OpenText™ Active Orders

To maximize the benefits of digital communication and automated business processes, companies must communicate digitally with as close to 100 percent of their suppliers as possible. However, many small and medium-sized (SMB) suppliers still communicate business-critical information through fax, phone or email - even though these manual processes are slow, inefficient and error prone. These manual processes negatively impact efforts to automate the purchase- to-pay process

Companies that succeed in automating and optimizing their purchase-to-pay processes with a high percentage of suppliers achieve higher profits, discounts (in exchange for faster payments), higher inventory turns, expedited deliveries, significant cost reductions, and happier customers and suppliers.

OpenText Active Orders

OpenText Active Orders is a cloud-based business solution, which provides buying organizations the comprehensive technology and services needed for digitizing and auto-mating supply chain processes with small and medium-size suppliers that are not ready or able to implement traditional EDI or B2B integration. A component of the OpenText™ B2B Managed Services portfolio, Active Orders supports traditional order management, including planning and execution, shipping and receiving, and invoicing and payment processes. A simple, intuitive web portal provides access for your non-electronic trading partners enabling digital transactions for your entire trading partner community.

PURCHASE ORDER → PURCHASE ORDER RESPONSE → PURCHASE ORDER CHANGE → ORDER CHANGE RESPONSE → INVENTORY REPORT → ORDER SHIPPED ↓

PAYMENT RELEASED ← INVOICE APPROVED ← INVOICE DISPUTE ← INVOICE RECEIVED ← GOODS RECEIVED ← TRACK AND TRACE

UNMATCHED B2B EXPERIENCE & GLOBAL SUPPORT

- *More than 40 years proven B2B experience*
- *Ranked as leading provider of B2B managed services*
- *Highly available cloud-based, global infrastructure*
- *700+ managed services customers around the world*
- *24x7x365 global support*
- *Direct operations in 20 countries, active customers in 60+ countries*
- *Pre-existing connections to 600,000+ trading partners*
- *16+ billion transactions annually*

KEY BENEFITS

- *Improved productivity by reducing paper transactions*
- *More than 40% savings in operating costs*
- *Reduce receiving time by up to 75% and receiving errors by 80%*
- *Ability to capture negotiated early payment discounts*
- *Rapidly onboard new business partners around the globe*

OPENTEXT™

End to End Transaction Management and Visibility

Order Planning and Execution

Active Orders offers visibility to the progression of purchase orders through each step in the order lifecycle.

- **Order Tracking and History** - Active Orders provides a real-time view into purchase orders and associated changes. All orders generated by the buyer's ERP application can be communicated to suppliers via EDI, XML or a web interface. Businesses using Active Orders have been able to improve buyer and supplier productivity by up to 25 percent by removing paper from communications and minimizing the use of costly and error-prone manual interactions. Automation frees up time for more strategic activities, such as negotiating price and terms, undertaking spend analysis, and supplier selection.

- **Order Response and Commitments** - Upon reviewing the details of the order, suppliers can accept, reject or propose changes to the order through comprehensive order acknowledgement capabilities. Buyers can configure Active Orders for suppliers to acknowledge the entire order or individual line items. With order acknowledgements, suppliers can also provide detailed ship schedules and quantity commitments.

- **Purchase Order Changes** - As buyers initiate order changes, Active Orders automates delivery of updates to the order and maintains a history of order revisions down to the line level. By tracking PO changes electronically, buyers and suppliers can significantly reduce the frequency of exceptions in the order fulfillment process.

- **Email Notification** - Suppliers have the option to receive automated email alerts when a new or changed order arrives. Notifications can be sent to end users responsible for order fulfillment, customer service and sales functions.

Auto notification enables users to identify changes to order contents, quantities and delivery dates that the supplier might not be able to achieve.

Shipping and Receiving/Logistics

Active Orders can significantly improve supply chain efficiency by automating warehouse receiving and digitizing documentation flows. The use of Active Orders with Advance Shipment Notifications and barcode labels has been shown to reduce receiving time by up to 75 percent and reduce receiving errors by 80 percent.

- **Advance Shipment Notification (ASN) Creation** - Suppliers can generate ASNs specifying the details of the contents, arrival date and transportation carrier for an upcoming delivery. ASN fields can be pre-populated from the original purchase order via a "turnaround" - reducing the likelihood of data errors.

- **Data Quality** - In addition to data quality provided via streamlined business processes, more than 180 document-level business rules can be configured to match buyer specific business processing - further enhancing data accuracy. Buyers can create document level rules, such as tolerances or ability to require specific data elements. Rules can also be set at the community level with the ability to override them for specific suppliers.

- **Warehouse Management System (WMS) Integration** - Ship notices are directly transmitted into the buyer's WMS. Active Orders supports interfaces to leading WMS solutions from Oracle®, SAP®, RedPrairie®, i2®, JDA®, Manhattan Associates® and others.

- **Barcode Labeling** - Active Orders enables suppliers to create and print barcode labels to be affixed to physical shipment containers. When a shipment arrives at a warehouse, the barcode label can be matched against the corresponding ASN in the WMS to facilitate rapid check-in.

- **Goods Receipt** - The buyer can send an electronic goods receipt to the supplier. The proof of delivery can be used as a trigger for billing or a closed loop signal to track shipment status.

- **Logistics Track and Trace** - Carriers and logistics providers can provide shipment status updates via EDI or via the web portal. Logistics reports against shipments provide real-time visibility to where your order or shipment is with estimated time of arrival (ETA). You can be alerted of late shipments with updates to ETA based on actual activity dates and times. In addition, you can view carrier performance metrics.

Businesses also benefit from improved inventory management. With Active Orders, buyers and suppliers have visibility to inventory in transit and on order, as well as expected arrival timeframes. When there is an urgent need for materials, parts or finished product, buyers can confidently assess whether the inbound inventory will arrive on time or whether an expedited shipment is necessary. Thus, buyers and suppliers can optimize their use of safety stock and benefit from lowered transportation costs through decreased on reliance on expedited freight.

Invoicing and Payments

Active Orders allows non-digital suppliers to generate accurate invoices, as well as view the payment status of previously issued invoices.

- **Increased accounts payable productivity** - Suppliers can view the status of their outstanding invoices through the web portal. Self service eliminates the need for a supplier's collections staff to phone the buyer's accounts payable staff about invoices. As a result, the volume of phone calls to your accounts payable centers decreases and your staff productivity increases.

- **Faster approvals** - Electronic invoicing can automate much of the invoice capture, validation and matching processes, thereby reducing the time required for approval. When invoices are processed in paper format, the workflow and approval process takes much longer. Delayed payments can result in damaged relationships with suppliers.

- **Capture early payment discounts** - Through automation, invoices can be approved within two to three days after receipt. This enables buyers to negotiate trade discounts with suppliers for early payment.

- **Supply chain finance** - Companies may also choose to route invoices to third-party financial institutions that offer supply chain finance services.

- **Access to remittance information** - Active Orders displays remittance advice from buyers to suppliers, identifying the payment settlement date, as well as the payment amount. Additionally, buyers can provide remittance details, including originating bank ID, receiving bank ID, and any applicable invoice adjustment information. Using remittance advice, suppliers' accounts receivable groups can easily identify which payments are related to which invoices and identify any discounts taken.

- **Data quality** - Active Orders can eliminate a significant percentage of the manual work required to validate and match invoices by performing buyer-configurable data quality checks and thresholds before the documents are delivered to the buyer's systems.

- **Integration with OpenText™ Active Invoices with Compliance** - ensures compliance with electronic invoice tax regulations, including validating data for tax requirements, government reporting, digital signature, and archiving and storage. Active Invoices with Compliance reduces the effort needed to comply with government e-invoicing requirements.

Measure and Analyze Supplier and Carrier Performance

Drive continuous improvement with supplier and carrier performance analytics. Dashboards provide a visual summary of supplier performance against performance indicators, such as order acceptance, invoice accuracy, delivery punctuality and ASN timeliness. Use this information to collaborate with suppliers to improve delivery or invoice processes, to negotiate terms for new contracts, and to alleviate risks created by poor performance. Available when using Logistics Track and Trace features, carrier performance indicators include data timeliness, on-time pick-ups and late deliveries.
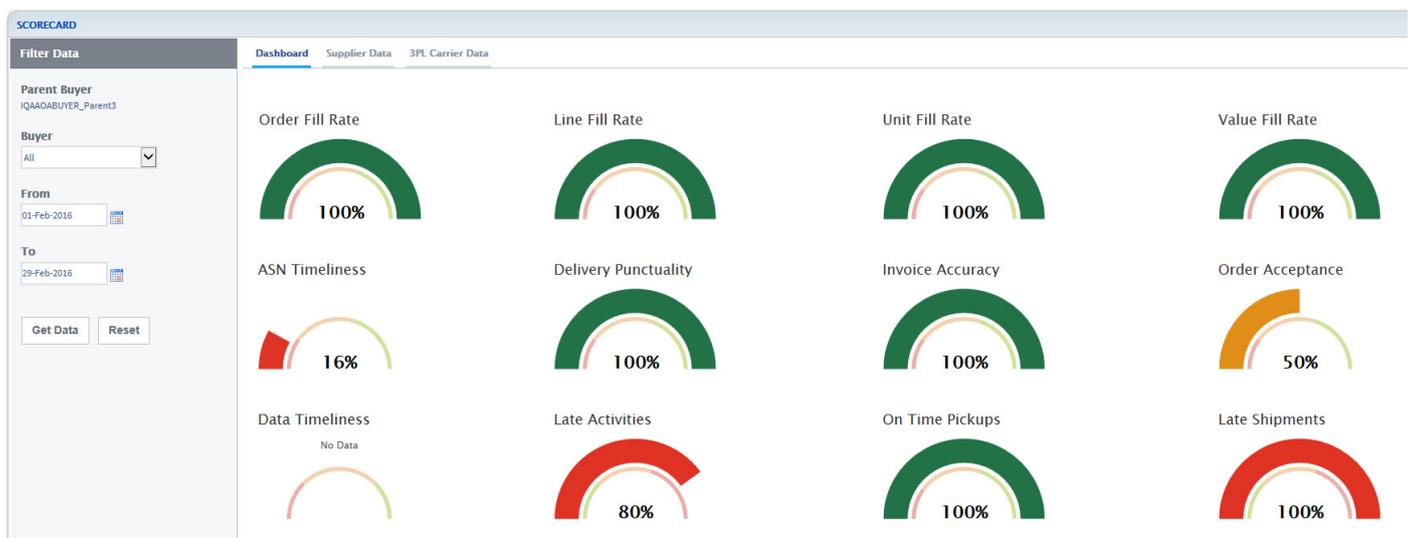
Support Specialized Business Processes

In addition to the automation of standard purchase-to-pay processes, businesses are adopting specialized order management processes. Some best practice supply chain processes automated by Active Orders include:

Cross-docking

The majority of goods received into warehouses/distribution centers are not destined to stay there very long. Shipments are to be forwarded to another location, such as a nearby manufacturing plant, a retail store, or a customer location. In a cross-docking scenario, goods are immediately moved from the receiving dock to the outbound dock. Informed by an ASN and barcode as to what has arrived and where, the warehouse management system can now route cartons internally though automated conveyor systems for cross-docking.

Direct store delivery (DSD)

In the highly competitive retail market it is vital that there is always stock on hand to meet consumer demand. DSD enables a retailer to order goods for delivery directly to its stores, bypassing the retailer's distribution centers, shortening delivery time and helping to ensure there is stock on hand to meet consumer demand.

Vendor Managed Inventory (VMI)

In this supply chain best practice, the buyer of a product provides inventory visibility to trusted suppliers and relies on the supplier to manage the buyer's product inventory at the buyer's location(s). VMI reduces the likelihood of out-of-stock situations and reduces inventory in the supply chain. In some cases, the buyer doesn't pay for the goods until they are sold, reducing buyer risk. Suppliers have more control over displays and more customer contact for their employees; retailers benefit from reduced risk, better store staff knowledge, and reduced display maintenance.

With Active Orders, buyers indicate their VMI preferences and provide item master data and inventory reports to their suppliers. Suppliers then evaluate the replenishment plan proposed by the Active Orders VMI engine and can subsequently return sales orders or shipping schedules to the buyer to ensure maintenance of appropriate stock levels.

Evaluated Receipt Settlement (ERS)

ERS (also called self-billing) is a business process in which goods are purchased and paid for without exchanging an invoice. Rather, upon receipt of goods ordered, the buyer confirms the shipment accuracy (i.e., right products, correct quantities) and sends payment to the supplier based on the pricing in the purchase order. Because invoice processing is eliminated, the procure-to-pay process is greatly streamlined. Top performers see 11 percent of their invoice volume go through ERS, versus 5 percent for the rest of companies.

Customized processes

Additional processes, such as Mark for End Location Shipments, Drop Ship, and End Consumer Delivery can be custom configured in Active Orders.