

CASE STUDY

INTRODUCTION

Honda Logistics North America, Inc. (HLNA) provides special warehousing, storage, freight, transportation and logistics for Honda manufacturing facilities throughout North America. Founded in 2013, the Ohio-based privately-owned company employs approximately 3,800 people.

THE CHALLENGE

Until 2015, HLNA's AP department was relying on a variety of manual, paper-based processes to handle 115,000 invoices per year, with inconsistencies from between different locations. This decentralized process led to a lack of invoice and accrual visibility within the business and created significant delays, damaging vendor relationships.

Brad Gerritsen, a 21-year AP veteran and Accounts Payable Coordinator for all HLNA companies in North America, knew there was a faster, more reliable way for Honda Logistics North America to process invoices, so he began investigating e-invoicing at industry conferences. After proving the efficacy of invoice automation to HLNA's manager of finance and gaining business approval, Brad spearheaded the project, beginning with soliciting, researching, and vetting competitive bids, before ultimately deciding to partner with Tungsten.

CUSTOMER SNAPSHOT

INDUSTRY Logistics & Supply Chain

COUNTRY North America

KEY OBJECTIVES

- AP centralization and process consistency
- Greater invoice visibility and analytics
- Expedited processing
- Improved vendor relationships

RESULTS

- **Full visibility** of invoice status
- **Elimination** of late fees and finance charges
- **Improved** global repayment and supplier reconciliation
- **Improved** vendor data quality
- Ability to realize **deep discounts**
- AP team focused on **strategic initiatives**

SOLUTION

A competitive bidding process focused on the need for seamless, expedited and visible processing of invoices across all North America locations. Another priority for HNLA was a solution that streamlined workflow and approval routing within a centralized ERP. What ultimately set the Tungsten Network solution apart, however, was its ability to provide advanced historical and real-time, line-level

analytics that allow HNLA's AP team to begin investing in strategic initiatives.

As Brad says, "We needed a system that could manage all seven companies' invoices separately as well as having a clear authorisation matrix for approvals. Tungsten Network offered us the best solution for a complex business."

THE IMPACT

Now in its sixth year using Workflow, HLNA experienced transformative results from the beginning. The manual, paper-based systems no longer exist, and invoices are validated within 48 hours with no invoice going lost or unpaid. Brad and his staff have full visibility of every invoice, and HLNA now faces far fewer late fees and finance charges. Unlike many organizations, HLNA experienced no interruption of service or productivity as a result of COVID-19, and considers the move from manual to digital systems the primary factor in their success.

Partnering with Tungsten Network has given Brad and his team peace of mind. The books are closed on the first of every month, there's greater synergy between AP and other departments and, for the first time in the company's history, the AP department is able to offer deep discounts, focus on strategic initiatives, and serve as a profit centre for the company.

50%

of FTEs reallocated
to other parts of
the business

48

hours guaranteed
invoice validation

100%

visibility over
invoices

115k

invoices per
year

"By taking a proactive stance on our Accounts Payable processes as opposed to a reactive stance, we are able to better maintain a positive relationship with our internal customers, our vendors, our internal management staff and our finance staff"

Brad Gerritsen, Accounts Payable Coordinator