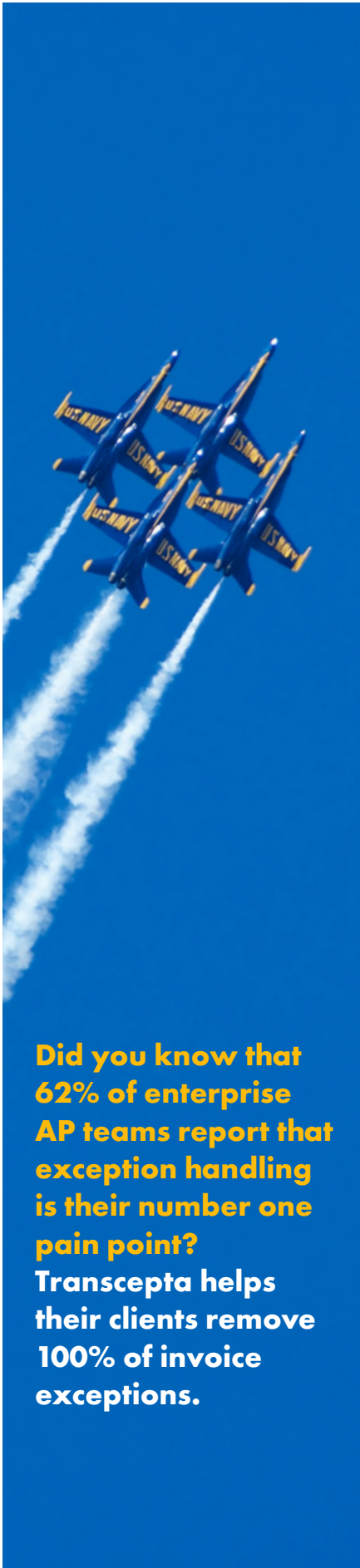


CASE STUDY

How RTX Moved to a 100% Digital Accounts Payable Process



Did you know that 62% of enterprise AP teams report that exception handling is their number one pain point? Transcepta helps their clients remove 100% of invoice exceptions.

About RTX

Every day, more than 180,000 employees across RTX and its three businesses – Collins Aerospace, Pratt & Whitney and Raytheon – work as one to answer the biggest questions and solve the hardest problems in aerospace and defense.

By the Numbers:

300,000

Invoices processed annually

20,000+

Suppliers around the globe

\$67 Billion

In annual revenue

180,000

Employees worldwide

The Accounts Payable Automation Challenge

RTX was expending a huge amount of time and resources to manually process more than 25,000 monthly invoices from 20,000+ suppliers located across the globe. The Accounts Payable team employed a small army of FTEs to manually enter the invoice data, resolve exceptions via lengthy, tedious email chains, and route the invoices for approval, costing the company millions in lost profit due to inefficient internal processes.

// *Prior to Transcepta our suppliers were sending invoices through the mail, or emailing them to us. When you have over 20,000 suppliers, the resources required to manually manage incoming invoices is staggering.*

Director of Finance, RTX

Furthermore, the vast majority of supplier invoices arrived via postal mail, or as a PDF attached to an email which required a massive amount of time and resources to manually process. To help stem the flow of paper invoices RTX connected many of its larger suppliers via EDI, but the effort and resources required to scale EDI connections to all suppliers was not feasible. The only way to improve processing times was to hire more FTEs, which was both expensive and inefficient, meaning the company was stuck operating within the status quo.

Finally, RTX did not have a single source of truth for their supplier data, meaning suppliers were not able to keep their information up to date and did not have visibility into the status of their pending payments. This put a strain on supplier relationships and made it difficult to communicate and collaborate. RTX needed a platform that could connect to its existing ERP system, digitally connect its suppliers, and enable straight-through invoice processing to remove manual labor and eliminate paper.



The Solution

After a comprehensive provider search, RTX selected Transcepta to streamline and transform its AP process with accounts payable automation. The key driver in the decision was that Transcepta does not use Optical Character Recognition (OCR). This is important because OCR requires staff to verify invoice maps and correct “read” errors. RTX needed a true digital solution to free staff from manual labor.

Transcepta’s inherent flexibility enabled suppliers to connect to the platform in any format including EDI, XML, and PDF. Suppliers still using paper invoices were able to take advantage of Transcepta’s Virtual Printer, which enables any supplier with a system that can print, to send invoices in a truly digital format. Because of Transcepta’s unique ability to digitize and process incoming PDFs without the use of OCR, RTX was able to improve cycle time and accuracy, and straight-through process incoming supplier invoices.

Once the suppliers were connected to the Transcepta Supplier Network, RTX was able to manage all of its supplier data in the platform via Transcepta’s pre-built connection with its ERP. Suppliers in turn gained access to the Transcepta Supplier Portal where they could keep their information current, and check the status of incoming payments.

Each supplier invoice was straight-through processed enabling RTX to free up valuable team resources and focus attention on profit-generating activities. RTX’s AP team was also able to leverage Transcepta’s AI and machine-learning capabilities to automate exception resolution and route invoices for proper approval, increasing both transparency and efficiency throughout the supply chain.

// *Adopting Transcepta was a no-brainer for us. It makes us way more efficient as an organization and has dramatically improved our overall ROI. There is simply no way we could accomplish what Transcepta helps us do with in-house resources.*

Director of Finance, RTX

With Transcepta RTX was able to:

- Connect all suppliers digitally.
- Reduce AP resources and increase profit.
- Remove manual intervention from invoice processing.

The Results

60 Day Implementation

Implementation of the Transcepta Platform only took 60 days from start to finish.

20,000+ Suppliers Connected

After implementing Transcepta, RTX leveraged the Transcepta Supplier Network and connected 20,000+ suppliers located across the globe.

100% Digital Invoices

100% of supplier invoices are now received in a true digital format, freeing up time and resources in the AP department.

Operate More Efficiently

AP is now able to operate more efficiently and reduce FTE resources due to Transcepta's automated exception handling and approval workflow capabilities.

Improved Relationships

Transcepta's supplier portal eliminates invoice inquiries and provides information to suppliers, creating a better supplier relationship and eliminating a significant burden in AP.



Automate and Streamline Accounts Payable

Transcepta automates the AP process, end to end. For nearly 20 years, enterprise and mid-market organizations have partnered with Transcepta to connect with suppliers quickly, reduce costs, control cash flow, and make better data-driven decisions. With Transcepta, organizations can move beyond slow, error-prone, and unscalable processes and transition to a fast and accurate online system that is easy for everyone to use.

Want to liberate your AP team from OCR?

Schedule a Demo