



Driving Innovation in Supply Chain Solutions

"Leading companies today are leveraging established supplier networks as a "single point of contact" with their suppliers from order issuance through e-invoice settlement. The benefits can be substantial. Enporion customers, for example, point not only to reduced PO and invoice processing cycle times but

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 Founded: 2000
 Enabling: Sourcing, Procurement,
 Payment, Integration
 & Infrastructure/ERP

also to increased supplier relationship success rates as a result of leveraging the enabler's network. For its pioneering work in helping its customers meet their 'next-wave' supply chain challenges, we are pleased to include Enporion in the

2008 Supply & Demand Chain Executive 100." – Editorial Staff of Supply & Demand Chain Executive.

End-to-End e-Procurement: The Foundation of Spend Management

E-Procurement has been around for over a decade, but even best-in-class organizations max out at 82% spend under management while average organizations implementing e-procurement only have 65% of spend under management, according to Aberdeen Group.

Why? Although it's hard to say for sure, it's likely because so many e-procurement solutions on the market are partial or incomplete end-to-end solutions. Solutions such as EIPP, P2P and e-payment solutions only satisfy the needs of part of the sourcing and procurement cycle.

Enporion's innovation in delivering e-procurement solutions has led to a true integrated end-to-end e-procurement system. Process complexity, due to the number of different sourcing strategies, transactions, and

documents that are involved, has created a challenging albeit rewarding environment for technology investment for many businesses. Over the last decade, products and services evolved in piece-meal fashion to deliver catalog management or auctions or eRFx. Now a few companies, including Enporion, have brought forward new architectures to automate the entire procurement business process and all transactions from sourcing-to-settlement in a quick-to-implement, Software-as-a-Service environment.

The greatest benefit of Enporion's solution lies in its **End-to-End** e-Procurement system, Enporion's Supply Chain Manager®. The solution covers every aspect of the purchasing process. The components can be highly customized, rapidly deployed, and purchased individually – yet they are all synchronized and work together as one system.

TOP TIP: Leverage Enporion's established supplier network as a "single point of contact" with suppliers from order issuance through e-invoice settlement.

In addition to an established supplier network, Enporion's Supply Chain Manager® includes e-Sourcing solutions (Spend Manager, Bid Manager and Contract Manager); e-Procurement solutions (Procurement Manager, Catalog Manager, Transaction Manager and Order Manager); and the coup de grace, the e-Finance solutions that deliver on the emerging promise of Supply Chain Finance (SCF). Therefore, buyers that choose Enporion leverage the supplier network and the complete solution suite.

The Ultimate Goal of End-to-end e-Procurement: 100% Spend Visibility

A properly implemented end-to-end e-procurement system simplifies purchasing. When backed by adoption strategies, more employees use the e-procurement system. The amount of spend going through the system is increased. The result is that the purchasing team has greater visibility into spend, which allows the organization to leverage their purchasing power for every commodity and vendor.

The resulting increase in **spend under management** drives significant savings in any procurement organization because more visibility into spend leads to better management. It helps ensure that spend is with approved suppliers for approved goods and services at contracted, or “best price,” rates.

Subsequently, more data being tracked allows the organization to identify which categories are the most likely to yield returns in a sourcing effort.

Upon an initial implementation of an e-procurement system, an average organization increases spend under management by 35% almost overnight, from 48% to 65% (*E-Procurement: Trials and Triumphs, Aberdeen Group, October 2007*). Similarly a best-in-class organization that implements end-to-end e-procurement will see spend under management increase by 59% to 82%, almost instantly.

By leveraging a supplier network, a company can realize dramatic savings starting from spend analysis through sourcing and procurement all occurring electronically. Enporion has provided an end-to-end fully integrated solution suite for its customers, and continues to build out the technology with Supply Chain Finance additions such as “Settlement Hub.”

Extending the Supplier-Enabled Hub to Include All Commerce Parties

Enporion’s newest innovation, Integrated Cash Settlement, creates a “Settlement Hub” and is the extension of integration with a company’s suppliers to integrating with all of its other commerce parties. Commerce parties include not only suppliers but also employees, customers, investors, banking partners and any entity with which the company engages in cash exchange.

Just as solutions for e-Procurement evolved in piece-meal fashion, companies implemented numerous front-office systems to manage cash transactions. Now Enporion’s e-Finance solution

provides integrated SCF technology that will allow businesses to achieve a goal of 100 percent visibility into cash management operations. *Global Treasury News* has noted that “a majority of companies cite the complications posed by multiple financial systems as their greatest obstacle to developing an accurate cash management picture.”

One Enporion customer, PPL Corporation, processes 50,000 to 100,000 cash remittances each day arriving in the form of checks and electronic payments, and originates approximately 10,000 direct debits each day originating from online bill presentment and automatic bill payment programs.

PPL engaged Enporion to create a system to accomplish what treasurers call Payment Systems Convergence. The result is Enporion’s Settlement

Hub e-Finance solution, a commerce platform that allows all front office systems to pass all the required receipt and disbursement information into a common “Settlement Hub.”

A key component of Enporion’s e-Finance solution, the dynamic rules engine, automates the majority of cash transactions, allows rules modification by financial analysts via an easy-to-use non-technical interface, and minimizes manual intervention and reconciliation.

Settlement Hub – The Next Innovation in Supply Chain Solutions

The e-Finance “Settlement Hub” solution allows third parties to be able to see the status of their payment obligations and access dynamic discounting information to “renegotiate” settlement terms in real time.

Additional benefits include the ability to:

- Integrate with multiple front-office ERP (disparate corporate data) systems, including physical supply chain operations;
- Accurately forecast cash and working capital requirements;
- Integrate AR and AP staff operations;
- Satisfy emerging audit and compliance requirements.

In summary, Enporion’s end-to-end e-procurement and settlement hub solutions combined make it possible for organizations to integrate physical and financial supply chain management, and to extend the settlement process to include the full span of treasury operations. Enporion’s “next-wave” in supply chain innovation offers a complete end-to-end solution with professional services to complement the offering.

Aberdeen Group describes Supply Chain Finance as “concerned with lowering the financing- and settlement-related costs that are embedded in the supply chain, as well as contributing to better supply chain costing procedures.”
