Albemarle — Gaining Worldwide Automated AP Capability with SAP®-Certified Partner, Esker

ALBEMARLE®

With a history that extends back to 1887, Albemarle is a leading global producer of polymer solutions, fine chemistry and catalysts. Albemarle's products are used as additives to, or intermediates for, a wide range of products manufactured by pharmaceutical companies, cleaning product manufacturers, water treatment companies, electronic goods manufacturers, refineries, and paper and photographic companies.

Headquartered in Baton Rouge, LA, Albemarle operates on a global scale, employing approximately 4,000 people and serving customers in approximately 100 countries.

www.albemarle.com

Manufacturing

Seeking a cloud-based automation solution that could easily integrate with its existing SAP® interface, Albemarle, a leading developer and manufacturer of specialty chemicals, leveraged the Esker on Demand Accounts Payable automation solution to bring improved visibility, increased productivity and significant cost-savings to its worldwide invoice processing operation.

Previous Challenges

Albemarle's global invoice processing largely takes place at two shared service centers in Dalian and Budapest. These efforts were previously supported by an aging, four-line fax server. Manually processing approximately 13,000 invoices per month in multiple languages had a negative impact on visibility and productivity, and caused a number of other performance issues.

"We were expending a lot of time and resources manually processing our invoices," said Eric Stratmann, Director of Global MRO Purchasing at Albemarle. "It was very limiting. Staff had to manually type in the invoice number, due date and amount, and getting visibility on invoices without a PO was nearly impossible. Our goal has always been to pay our suppliers in a timely fashion. But it was very challenging."

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>
> **Eric Stratmann ▪ Director of Global MRO Purchasing ▪ Albemarle**

Due to an antiquated fax system, state-of-the-art functional capability was also a challenge and was a requirement for any new Accounts Payable (AP) solution. Albemarle's current fax server wasn't equipped to be used on a worldwide scale, provide OCR, or create invoices in SAP. "Esker filled a need with an on-demand AP solution with SAP integration that could be implemented quickly," said Stratmann.

Choosing Esker

Albemarle initially considered a "quick fix" approach, consisting of replacing the existing fax system but retaining the current process, as well as an outsourced solution where faxes would be delivered to an independent location. Albemarle looked into 4-5 different suppliers but selected the Esker solution because it delivered the functionality they required at competitive pricing.

"We considered in-house development, but our expertise to provide a quick solution was limited," said Stratmann. "We ultimately chose Esker because we liked the technology and price, and it fit perfectly with what we needed it for — to act as a gateway for our fax invoices, improve productivity and support email invoices."

About the Esker AP Solution

Esker makes paper-free Accounts Payable a reality with intelligent capture, touchless processing capabilities and electronic workflow. With invoice approval workflow simplified and consolidated, organizations can cut operational and administrative costs by 40-60%. Esker offers the first complete software as a service (SaaS) solution for AP that is fully integrated with SAP applications.

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Benefits

Albemarle has achieved a number of benefits since implementing Esker, including:

- **90% electronic processing rate.** Utilizing email capability has allowed Albemarle to reduce the number of paper invoices received by mail from 60% to 10%.

- **Higher productivity levels.** Albemarle went from running an average of 60 invoice transactions per day per AP processor, to 85 per day per processor (the top processor has reached as high as 200 invoices in a single day).

- **Improved employee efficiency.** With better visibility and fewer manual tasks, less employees are required to process the same amount of invoices.

- **Increased supplier satisfaction.** With more time and resources available to dedicate to suppliers, satisfaction levels have improved, which has an effect on cost savings (e.g., ability to negotiate better pricing, etc.).

- **Electronic archiving and anytime-access.** Esker helps with the electronic archiving of invoices for Albemarle's 8,500 suppliers globally, freeing up offices and warehouses, and allowing Albemarle to easily access those invoices from the same platform.

"Our implementation of Esker represents a significant step forward for our company as we continue our drive for global process improvement," said Stratmann. "Having full OCR and the ability to post invoices in SAP, and see them with 100% visibility, has had a significant impact on our company's overall success."