

Distributor strives for transactional excellence with automated purchase to pay



Unisource Canada, Inc.

Location

Richmond Hill, Ontario

Industry

Distribution

Business challenge

Enable cost-efficient electronic data interchange with suppliers

Solution

- IBM® Sterling Web Forms
- IBM® Sterling B2B Collaboration Network
- IBM® Sterling B2B Integrator

Benefits

- Improved throughput of orders
- Increased data accuracy
- Decreased invoice discrepancies
- Increased customer satisfaction
- Improved supply chain performance
- Reduced internal costs

Customer background

Unisource is Canada's single-source distributor of more than 80,000 paper, printing, imaging, graphic arts, packing, and maintenance supplies and equipment. Unisource Canada, Inc. is an indirect, wholly owned subsidiary of Unisource Worldwide—the leading independent marketer and distributor of commercial printing papers, packaging systems and facilities supplies in North America.

Business challenge

Unisource Canada works with approximately 2,000 suppliers, the majority of whom are not EDI-enabled. In the past, those suppliers processed Unisource's purchase orders manually via fax. That meant Unisource employees also processed each order manually, which sometimes led to human errors and slowed the supply chain process. Unisource needed a cost-effective and efficient way of doing EDI with their

suppliers. They also wanted to improve their own B2B functionality because their current system no longer met their needs. Therefore, they needed a cost-effective integration platform that would manage their internal business processes.

Solution

Unisource upgraded from Gentran:Server® to Sterling B2B Integrator to integrate business processes. They also implemented Sterling Web Forms to give their suppliers a cost-efficient EDI alternative. This allows their suppliers to receive and exchange business documents securely over the Internet.

Unisource suppliers only need two things to use Sterling Web Forms: an Internet connection and a Web browser. Unisource and Sterling Commerce worked together to design and create a "gated community" for them. All set-up, training and billing is taken care of

“Sterling Web Forms allowed us to realize our supply chain initiatives in less time.”

Tom Dickie
EDI Data Manager,
Unisource Canada, Inc.

by Unisource. This enabled Unisource to go from recruiting a vendor to having them in production in a matter of days. The electronic purchase order was also designed to look exactly like the paper version. The simple-to-use interface to an electronic business document is familiar to suppliers, which is critical in reaching Unisource’s goal of 100 percent supplier enablement.

Within eight months, 80 percent of the company’s line items were handled via the Sterling Commerce solution, comprised of Sterling B2B Integrator, value-added network services provided by Sterling B2B Collaboration Network, and Sterling Web Forms. Only six weeks after Sterling Web Forms was implemented, Unisource had nearly 70 suppliers online. (They expect to onboard 10 to 12 suppliers per week until all 2,000 are successfully trading electronically).

Most notably, the accuracy of data from suppliers increased 90 percent, which led to several improved business processes. First, suppliers now commit to product prices and delivery dates, which allows Unisource to promise delivery to customers. Second, the more accurate data, coupled with increased visibility into in-bound errors, enables Unisource’s buyers to proactively manage

inventory needs. More accurate stock levels are expected to result in savings associated with inventory holding costs and improved inventory turns. Lastly, Unisource reassigned the 10 people who were previously responsible for inputting fax responses to higher value projects.

Key benefits

Sterling Web Forms enables Unisource to offer their suppliers cost-efficient EDI collaboration. Now that manual interventions have been removed, orders are processed in a more timely and accurate fashion.

Data accuracy from suppliers increased 90 percent with Sterling Web Forms. This enables Unisource to improve on-time delivery to customers, which increases their satisfaction and loyalty. More accurate orders also result in more accurate stock levels because Unisource’s buyers don’t have to follow up on problems. Instead, they can be proactive in managing and addressing inventory needs.

Sterling Web Forms also enables Unisource to confirm suppliers’ costs, and variances are resolved before an order is shipped. Since this decreases invoice discrepancies, suppliers get paid faster than before.

About Sterling Commerce

Sterling Commerce, an IBM® Company, helps organizations worldwide increase business agility in their dynamic business network through innovative solutions for selling and fulfillment and for seamless and secure integration with customers, partners and suppliers. More information can be found at www.sterlingcommerce.com.

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