

OnBase®

a Hyland Software solution

REALSOLUTIONS
RETAIL



DENNY'S CORP.

DOCUMENT IMAGING A "GRAND SLAM" FOR RESTAURANTS' BACK OFFICE PROCESSES

Perhaps best known as the place to get an Original Grand Slam® breakfast 24 hours a day, Denny's has grown to become the largest full-service family restaurant chain in the United States with more than 1,500 locations in seven countries. At its Spartanburg, S.C., corporate headquarters, Denny's Corp. oversees back office operations for the chain, which realized system-wide sales of more than \$2.4 billion in 2007.

About 75 percent of Denny's restaurants are franchises, so the corporate support center must manage the paperwork related to those agreements in addition to tens of thousands of monthly invoices, countless human resources files, marketing materials and innumerable other documents. In addition to managing and maintaining these files, Denny's also needs to retrieve documents for multiple audits and use them to document Sarbanes-Oxley (SOX) compliance.

"We looked at document imaging to archive our corporate documents for about four years," says Wally Harris, Director of Financial Services at Denny's. "All our recordkeeping relied on microfilming or retaining paper, and we needed to get into the twenty-first century." These methods were expensive in terms of supplies and maintenance, physical storage costs and labor to create and retrieve the files. Managers wanted to replace old technology with a total solution that could cost effectively meet the needs of the corporate business offices and be easy to use.

After examining a variety of solutions, Denny's chose an OnBase solution designed and implemented by KeyMark, Inc., an Authorized OnBase Solution Provider. Developed by Hyland Software, Inc., OnBase is an integrated suite of ECM (enterprise content management) software solutions. "KeyMark listened to what our needs were, demonstrated how OnBase could meet them and offered local support," comments Harris. "We also looked at OnBase's ability to work with Lawson™ Financials and Hyland's reputation as a software vendor." To validate their assessment, representatives from Denny's visited two other OnBase customer sites in the Carolinas to see how their systems worked and to get feedback about the software.

"In investing in a solution for the support center, we decided to start with AP [Accounts Payable] and then expand it across other areas," says Harris. "We'll be scanning more documents than we ever filmed without increasing staff." To scan this vast number of documents, Denny's uses hardware from Eastman Kodak and Fujitsu Computer Products of America. The scanners are equipped with Adrenaline® scanner controllers from Kofax Image Products, Inc. to support OnBase's bar code recognition capabilities and reduce manual indexing.

LAWSON INTEGRATION BENEFITS AP STAFF AND INTERNAL CUSTOMERS

Denny's is fortunate that 85 percent of its company-wide invoices are received via EDI or other electronic means. However, that still leaves about 8,400 paper invoices a month that must be entered into Lawson and available for research or customer service. These invoices are scanned in batches and assigned to queues. Using dual monitors, clerks can simultaneously view the image of the invoice in one screen and the Lawson interface in the other. Clerks enter the values into Lawson and then the OnBase Application Enabler™ module "scrapes" multiple indexing values from Lawson. Denny's and KeyMark have also created a number of Visual Basic® scripts to validate data and minimize manual data entry, reducing the number of potential errors and facilitating retrieval.

"Much has changed in the world of AP," notes Lisa Schultz, AP Manager at Denny's. "We've automated travel and expense and offered purchasing cards to our managers for repair and maintenance expenses. By storing documents related to these AP processes, our staff is more productive, and because we image more documents than we ever microfilmed, research is far more efficient." The OnBase solution has also made employees outside the AP Department more productive. Internal customers with questions about spending can find the answers directly within the financial system.

AT A GLANCE

The largest full-service family restaurant in the U.S., Denny's® has implemented enterprise content management (ECM) technology to improve accounts payable processing, increase compliance and accountability and boost efficiency in other back office operations.

BENEFITS

- Fast access to documents through OnBase or Lawson interface
- Improved ability to respond to audits
- Fosters collaboration by improving accessibility to needed documents
- Increases operational efficiency and reduces cycle times
- Supports compliance initiatives
- Automates the retention and destruction of documents to conserve resources
- Reduces costs for creating, storing transporting and maintaining paper files

APPLICATION

- Accounts Payable
- Architecture
- Property
- Facilities
- Human Resources
- Time Cards
- Food Safety
- SOX Compliance
- Construction

COMPLEMENTARY PRODUCT INTEGRATIONS

- Lawson™ Financials
- Eastman Kodak i260 and 3520 document scanners
- Fujitsu Computer Products of America fi-5640, 5530 document scanners
- Captaris, Inc. Right Fax®

(continued)

"I believe there will be a time savings with tax auditors and their questions, such as sales tax audits by state," adds Ms. Schultz. "We can easily pull the documents requested from OnBase and even burn a CD to submit to auditors, including IRS and internal auditors. Often an audit has yielded a penalty because we had no foolproof method for proving a claim. OnBase assists us with claim research, serving as a repository for our SOX documentation and replacing existing binders."

FOSTERING COMPLIANCE AND COLLABORATION

"We're quickly expanding OnBase beyond accounting," says Harris. "We tried to prioritize areas where OnBase would have greatest impact, there is the greatest activity and the documents are shared by the greatest number of departments."

To ensure consistent enforcement of retention policies, an important component of SOX compliance, Denny's uses the OnBase Document Retention module. Whenever a new document type is set up, so is its defined retention policy. In some cases, the policy will be static, such as an invoice that ages out after a certain number of years. Other documents' life spans may be dynamic, such as a Human Resources file that must be stored for a prescribed number of years after employment is terminated.

OnBase is used to archive SOX audit results, historical franchise agreements, food safety inspection documents, health insurance documents, marketing files, contracts, real estate property manager leases, deeds, related correspondence, facilities, tax returns and many other types of documents. Projects are currently in development for Denny's Legal and Construction departments. Once in OnBase, documents are immediately available to users with appropriate privileges, allowing them to work more efficiently. For instance, digital photos of restaurants are imported into OnBase so project managers can review them and look at new furnishings.

The ability to e-mail or fax documents directly from OnBase yielded quick returns for the Architecture Department. Instead of having to print and mail plans, requestors can receive documents electronically, which also eliminates delays that can slow projects down. The Architecture Department is so enthusiastic about the new solution that they recently eliminated third-party scanning services and will be importing the images directly into OnBase.

"At first, they don't realize what we can offer them with OnBase, so there has been some scattered reluctance, but everyone using it is very happy,"

-Wally Harris

Director of Financial Services

Another exciting OnBase project is in the Property Group. Using a paper-based system, the Property Department would create a book for each proposed construction that would contain specific data about the site, financial information and other documents relating to the decision to build. This book would be passed around by the various executives on the management committee prior to a meeting. Now executives receive an e-mail when the "book" is available in OnBase and can view it simultaneously directly from their desktops.

Ms. Schultz and Harris believe that it will take a total of about three years to fully penetrate all of the corporate business office.

"At first, they don't realize what we can offer them with OnBase, so there has

been some scattered reluctance, but everyone using it is very happy," comments Harris. "Any user who has seen how efficient OnBase is for retrieval has been impressed, and they quickly get beyond their misgivings. The training is simple, and we've developed some custom queries to make it even easier. Once we get users acclimated, we easily make them believers."

OnBase

a Hyland Software solution

www.onbase.com

©Hyland Software, Inc. All rights reserved. v8002.92.30-003173