

CASE STUDY

How a global defense
and aerospace giant
leverages Transcepta to
enable P2P and accounts
payable automation



**62% OF
ENTERPRISE AP
TEAMS REPORT
THAT EXCEPTION
HANDLING IS
THEIR NUMBER
ONE PAIN POINT***

Transcepta helps
remove 100% of
invoice exceptions

* Ardent Partners: The State of ePayables 2019

About the Company

Transcepta's client is a technology and innovation leader specializing in defense, civil government, and cybersecurity solutions. Founded in 1922, the company provides state-of-the-art electronics, mission systems, and mission support services to the US military. The company's engineers solve some of the world's toughest problems, and their work in aerospace, defense, and civil government helps keep people safe around the world, from the depths of the ocean to the outer reaches of space.

By the numbers:

300,000

Invoices processed annually

15,000+

Suppliers located around the globe

\$25.3 billion

In annual revenue

67,000

Employees worldwide

The Accounts Payable Automation Challenge

This major US Defense Contractor was expending a huge amount of time and resources to manually process more than 25,000 monthly invoices from 15,000+ 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 15,000 suppliers, the resources required to manually manage incoming invoices is staggering.*

AP Manager, Global defense and aerospace enterprise

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 the Defence Contractor was able to connect a few of their larger suppliers via EDI, but the effort and resources required to scale EDI connections to a material number 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, the company 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. The Defense Contractor needed a platform that could connect to their existing ERP system, digitally connect their suppliers, and enable straight-through invoice processing to remove manual labor and eliminate paper.



With the help of Transcepta the Defense Contractor was able to:

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

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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,
Global defense and aerospace
enterprise

The Solution

After a comprehensive provider search, the Defense Contractor selected Transcepta to help them streamline and transform their P2P process with accounts payable automation. Because the Defense Contractor was struggling with manual invoice processing, the Transcepta team immediately began work connecting their suppliers to the Transcepta Supplier Network, which facilitates the instant electronic transfer of data between supplier and business. To enable the Defense Contractor's 15,000 suppliers Transcepta leveraged their proprietary supplier onboarding technology and process, which connects and enables any supplier, regardless of size or sophistication in minutes. Because Transcepta manages the whole onboarding process, the Transcepta team did not require any additional resources from the Defense Contractor

// *We could only connect a small fraction of our suppliers and then hit a wall. The Transcepta team helped us connect the remainder of our 15,000 suppliers which has made a huge impact on our overall efficiency.*

Supply Chain Manager, Global defense and aerospace enterprise.

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 an incoming PDFs without the use of OCR imaging, the Defense Contractor was able to improve cycle time and accuracy, and straight-through process the vast majority of incoming supplier invoices.

Once the suppliers were connected to the Transcepta Network, the Defense Contractor was able to manage all of their supplier data in the platform via Transcepta's pre-built connection with their ERP. They were also able to receive invoices accurately and instantly, instead of through the postal service or email. 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 the Defense Contractor to free up valuable team resources and focus attention on profit-generating activities. The Defense Contractor's AP team was also able to leverage Transcepta's artificial intelligence and machine-learning capabilities to automate exception resolution and route invoices for proper approval, increasing both transparency and efficiency throughout the supply chain.

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.

88% digital invoices

88% of supplier invoices are now received in a true digital format, instead of via postal mail or email, freeing up time and resources in the AP department.

Improved relationships

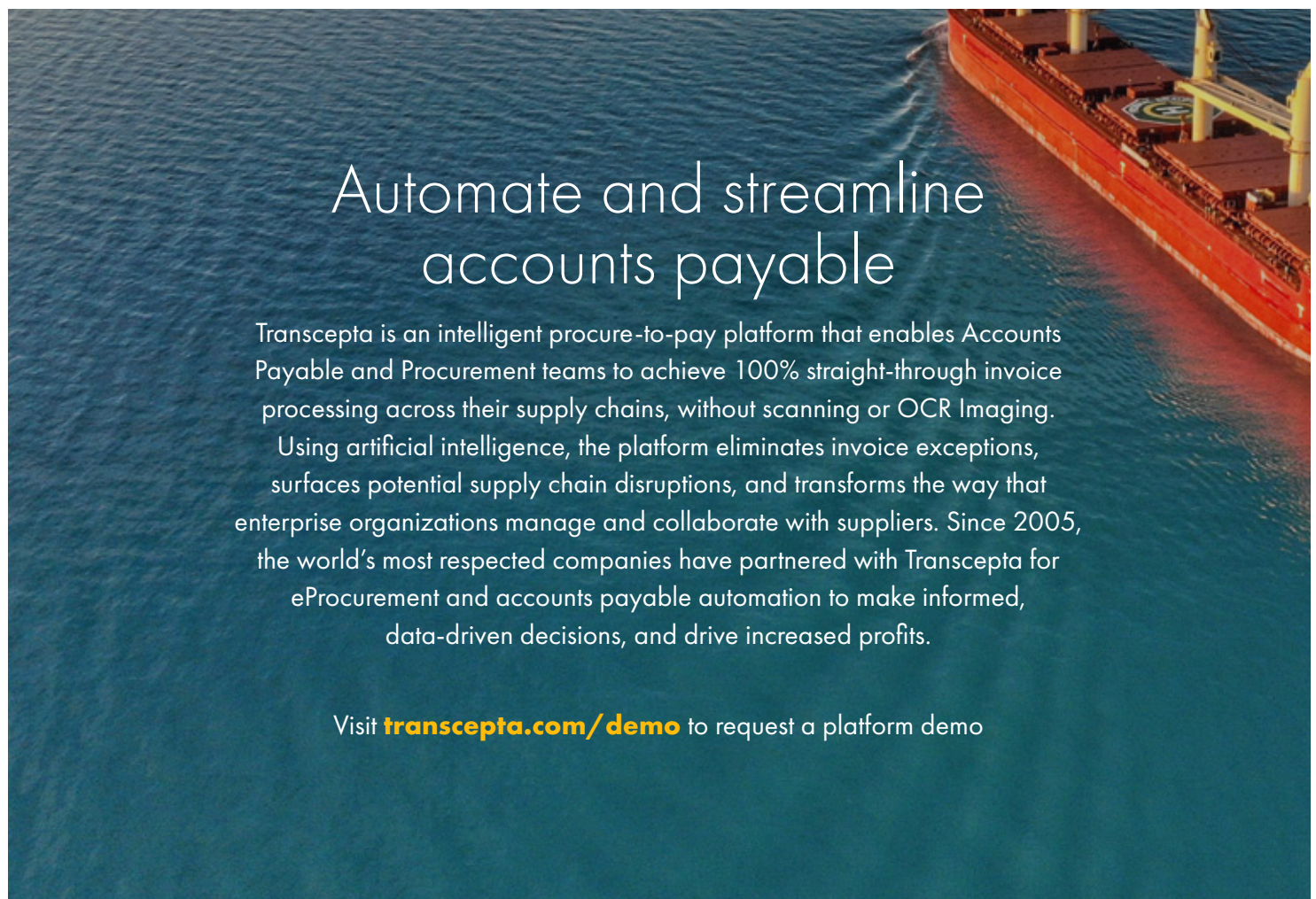
Transcepta's supplier portal helps resolve invoice inquiries and provide information to suppliers, creating a relationships and eliminating a significant burden for AP.

15,000+ suppliers connected

After implementing Transcepta the Defense Contractor leveraged the Transcepta Supplier Network and Transepta's dedicated onboarding team to connect 15,000+ suppliers located across the globe.

60 day implementation

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



Automate and streamline accounts payable

Transcepta is an intelligent procure-to-pay platform that enables Accounts Payable and Procurement teams to achieve 100% straight-through invoice processing across their supply chains, without scanning or OCR Imaging.

Using artificial intelligence, the platform eliminates invoice exceptions, surfaces potential supply chain disruptions, and transforms the way that enterprise organizations manage and collaborate with suppliers. Since 2005, the world's most respected companies have partnered with Transcepta for eProcurement and accounts payable automation to make informed, data-driven decisions, and drive increased profits.

Visit transcepta.com/demo to request a platform demo