A large Food Company supplying food products to supermarket chains, wholesalers and small businesses distributes its products via 3 different companies within its Group.

Invoices, credit notes (daily), consolidated invoices (weekly) and statements (weekly and monthly) were generated on 3 part pre-printed continuous stationery printed on dot matrix printers. Electronic invoices were generated via EDI for the larger supermarket chains only.

Documents were generated and printed in house from a main frame computer system and distributed as follows:

*Part 1 - Customer Copy*

*Part 2 - Credit Control Copy*

*Part 3 - Archive copy*

The computer system was not user friendly meaning the credit control department had to access paper file copies of documents to answer queries, create invoice copies etc.

Invoices should have been mailed daily, however due to peaks and availability of staff, invoices were often late. In addition invoices were generated by 3 different companies often to the same customer on the same day and credit notes were mailed out separately from the invoices. Certain invoices or credit notes needed to be "pulled" from the run for checking before being mailed.

The Group generated over 250,000 documents per year, many of which had multiple pages. Sometimes the wrong invoices were sent to the wrong customer meaning that customers were seeing competitor's prices and discount terms, resulting in some costly discussions and re-negotiations!



#### Customers Outsourcing Requirement

The Food Company looked to outsourcing hoping to speed up the invoicing process; with less error; whilst reducing the overall costs. Their more specific requirements included: -

- Handling 5 data files per day for invoices and credit notes for 3 different companies.
- Combining statements with invoices and consolidated invoices if despatched on same day.
- Same day mailing of documents from data supplied before 10 AM.
- The corporate identity of each of the 3 companies to be preserved on 3 different stationery types.
- Guarantees to ensure that no customer received an incorrect invoice showing discount terms of a competitor.
- Reduced postage costs by collating documents for the same customer in one envelope.
- Certain documents to be diverted back to Head Office and not mailed (based on a set of criteria such as nil balances, credits over a certain value etc.).
- Setting up an effective archive and retrieval system for credit control that also met the statutory government legislation concerning validity of invoice copies, including EDI invoices.
- Provide a robust and secure method of delivering an electronic billing solution to some of its customers currently not utilising EDI.

The Food Company was ultimately expecting an improvement in cash flow as a result of invoices being mailed on time and credit control having an effective tool to use for dealing with queries.

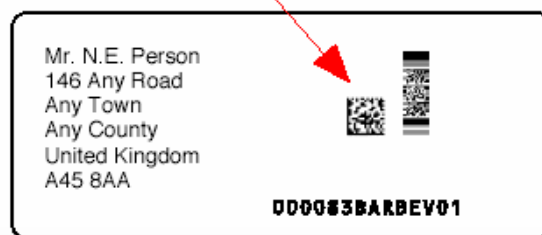
# The Datagraphic Solution

## Data Preparation

A custom data preparation programme was written to combine multiple files on a daily basis. This script combines different files for the various documents from the 3 companies and then sorts the file by type of document and mailing addresses.

Stationery types are identified by a pre-printed PDF417 barcode in the window position on the letterhead, whilst the programme script prints a small 2D barcode to identify the file and the individual document.

Multiple pages are identified and OMR marks printed on the documents to ensure the right documents are inserted with the relevant continuation pages.



Flags are included in the data file supplied, indicating how each record should be processed. For example:

- 01 - Print and mail
- 02 - Email with PDF attached
- 03 - Email to advise that documents are available in the web for viewing and printing
- 04 - EDI document – do not print or email, store in archive system only

Additional logic is in place to divert documents based on predetermined criteria such as nil balances, inter-company invoices, credit notes over a certain value etc. These documents are still printed but couriered or posted back to the Food Company.

## Printing

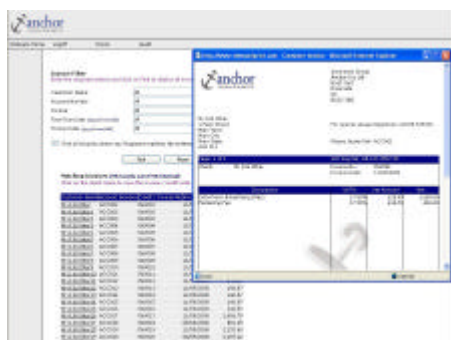
Documents are printed on Xerox 4635 laser printers with multiple trays at a speed of 8000 documents per hour. The script “pulls” 1 of 3 different types of stationery plus a pink separator sheet from the 4 trays of the Xerox. In this way all 3 companies and all 4 types of jobs (invoices, credit notes, consolidated invoices and statements) can be printed simultaneously, saving set up and printing time. The pink separator sheets are printed with instructions for the mailroom on how to separate the various batches for mailing or diverts.

## Fulfilment

Kern inserting equipment is fitted with cameras to scan the first page of each document through the window of the envelope using Datagraphic’s unique Mailcare system. This system checks the PDF417 barcode on the stock to ensure the correct job is printed on the right letterhead. It also uses the 2D barcode to check there are no missing documents and the right documents are inserted into the correct envelope.

As multiple page documents and combined documents for one address can be inserted together, it is now possible to have up to 5 different invoices or credit notes for the same company inserted into one envelope - resulting in significant saving of mailing costs.

Final documents are mailed on the customer’s Royal mail account using the Royal Mail E’pro system enabling the client to keep track of the status of the mailing and the mailing costs.



## Credit Control Copies and Archives

Data from each print run is uploaded to a dedicated Web site branded to the customer using Datagraphic’s Webcare “View and Print” system. PDF copies of all documents, including printed, EDI or EBS, are uploaded to the site.

Credit Controllers and Managers at the Food Company are now able to log on to the Webcare site and view their customer’s billing documents. Copies can be printed, faxed or sent as a PDF copy by email directly from the web site.

At the end of each month, a copy of the previous month’s documents is saved to a CD to be kept by the company as an archive copy that is approved by the Inland Revenue. The CD is indexed with a search facility which the user can use to quickly access a single billing document.

## Electronic Billing System (EBS)

The Webcare system is also used as the vehicle to distribute billing documents electronically via email. The Food Company’s customer has the facility to register on line to receive their documents and the customer can decide how they wish to receive their invoices (paper or electronic) in the future.

When data is uploaded to the web, the system automatically sends off emails to the selected users, who can either view an attached PDF or log on to view and print their specific billing documents. It is also possible for users to download document data directly from the Webcare site in a CSV or Excel format.