

Top manufacturer optimizes AR document management to improve service—saves \$350k

“Without OnBase, we would have to double our staff to do all we do today.”

— Jim Derrick, IS Manager, Central Services-Applications

The Challenges

- AP volume difficult to manage, especially at year-end audits
- Paperwork not readily available for dispute resolution/plant issues
- Reporting and planning difficult

The Results

- Volume is up 15% and \$150,000 is saved annually in AP and AR labor
- Two day drop in DSO = \$200,000
- Deduction disputes and issues resolved in minutes, not a week

The Customer

With 100 years under its belt bringing high-quality products to its customers, Bush Brothers and Company has attained an excess of 80 percent of the U.S. baked bean market share. What's the secret? A vision for excellence driven by changing market needs and a commitment to making and distributing the best products possible. Value-driven stewardship and ethical responsibility to its employees, customers, partners and community are as much of a staple to Bush Brothers today as they were a century ago.

The Challenges

Despite the fact that Bush Brothers' high-volume financial processes were almost all EDI-driven, its accounts payable (AP) and accounts receivable (AR) departments were engulfed in paper, clouding real-time visibility. Too much staff time was spent on non value-added tasks. It was impossible for staff to handle the year-end volume without hiring temporary help. Also document-intensive, quality control processes at the manufacturing plants produced document stacks an inch thick, every day. Bush Brothers was storing 90 banker boxes per year to meet internal and FDA retention mandates. Documents were stored in-house for one year, offsite for seven.

The Journey

“We knew we needed something,” begins Jim Derrick, IS Manager, Central Services-Applications. “We had an enormous volume of documents moving through customer service, AP, AR and quality. If there was ever an issue, it could take a week to find the paper that had the answer. We wanted our staff to be able to spend their time on valuable activities, like reporting and analysis...not searching for documents.” Since costly jukebox systems were no longer the only option, Bush Brothers decided it was time to look at document imaging.

The Solution

Bush Brothers chose OnBase enterprise content management (ECM) for its document solution. Instant access to documents has optimized processes in many departments, including AP, AR and quality. OnBase has also improved visibility across the enterprise, resulting in reduced operations costs, dispute resolution time and days sales outstanding (DSO). Customer service and employee satisfaction have improved. Decision-makers at Bush Brothers have the best data at their fingertips, at the moment it is needed.

"With OnBase, we have seen drastic DSO improvement...we save \$200,000. Staff can now spend more time on deduction audits and service—focus on tasks that bring dividends."

— Jim Derrick

Disputes settled instantly, optimized DSO saves \$200,000

Before OnBase, staff would have to call the distribution warehouse and wait for the documents to be found—sometimes a week later. This delayed deduction resolution and put service at risk. Common disputes in AR center on whether agreed upon terms for goods, services and payment are met. OnBase now provides Bush Brothers AR and customer service staff with the tools to collaboratively and quickly resolve deduction disputes. More than 90 percent of receivables documents are received via EDI and COLD processed into OnBase; the remaining supporting documents are scanned in and automatically associated with the correct order. Customer service can instantly view and e-mail not only the order in question, but also bills of lading and packing slips.

The time saved in looking for documents is now put to use in valuable tasks like analysis, reporting and auditing. "The first big bang for the buck was in customer service and AR," Derrick affirms. Trends were spotted earlier, write-offs decreased and DSO dropped by two days, or 10 percent. This efficiency saved \$200,000. Put simply, efficient AR revealed the secret recipe to improving both service and quality.

Volume increase of 15 percent no problem, even with 10 percent fewer staff

Documents are scanned—at corporate offices and from plants around the country—and indexed into OnBase using data from the Infinium ERP. Any invoice or purchase order is instantly available from its Infinium screen. "You don't just say the check is in the mail; now you can e-mail the check and its invoices instantly," says Derrick.

Even the year end month is now just like any other at Bush Brothers. Before OnBase, temporary staff were needed for two or more months, but no longer. In fact, two vacated full-time positions never had to be refilled, despite company growth. Audits of capital projects or FDA quality audits are conducted faster, without a drain on staff or touching a file cabinet. Auditor and staff relationships are improved.

Why OnBase?

Authorized OnBase Solution Provider, LBMC Technologies established a great relationship with Bush Brothers. OnBase offered point solutions that addressed immediate needs, and OnBase's ease of use and administration encourages enterprise expansion. Solutions now include human resources, general accounting, legal, tax and engineering. Hyland's strong partnership and proven integration solutions with Microsoft®, including SharePoint®, were also key differentiators.

time to make a difference.

Get more information out of existing business applications. Reduce, even eliminate, wasteful, redundant tasks. Now you can spend your time on the things that really matter. That's effective document and process management.

That's the OnBase difference.

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a Hyland Software solution