



Invoice & Workflow Automation Adoption

Benchmarking Survey Report

Q3 2012

Featuring Insights on ...

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ABBYY

ACOM Solutions

Corcentric

Direct Commerce

Palette

ReadSoft

Scan One

2012 AP Challenges and Automation Goals

Usage of Front End Imaging Solutions

Automated Workflow Adoption

Invoice Processing Costs

Adoption of AP Technologies

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Executive Summary

While paper still dominates as the number one method used to trade business-to-business invoices, there is a light at the end of the automation tunnel – paper is waning as more companies implement front-end invoice automation and automated workflow. In the past year alone, the use of paper to trade invoices has dropped ten percent (59 percent in 2012 from 69 percent in 2011). This trend will likely continue as more companies adopt electronic invoicing and automated approval workflow for invoices, the top two automation goals reported by accounts payable (AP) professionals in the 2012 Invoice Automation Adoption Survey.

Barriers to the adoption of imaging solutions are being broken down as more AP professionals get the internal backing needed from executives. In addition, 2012 survey results show that fewer AP professionals believe that their current paper based manual processes work (10 percent in 2012, down from 13 percent in 2011). Challenges in the invoice management process are becoming fewer as more companies begin to utilize imaging solutions at the front-end as soon as they are received, (up 4 percent to 44 percent in 2012).

In this 2012 Invoice and Workflow Automation Adoption Survey report, the analysts at PayStream Advisors examine electronic invoicing, imaging and data extraction, and automated workflow solutions at US-based enterprises. The analysis in this report is based on over 300 survey results and more than nine years of research findings.

PayStream Invoice and Workflow Automation Adoption Survey

PayStream Advisors conducted its annual Invoice and Workflow Automation Adoption Survey in the second quarter of 2012 and developed this report to highlight the overall trends that are currently shaping the rapidly evolving AP automation space. The Invoice and Workflow Automation Adoption Report is designed to:

- » Help accounting and financial practitioners familiarize themselves with the electronic invoicing and automated workflow landscape;
- » Enable them to better understand the extent of adoption of the various forms of AP automation; and
- » Allow companies to benchmark their operations against similar businesses.

AP Challenges and Automation Goals

Key Insights

- » The biggest challenge in the invoice management process continues to be an over reliance on people and paper-based processes. This labor intensive, manual process leads to a high number of discrepancies and exceptions, which result in low productivity and higher costs to process an invoice.
- » Due to the increase in electronic invoicing, the number of lost or missing invoices has decreased, along with manual data entry and the high number of discrepancies and exceptions, according to survey results.
- » Automated approval workflow for invoices surpassed electronic invoicing as the number one top financial automation goal for 2012.

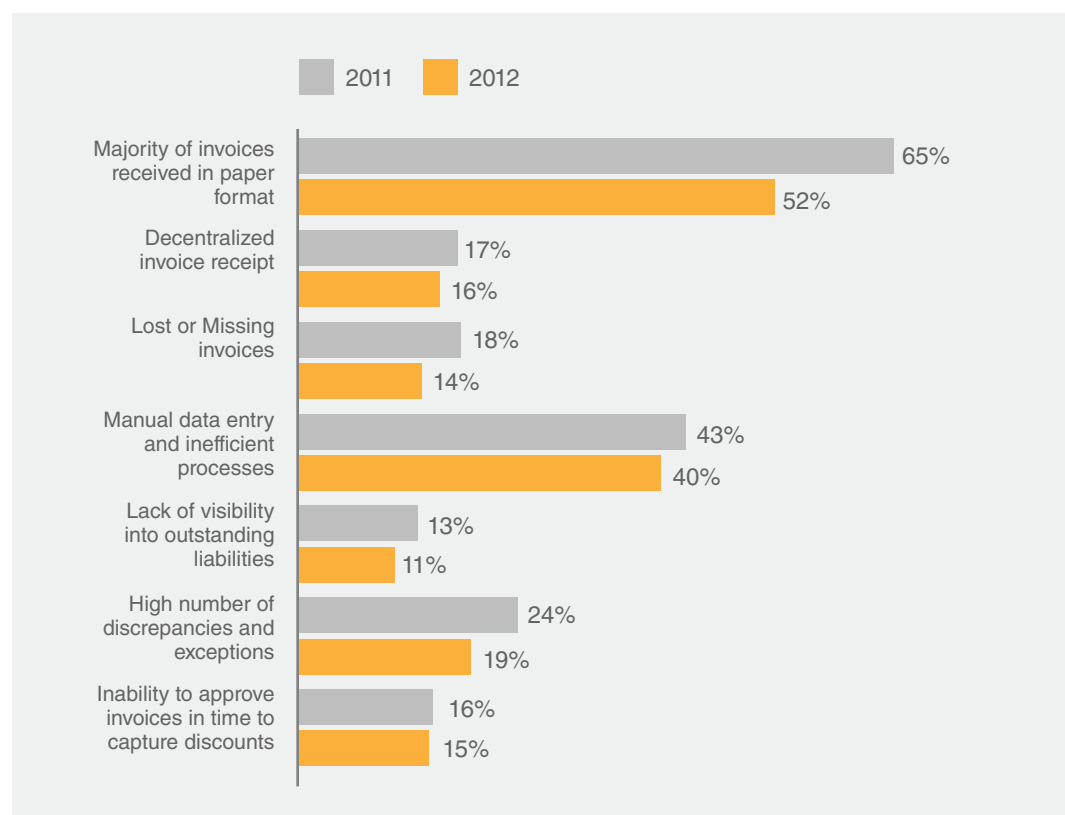
Factors Driving Interest in Automation

As the majority of invoices received on paper continue to decline, the challenges in the invoice management process are also declining. Significant progress has been made year after year in process improvements. The 2012 survey responses showed that the high number of discrepancies and exceptions dropped from

Figure 1

Challenges in the Invoice Management Process

Challenges across the board are reduced as paper invoices decline significantly



24 percent in 2011 to 19 percent in 2012. In addition, lost or missing invoices decreased by 4 percent to 14 percent in 2012, compared to 18 percent in 2011.

As process improvements continue to increase, leading to greater accuracy and efficiency, momentum is continuing to build for broader applications of invoice management, including the ability to approve invoices in time to capture discounts, greater visibility into spending and improved cash management.

Top AP Automation Goals for 2012

In 2012, automated approval workflow for invoices has surpassed electronic invoicing as the top financial automation goal (up from 18 percent in 2011 to 29 percent in 2012). This change can be attributed to the fact that AP professionals recognize that imaging and workflow automation are more than accuracy and efficiency tools but also serve to provide visibility and improve spend analytics, cash management and vendor relationships.

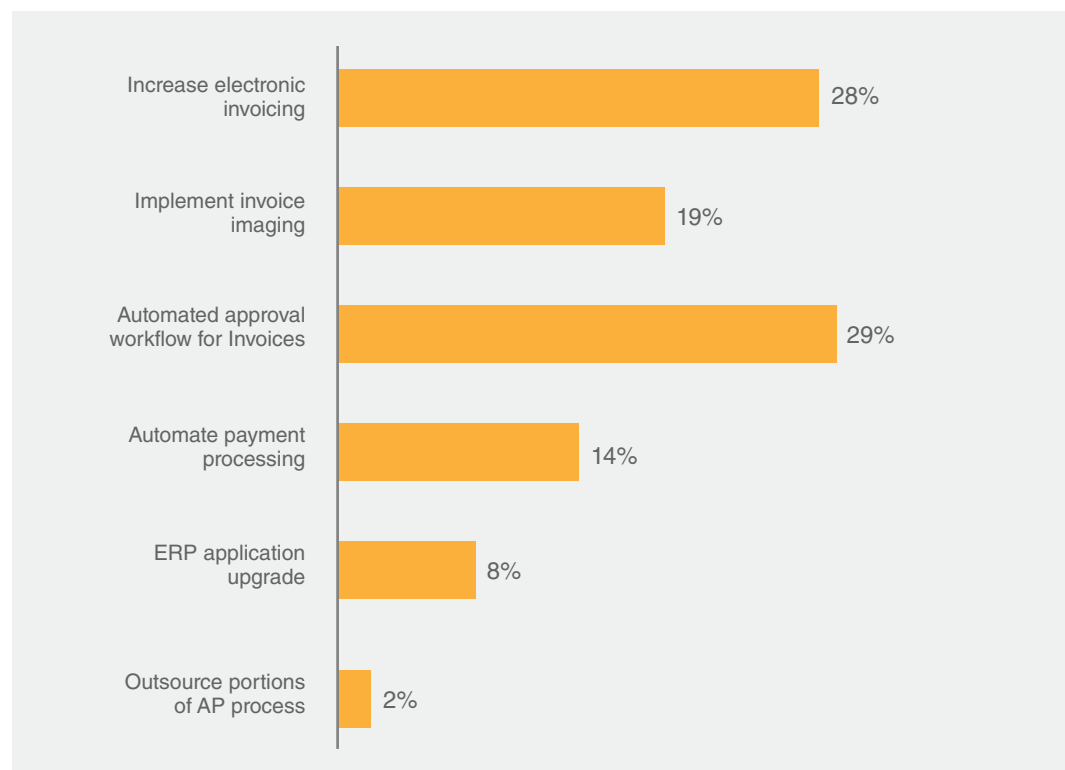
According to 2012 survey results, 28 percent of survey respondents have already started implementing an automated approval workflow for invoices and nearly half said they were likely to act on their top priority within the year.

Top ranked automation priorities for 2012 include:

Figure 2

Top Financial Automation Goals for 2012

Automated approval workflow for invoices surpasses eInvoicing by 1 percent as the top automation goal for 2012



- » Automated approval of workflow for invoices, ranked as the top financial automation goal at 29 percent. This is a logical next step for companies that have implemented front-end electronic invoice systems. Companies are beginning to reap the rewards of implementing an elnvoice solution and are now looking for ways to expand their success through automated approval workflow for invoices.
- » Increasing electronic invoicing is a top priority for 28 percent of survey respondents, down from 37 percent in 2011.
- » Implantation of invoice imaging, the first step in the automation of a paper process bumped up 3 percent from 2011 to 2012. More survey respondents already have invoice imaging in place and are currently making the most of their imaging solution by increasing automated approval workflow for invoices and elnvoicing.

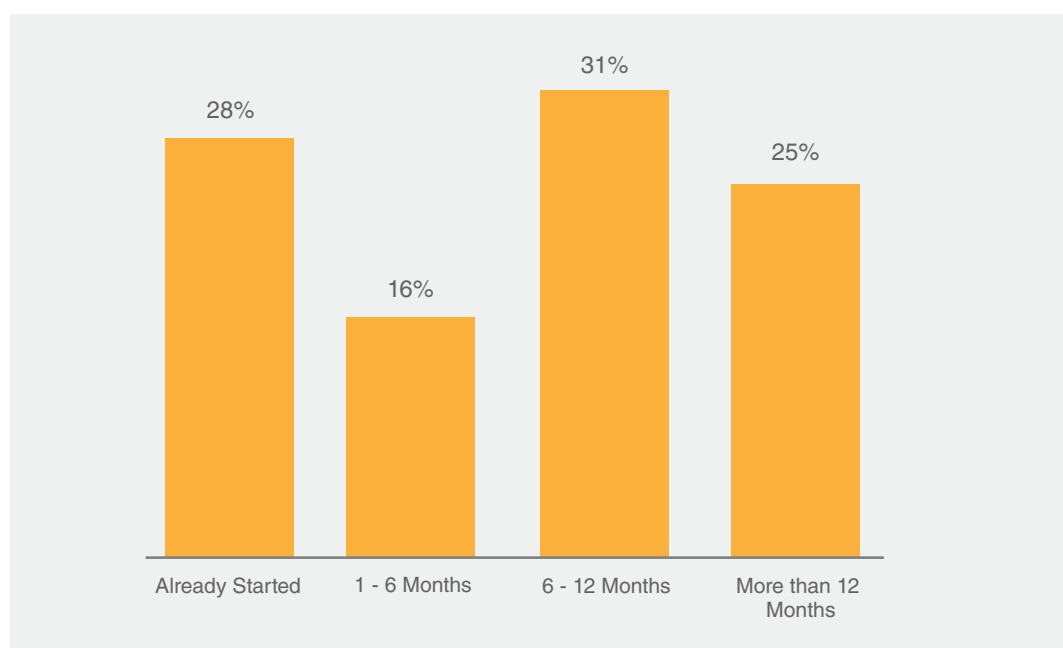
Until recently, AP automation initiatives were largely limited to Fortune 1000 companies, which have the human and capital resources to implement and manage these applications. Today, we are seeing this trend trickle down to small and medium enterprises (SME) – those with annual revenue under \$250 million due to two major factors:

1. Small and medium-sized companies are struggling with manual, paper-driven processes and are realizing that automation can alleviate most of the challenges they face in their day-to-day operations.
2. The availability of affordable, easy-to-implement and use technology solutions is driving a renewed interest in AP automation for SMEs.

Figure 3

*Time Frame for
Implementation of Top
Automation Initiative*

*Many financial
automation projects are
underway and even more
are on deck to be started
within a year*



Adoption Rates Continue to Climb

Twenty-eight percent of executives surveyed said they have already launched an invoice automation initiative and another 47 percent plan to within a year. Also encouraging is the number of survey respondents (25 percent, up from 22 percent in 2011) reporting they have plans to implement their top automation initiative in more than 12 months.

Reliance on Paper for Invoice Receipt

Key Insights

- » Paper and paper equivalents including email and fax are still the predominant methods for conveying supplier invoices. However, automation is making great strides. Paper invoices dropped below 60 percent of total invoices in our 2012 survey, down from 69 percent just one year ago.
- » Suppliers not willing to adopt electronic payments, shortage of IT resources and lack of integration between electronic payment and AP systems were the top three barriers.

Paper Chase

While paper still dominates the AP landscape, more AP practitioners are getting out from underneath the paper piles and are utilizing electronic invoicing. Invoices received via paper have dropped from 69 percent in 2011 to 59 percent in 2012. That's a significant reduction in just one year.

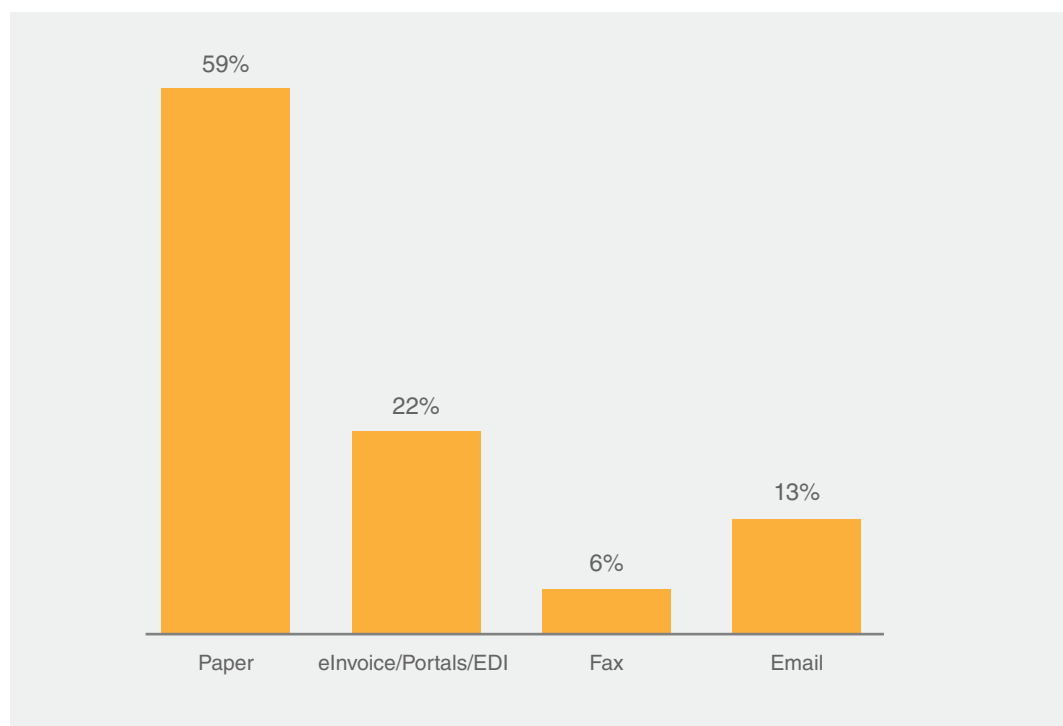
The majority of AP professionals that made the switch from paper have adopted electronic invoicing, portals and EDI. The others are simply saving the 45 cents in postage by making the switch to email or fax.

For more information on electronic invoicing, download [PayStream's 2012 eInvoicing Adoption Benchmarking report](#).

Figure 4

Breakdown of Invoices via Receipt Method

Paper invoices decline as eInvoicing, Portals and EDI increase



Barriers to Invoice Automation

Electronic invoicing is more efficient than paper. Paper requires manual processing, which leads to a number of problems such as keying errors and lost or missing invoices, just to name a few. Routing paper invoices is time consuming and leads to other problems downstream, including a lack of visibility into outstanding invoices and the lack of ability to capture supplier discounts.

If there are so many benefits to electronic invoicing, why is paper still so prevalent? PayStream analysts asked AP practitioners, who offered the following insights:

Supplier Resistance

Suppliers' unwillingness to submit invoices electronically is the number one barrier to invoice automation. One way to overcome this obstacle is to work with solution providers that provide supplier onboarding. These solution providers will work directly with your suppliers to get them plugged into the eInvoice universe.

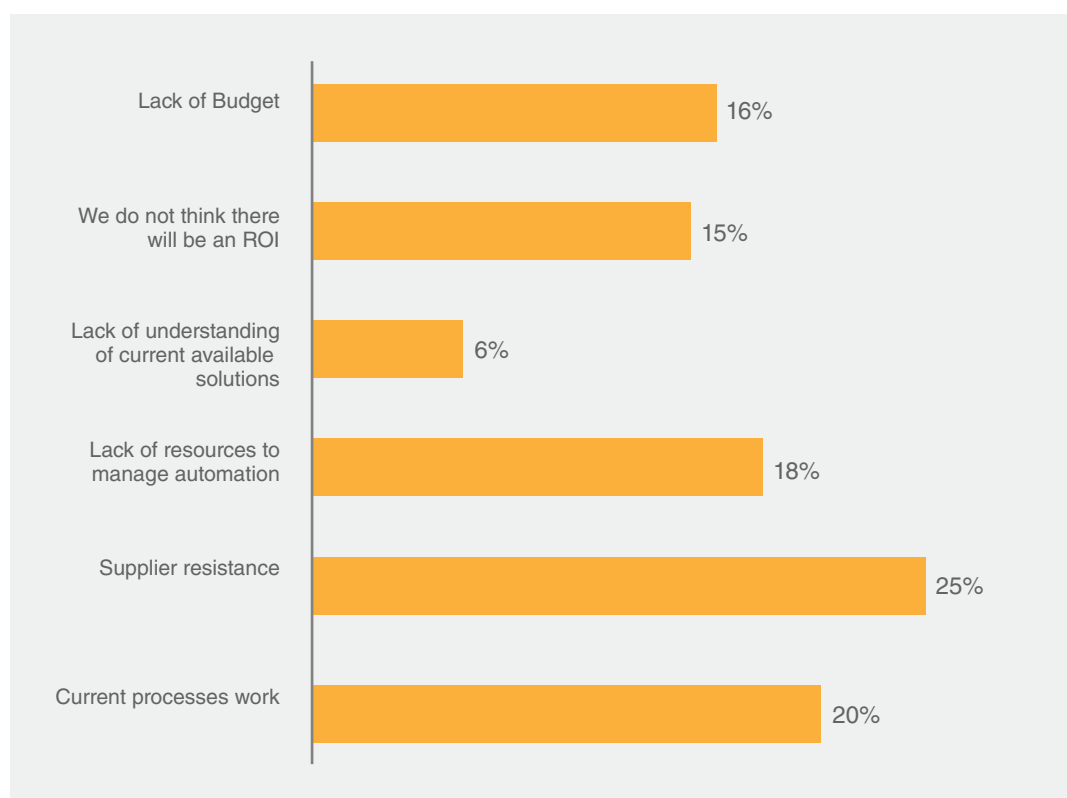
Business Practices

Like the old adage says, "You can lead a horse to water, but you can't make him drink." While invoice automation solutions lead to greater efficiency and lower

Figure 5

Challenges to Adoption of eInvoicing

Supplier resistance is the number one challenge to invoice automation



costs, AP personnel can be resistant to change. Invoice automation heralds a tremendous change in the way buyers and suppliers conduct business. Internal resistance to change or the belief that current paper based systems work well, even though they are not efficient, is a barrier that solution providers overcome by clearly identifying the tangible benefits of automation and communicating them efficiently.

Technical Challenges

The good news is that most eInvoice applications available on the market today integrate easily with legacy systems on the buyer and supplier sides, resulting in secure and seamless data transfer, as well as streamlined processes and more efficient workflows. While a shortage of IT resources ranked as the number three barrier to invoice automation, we should see this number continue to decline due to the availability of affordable, easy-to-implement and use technology solutions available today.

Front End Imaging

Key Insights

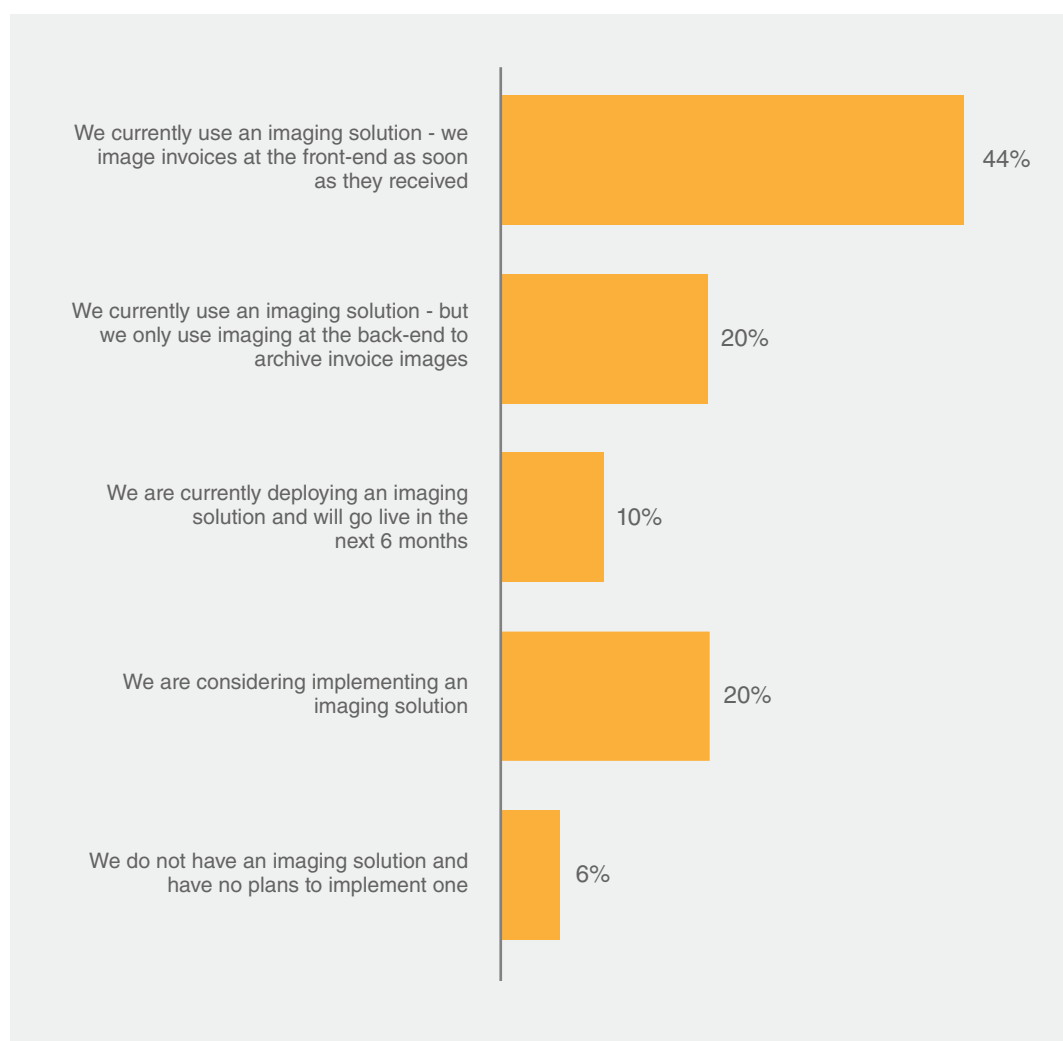
- » Companies currently utilizing front-end imaging solutions continue to increase, up 4 percent, from 40 percent in 2011 to 44 percent in 2012.
- » Demand for electronic invoicing and automated approval workflow for invoices will increase as paper invoices decrease and front-end imaging with automated data capture gains popularity.
- » The number of companies currently implementing an invoice automation solution doubled from 6 percent in 2011 to 12 percent in 2012, a sign that the tables are turning and we can expect to see an even larger increase in elnvoicing and automated approval workflow for invoices next year.

Usage of Imaging Solutions

Figure 6

Adoption of Imaging Technologies

Adoption of imaging technologies increased as the number of companies who do not have an imaging solution and have no plans to implement one dropped from 18 percent to 6 percent



What a difference a year can make. From 2011 to 2012, the percent of surveyed companies indicating that they have already adopted or are at least considering an imaging solution rose from 82 percent to 94 percent. The largest increase was seen in companies currently deploying an imaging solution that will go live in the next six months, a bump up from 5 percent in 2011 to 10 percent in 2012. Also significant is the decrease PayStream witnessed in the number of companies reporting that they do not have an imaging solution and have no plans to implement one, 18 percent in 2011 all the way down to only 6 percent in 2012.

Barriers to Imaging Adoption

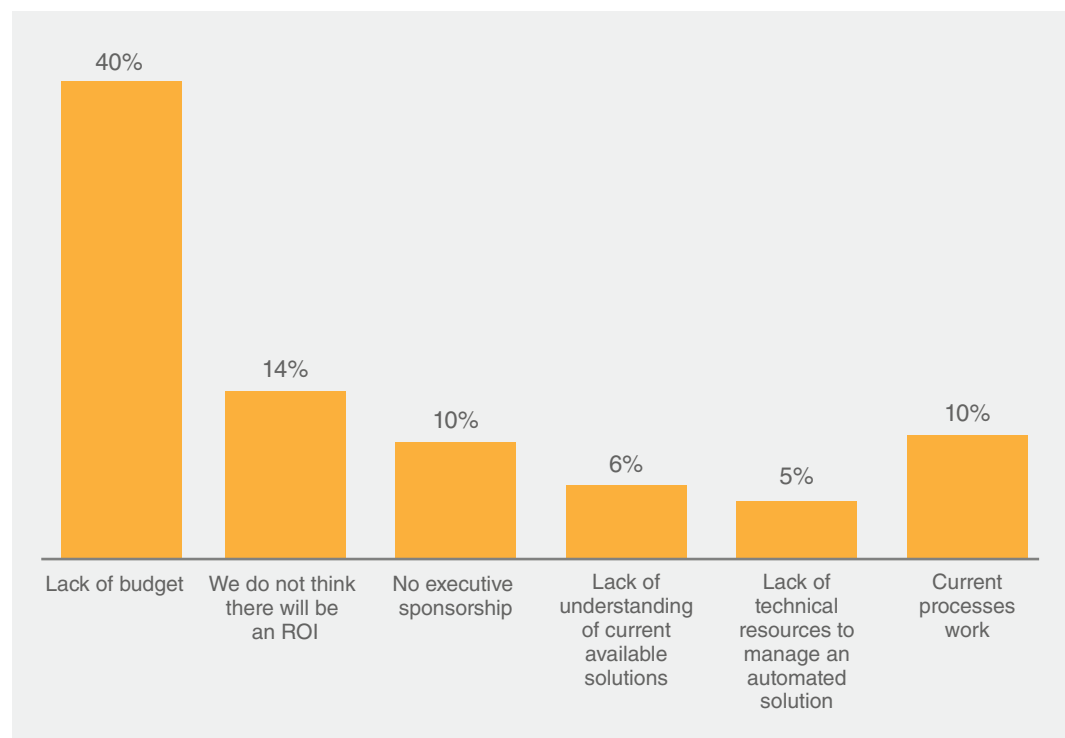
Solution providers must be doing a bang up job educating financial decision makers on the benefits of imaging solutions and how they can directly impact a company's bottom line. Lack of executive sponsorship was one of the biggest barriers in 2011, with over a quarter of the companies reporting they had no buy-in from their executive leaders. However, 2012 survey results reflect a completely different story, with only 10 percent reporting no executive sponsorship. This is a huge decrease, illustrating that executives are more attune to learning how imaging solutions can positively impact their company, and that solution providers are better at targeting the right individuals to tailor their message to.

Like 2011, 2012 survey results show that budget constraints were the primary barrier to the adoption of imaging solutions. Tied in with budget constraints, the belief that there will not be a return on investment (ROI) ranked as the second barrier.

Figure 7

Barriers to the Adoption of Imaging Solutions

Lack of budget ranks as the number one barrier to the adoption of imaging solutions



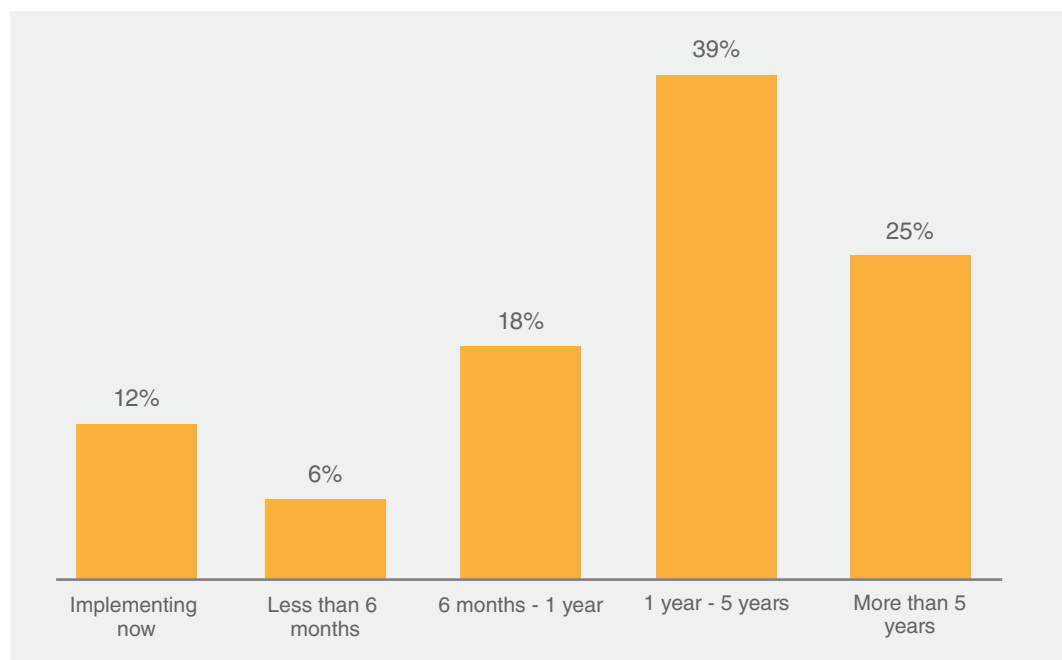
Maturity of Imaging Solutions

PayStream analysts identified an increase in implementations over the past year as the percentage of imaging solutions in service for a year or less increased from 24 percent in 2011 to 36 percent in 2012. This can be attributed to a number of factors, including the executive buy-in that was previously mentioned. As more barriers to adoption are addressed, we can expect implementations to continue rising.

Figure 8

Maturity of Imaging Solutions

Imaging solutions in service for a year or less increased by 12 percent



Data Capture with Imaging Solutions

The use of invoice pre-processing coupled with improvements in data capture tools can be attributed to the recent implementation surge in front-end imaging solutions. Invoice pre-processing is the methodology for using data capture and business rules that allow the majority of invoices to bypass AP altogether, with no data corrections. With this, invoices go directly to workflow for coding and approvals (especially on non-PO invoices) and are completely automated with PO or contract matching, and can go directly to the ERP. PayStream research shows that in 2012, 42 percent of survey respondents reported 100 percent accuracy, meaning they had no manual corrections in data entry. This number increased from 35 percent in 2011. The number of companies utilizing front-end imaging that required manual data entry on over 75 percent of scanned invoices dropped from 23 percent in 2011 to 17 percent in 2012.

As invoice automation solutions and electronic capture accuracy continue to improve, adoption rates will continue to climb. PayStream research shows that the percentage of companies relying on automated data capture, either Optical Character Recognition (OCR) or Intelligent Data Recognition (IDR), for more than half their invoice volume increased to 28 percent in 2012, up from 21 percent in 2011. The overall percentage of companies using front-end imaging increased to 44 percent from 35 percent.

Figure 9

*Front-End Imaging with
Manual Data Entry*

*Increased electronic
capture accuracy reduces
the need for manual
corrections*

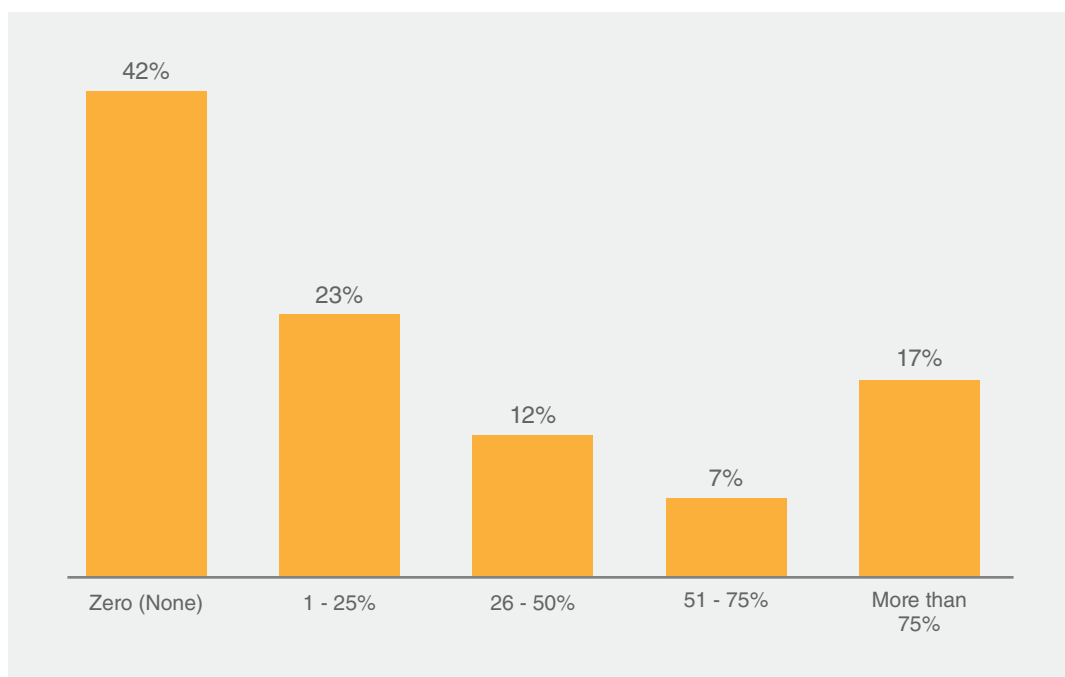
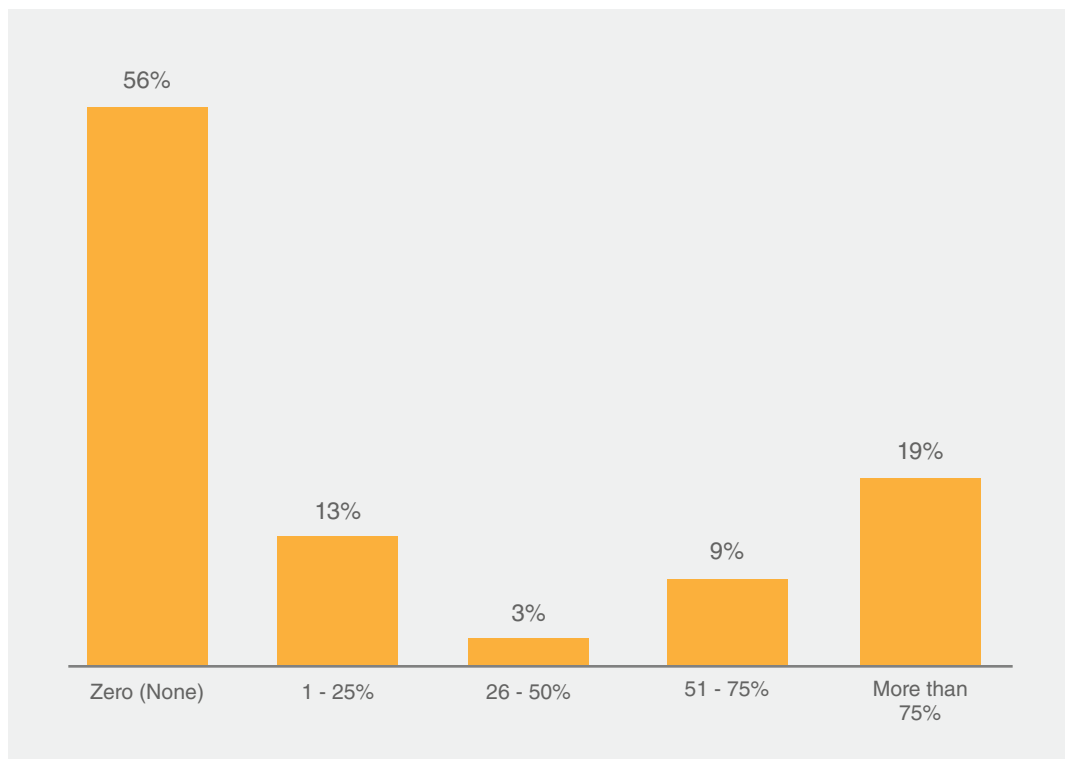


Figure 10

*Front-End Imaging with
Automated Data Capture*

*The number of companies
utilizing front-end
imaging increased by 9
percent*



Automated Workflow Adoption

Key Insights

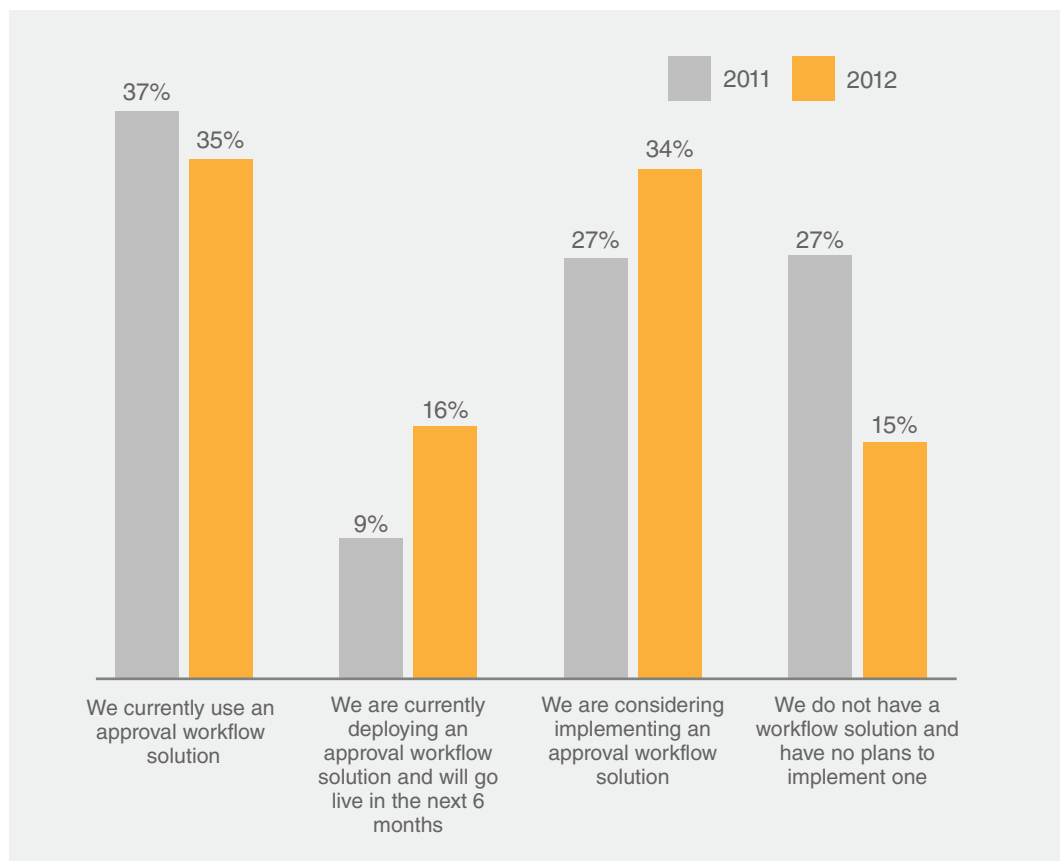
- » Automated workflow solutions continue to mature as the share of companies employing or deploying systems continues to increase to over 50 percent.
- » Companies implementing automated workflow are on the rise. Companies reporting they do not have a workflow solution and have no plans to implement one dropped from 27 percent to only 15 percent in 2012.
- » Emerging opportunities include increased compliance, reduced number of late payments, and increased visibility into liabilities.

Workflow Adoption

The big news is that the number of survey respondents reporting that they do not have a workflow solution and have no plans to implement one has decreased for the third year in a row, down to only 15 percent in 2012 from 27 percent in 2011. Companies currently using or deploying an approval workflow solution increased to over half of all companies responding. PayStream analysts attribute these statistics to reported

Figure 11

Adoption of Workflow Technologies



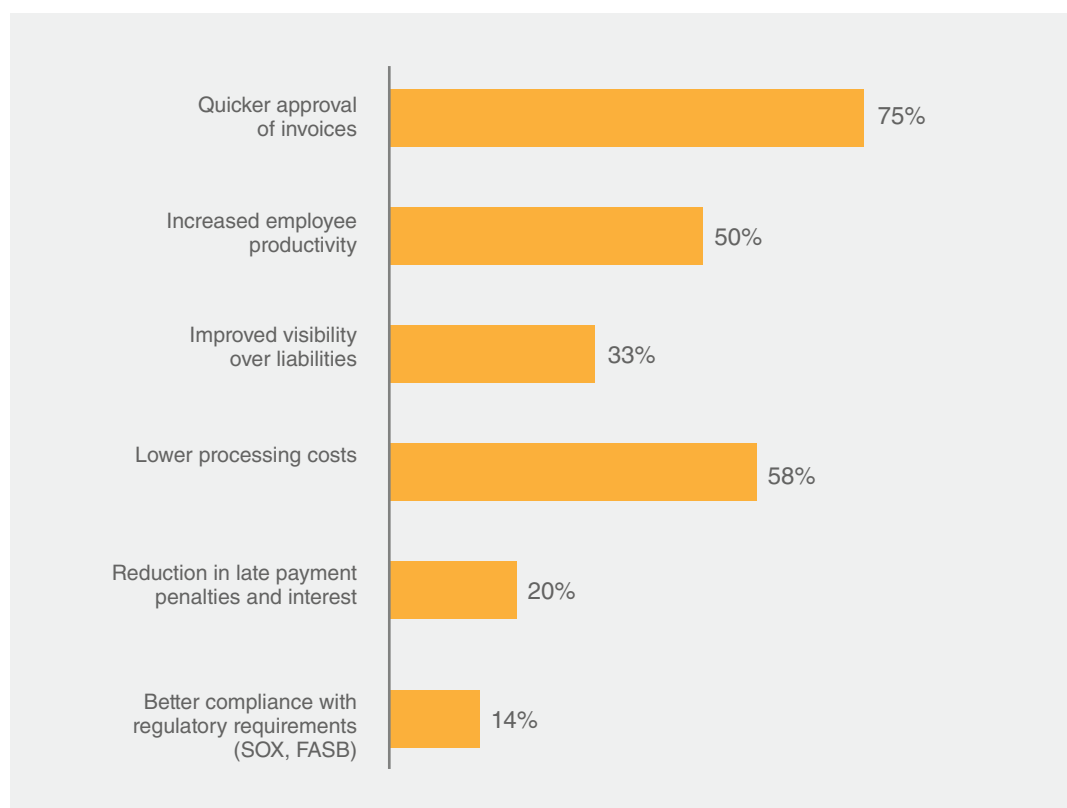
benefits from early adopters, including workflow improvements, particularly quicker invoice approvals, increased employee productivity, and lower processing cost, to name a few.

It's shocking to learn that in today's technology age, 20 percent of AP professional's surveyed report that they are happy with their current, paper-based process, (see figure 5). Along those lines, skeptics who doubt a ROI on automated approval workflow should take a second glance at the results of PayStream's 2012 survey regarding benefits of approval workflow. Three-quarters (75 percent) of survey respondents report quicker invoice approval, while half were able to increase employee productivity and nearly 60 percent reported lower processing costs.

Figure 12

Benefits of Approval Workflow

Quicker approval cycles ranks as the top benefit to approval workflow



Impact of Company Size

Key Insights

- » Front-end imaging continues to increase, resulting in a decrease in back-end imaging.
- » Small and medium sized companies, where accounts payable personnel tend to wear more hats, continue to show a disproportionate fondness for automated workflow solutions.
- » Large companies, with greater human and capital resources are not surprisingly leading the way in automation.

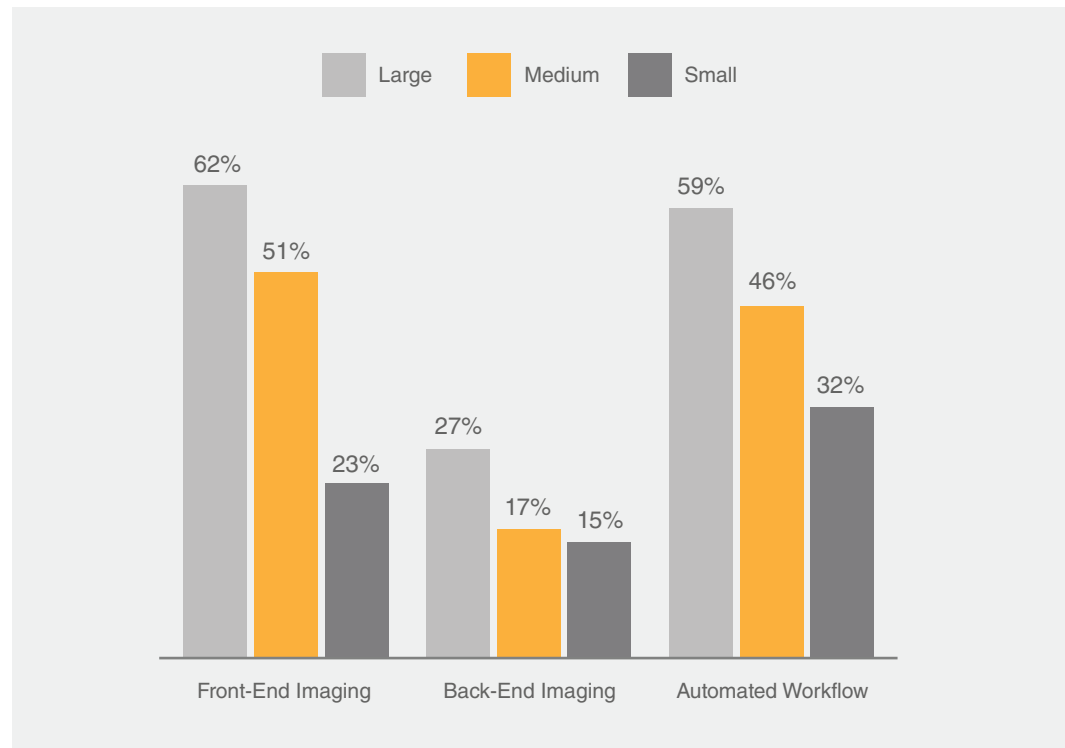
Classification by Company Size

PayStream analysts classified companies that participated in the survey based on annual revenues to identify whether this parameter had any effect on the functioning of the AP department as well as the organization's adoption of technology. For further analysis, organizations that had less than \$500 million in revenues were classified as Small, those with revenues between \$500 million and \$2.5 billion were classified as Medium, and companies with revenues over \$2.5 billion were categorized as Large.

Figure 13

Adoption of Imaging and Workflow Technologies by Company Size

While large companies lead the pack in automation, small companies are quick to embrace automated workflow



Over half of survey participants (58 percent) were from Small companies, 17 percent were from Medium companies, and the remaining 26 percent were from Large companies.

When compared to 2011 survey responses, the adoption of imaging and workflow technologies rose across the board. The biggest gain in automation came from Large companies adopting front-end imaging, up from 50 percent in 2011 to 62 percent in 2012. Front-end imaging increased in Medium companies as well, up two percent from 49 percent in 2011 to 51 percent in 2012. As expected, back-end imaging decreased proportionately from 2011 to 2012, as front-end imaging increased. Large companies also had the biggest increase in automated workflow, up 15 percent from 2011 to 2012. Medium companies rose two percent, and Small companies rose three percent.

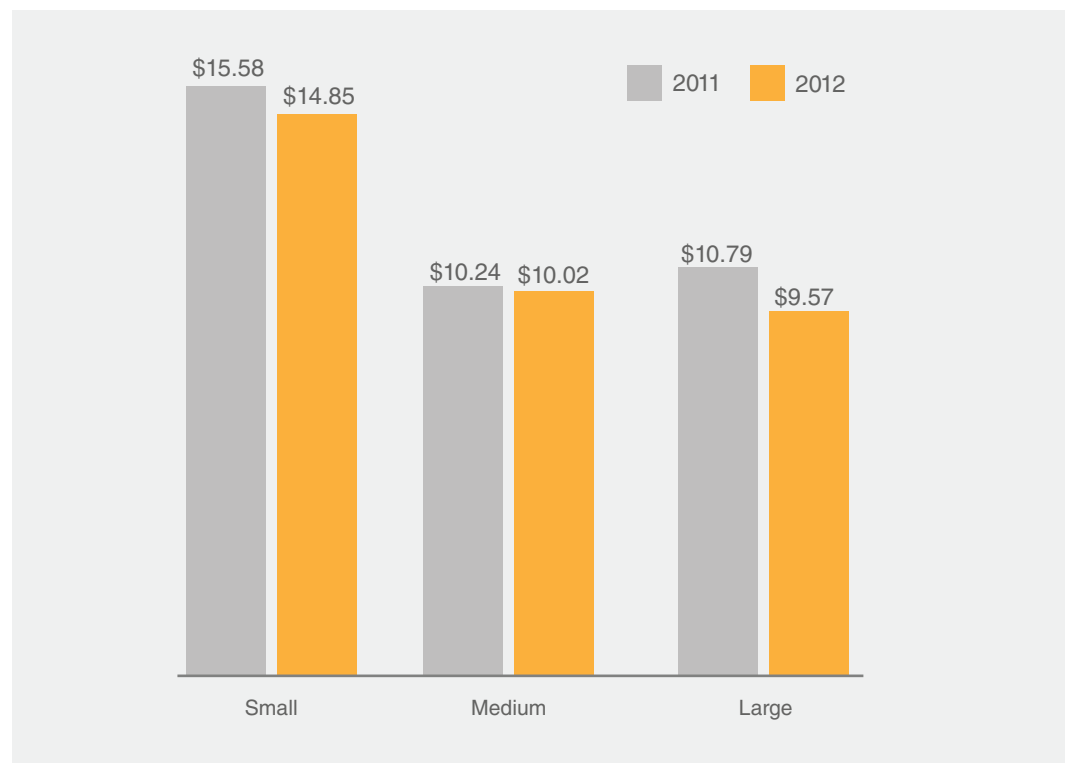
Invoice Processing Costs

It is difficult to track the average cost to process an invoice from companies who rely on the old school method of paper intensive manual systems, such as QuickBooks. For this reason, one-third of the companies in our survey were unable to answer this survey question. It is no surprise that manual processes predominate in the typical small and medium accounts payable function where human and capital resources are limited. Therefore, processing costs in small companies is higher than medium and large companies. According to the 2012 survey results, medium companies have done a good job controlling the cost of

Figure 14

Processing Costs by Company Size

The average cost to
process an invoice has
decreased slightly from
2011 to 2012



processing invoices, but have not done as well as large companies that have the systems to easily measure invoice processing costs.

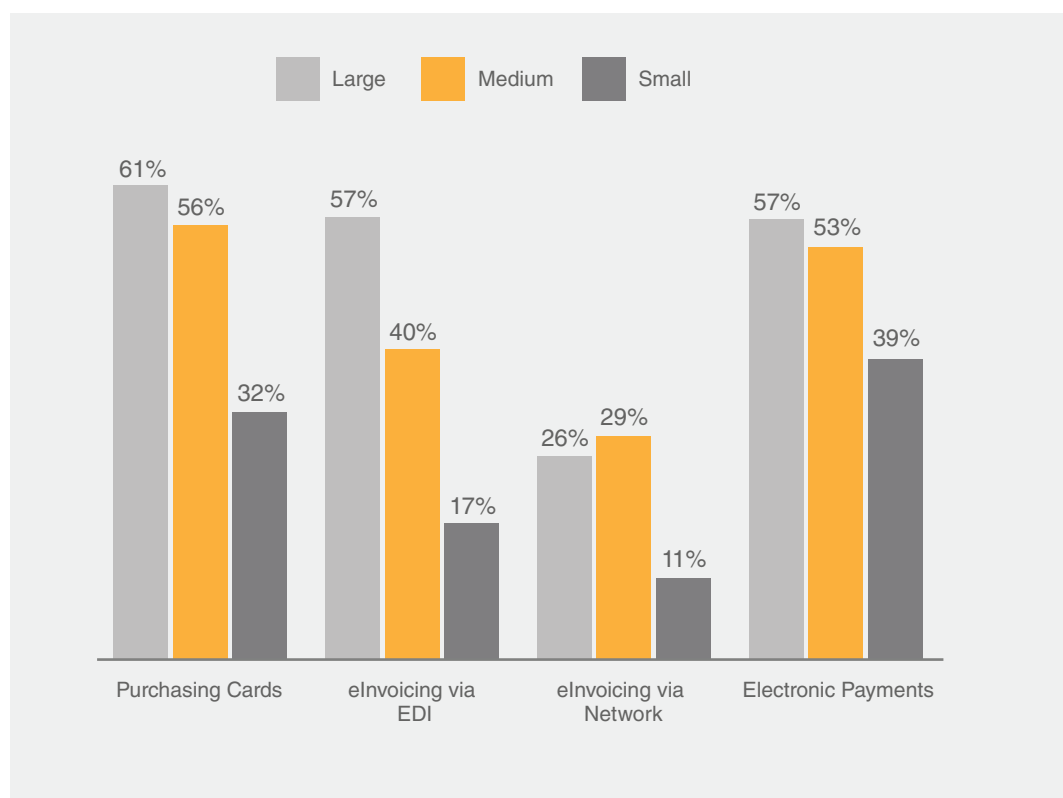
Processing costs by company size are down across the board, indicating that more automation solutions are being implemented. As more companies adopt automation solutions, processing costs will continue to decrease tremendously.

In addition to leading the pack in the adoption of imaging and workflow technologies, large companies are also leading the pack in the adoption of other accounts payable technologies, including purchasing cards, eInvoicing and electronic payments.

Figure 15

*Adoption of Other AP
Technologies by Company
Size*

*Large companies are
leading the pack in
purchasing cards,
eInvoicing via EDI and
ePayments*



ABBYY

ABBYY's global footprint consists of 14 worldwide offices located in Russia (5 offices), the USA, Germany, the UK, Japan, Ukraine, Australia, Canada, Cyprus and Taiwan. ABBYY delivers technology that transforms information and enables greater productivity for business and personal computing applications. Since its inception in 1989, ABBYY solutions have worked to streamline processes from data capture to OCR to linguistics, and are a front runner in the global information revolution.

Each year, 30 million consumers, businesses and government offices from more than 150 countries process over 9.3 billion pages with the help of ABBYY solutions, saving over 970 million man-hours or 4.8 billion dollars. ABBYY's solutions provide accuracy in locating and recognizing data in complex documents to increase efficiency of business processes and reduce costs of data entry by eliminating manual labor.

ABBYY's all in one solution is scalable for small and medium businesses or large enterprise systems. The solutions flexible workflows accommodate any specifics of the business process offering database lookups, custom processing stages, connecting third party processing engines and modification of user interfaces. ABBYY tools are delivered in both a Software-as-a-Service (SaaS) model and on-premise/network solutions.

Website	www.abbyy.com
Founded	1989
Headquarters	Moscow, Russia
Employees	1200+
Key Accounts	Datacap, Fujitsu, EMC Documentum, IBM, Microsoft, Panasonic, Xerox, Ricoh, Pitney Bowes, HP, Nokia, Toshiba, HTC, Lexmark, Datacap, KnowledgeLake, Konica Minolta
Awards / Recognitions	KMWorld Trend-Setting Product; AIIM Best Practice AWARD; Buyers Lab; PC Magazine; ZDNet Editor's Choice
Solution Name	ABBYY FlexiCapture 10

ACOM Solutions

For over 25 years, ACOM has helped companies automate their paper-based AP processes – from invoice receipt, routing and approval, storage and retrieval, to payment processing. With over 4,000 customers worldwide, ACOM's solutions quickly add value to an organization's existing ERP systems. ACOM's multi-platform solutions improve document-intensive processes, including AP, by enabling clients to reduce cycle times, lower costs and improve overall operational efficiency.

ACOM's end-to-end AP automation solution allows companies to go "paperless" from day one. Their flexible architecture is offered as a Software-as-a-Service (SaaS) and licensed software model that enables organizations to automate the entire AP process by choosing those steps that should be managed internally, versus those that are better processed by external, best of breed resources. This is an added benefit for companies with small IT departments, allowing users to focus on their core business duties rather than solution deployment.

ACOM's AP automation solution brings the document and payment process automation functionality usually offered to Tier 1 business users to the mid-market user, affordably and efficiently.

Website	www.acom.com
Founded	1983
Headquarters	Long Beach, CA
Other Locations	Duluth, GA, Phoenix, AZ
Employees	125
Number of Customers	4,000 total customers / 400 AP Automation Customers
Target Verticals	Solution marketed horizontally. ACOM has concentrations of customers in many vertical markets
Solution Name	EZContentManager, EZPaySuite, EasyAccessAP
Key Accounts	Black & Decker, Princess Tours, Air France, Jockey International, Smithsonian Enterprises, Home Depot, Bed Bath & Beyond, Wells Fargo

Corcentric

For over 15 years, Corcentric's cloud-based financial process automation solutions have enabled some of the world's largest organizations to manage and protect their financial assets. By connecting best practices with industry leading expertise, Corcentric's Accounts Payable and Accounts Receivable automation solutions have enabled organizations around the world to reduce costs, streamline processes and provide visibility needed to make critical business decisions.

Corcentric creates a paperless conduit between procurement, accounts payable, accounts receivable and suppliers, which allows companies to immediately manage 100 percent of their invoices electronically. Corcentric's flexible and scalable accounts payable automation solutions incorporate best practices, multiple invoice capture capabilities, customizable workflows, and powerful visibility to help companies increase efficiencies and reduces costs associated with invoice and payment management. Corcentric's AP solution provides comprehensive purchase-to-pay functionality from electronic purchase order delivery and electronic invoicing to invoice matching and approval workflow.

Corcentric's tools are delivered in a cloud-based Software-as-a-Service (SaaS) architecture, which allows solutions to be configured in days rather than months for rapid return on investment.

Website	www.corcentric.com
Founded	1998
Headquarters	McLean, VA
Employees	151
Key Accounts	Papa John's International, Hanesbrands, AAA, Bell Canada, WD-40, Parts Authority
Awards/Recognitions	SSAE16 certified, PCI Compliant
Solution Name	COR360

Direct Commerce

Direct Commerce (DCI) transforms the delivery and management of inter-business financial transactions from a paper-based process to a fully electronic interchange. Since 2000, DCI has been automating the Procure-to-Pay process for Fortune 1000 companies around the world, and was recently selected by Citibank as their Procure-to-Pay automation partner for Citi client solutions and deployments. Their comprehensive suite of solutions includes electronic invoicing, remittance and payment, imaging, discount management, dispute resolution, workflow and more. All tools are delivered in a Software-as-a-Service (SaaS) model, assuring customers rapid deployment and high ROI.

Direct Commerce works closely with buyers to communicate the solution's value proposition to users and facilitates a rapid supplier on-boarding process. They support thousands of suppliers submitting hundreds of thousands of electronic invoices adding up to billions of dollars per year in transaction volume.

DCI focuses on delivering tailored solutions to meet a user's specific needs. Their best-of-breed technology tools, rapid go live process, supplier on-boarding programs, and post-sales support team provide buyers and suppliers with the tools needed to gain instant access to all transactions and business-critical activities.

Website	www.directcommerce.com
Founded	2000
Headquarters	San Francisco, California
Employees	< 100
Key Accounts	Fortune 1000 companies, including The Home Depot, Eli Lilly & Company, Merck, Office Depot and others
Awards/Recognitions	Numerous client innovation awards, including Eli Lilly & Company, The Home Depot, Memorial Hermann Healthcare Systems and others
Solution Name	Direct Invoice™, Direct Imaging™, Direct Purchase Order™, Direct Workflow™, Direct Payment™

Palette

Founded in 1993, Palette's automated Enterprise Purchase to Payment product suite is currently being utilized by hundreds of thousands of end users in 34 countries. Their product suite provides customers with the tools needed to achieve significant and measurable cost savings as well as efficiency gains in the processing of supplier invoices and purchase orders.

Palette replaces the physical flow of paper by distributing invoices and purchase orders electronically. By utilizing straight-through processing, Palette solutions keep manual controls to a minimum, enabling accounts payable staff to focus on more important issues. Palette's easy-to-use solutions coupled with its user-friendly interface makes it a scalable solution for large, complex enterprises, as well as small and medium businesses.

Palette's architecture is entirely web-based, so there is no need for any components to be installed on a user's workstation. Palette can meet the demands for multitenancy and can be offered both as a traditional in-house deployment as well as a hosted Software-as-a-Service (SaaS) and/or ASP solution. The solution is modular in design and allows users to choose the functionality that best suits their process needs, and functionality can simply be enabled or disabled in the GUI through parameter settings.

Website	www.palettigroup.com
Founded	1993
Headquarters	Stockholm, Sweden
Other Locations	Boston, MA, London, UK
Employees	80
Number of Customers	1,150
Partners/Resellers	PNC Bank, BancTec, OnCourse, NMS, NEDocs, Allstar Software, Disc, EchoVera, OB10, Cloudtrade, Readsoft, Artsyl, Converg, Simac
Solution Name	PaletteArena

ReadSoft

Over 10,000 companies around the world rely on ReadSoft for faster and less expensive document processing and increased control over business-critical information. With customers on five continents, operations in 17 countries and partners in an additional 70, ReadSoft has an extensive support network, and is the most widely used solution for invoice processing in the world.

The ReadSoft software enables companies to automate document processes such as accounts payable processing, document capture, document sorting, purchase to pay and order to cash. ReadSoft's first-to-market invoice automation technology is certified with many ERP systems, including SAP, Oracle and Microsoft and resides inside SAP and Oracle E-Business suite for seamless integration. For other ERP's, the solution resides outside of the ERP system. Solutions are sold in either a license or hosted service, depending on modules and markets.

For companies looking to streamline purchase to pay and order to cash processes, ReadSoft's preconfigured, SAP-certified solutions automate essential processes such as invoices, customer orders, delivery note handling, journal entry correction and more. ReadSoft's Oracle certified payables processing solution helps enterprises enhance their Oracle E-Business Suite performance with improved visibility into processes and liabilities, and tighter controls – yielding shorter invoice cycle times and substantial cost savings.

Website	www.readsoft.com
Founded	1991
Headquarters	Helsingborg, Sweden – International New Orleans – North America
Other Locations	Amsterdam, Bern, Copenhagen, Frankfurt, Helsingborg, Helsinki, Kuala Lumpur, London, Madrid, Oslo, Paris, Santiago, Sao Paolo, Stockholm, Sydney, Wroclaw – International New Orleans, Chicago, Raleigh – North America
Employees	542 worldwide
Number of Customers	7,700 total AP automation customers, 10,000 overall customers
Key Accounts	Lockheed Martin, Sony, Time Warner Cable
Awards/Recognitions	ERP Executive's Best of SAP SAPHIRE® NOW award for Best Green Initiative, ECM Connection's ACE Award Winner in compliance
Solution Name	DOCUMENTS , PROCESS DIRECTOR, PROCESSIT, ReadSoft Online

Scan One

Scan One is a process and technology leader with over 25 years of experience in providing transaction-based business services to some of the largest and most recognized companies in the world. Scan One's suite of modular services include mailroom/scanning, e-invoice acceptance, data capture, business rules, PO line matching, cloud-based workflow and optional payment services.

Scan One processes over 120,000 invoices every day through TransAct AP, their service-focused solution that allows organizations to achieve modern AP automation with no capital investment and immediate return on expense. Straight-through processing (no AP intervention) is achieved on the majority of documents. The remaining can be addressed by AP staff with easy to use online tools. This high success rate of touchless processing frees up AP to concentrate on strategic priorities and reduces invoice processing costs by 50-75 percent.

TransAct AP is different. It truly addresses all the aspects of accounts payable automation. The pre-processing that occurs through structured and consistent data capture and business rules that are intensely managed result in workflow and automation that works, and rapidly delivers voucher-friendly data to the ERP. TransAct AP offers practical and complete AP automation solutions for today's real-world AP challenges.

Website	www.scan-one.com
Founded	1983
Headquarters	Portland, OR
Employees	150
Number of Customers	Hundreds of enterprise customers; over 60,000 users
Key Accounts	American Red Cross, Siemens, Gannett, Pulte Group, Sonic Drive-In, Molina Health Care, Draeger Medical, Jacobus Energy, Newfield Exploration, Worthington Industries
Partners	Ariba, Coupa
Awards/Recognitions	SSAE16 (SOC 1 and 2) certified
Solution Name	TransAct AP

Conclusion

Invoice automation and workflow are now moving from cutting edge technology into the mainstream of accounts payable best practices. More companies are adopting invoice and automation workflow solutions based on the proven benefits of these solutions, including:

- » Approved workflow
- » Increased productivity
- » Increased visibility
- » Lower processing costs
- » Reduced number of late payments
- » Better compliance

Moving forward, many factors will shape the evolution of this marketplace, and companies contemplating automation solutions will need to take the following into account –

Automation Creates Dynamic Data: Intelligent invoice scanning, rules-based validation, workflow promotion and escalation, and dynamic discounting are all becoming state of the art best practices in AP automation, and they all have one thing in common – they're dynamic. Automation keeps flawed documents out of the system and puts valid documents to work from the second they enter a buying organization's system. Workflow automation keeps the data moving, flagging trends and exceptions for management attention. Once automation workflow has ensured that an invoice is processed with enough time to capitalize on early payment discounts, dynamic discount management takes over to maximize returns on available cash and turn accounts payable into a profit center.

Capitalizing on Working Capital: Through the adoption of automation, companies will gain greater control over spend. The visibility that automation provides will aid savvy financial managers looking for creative, low-risk ways to invest available cash. The rapid evolution of dynamic discount management is an important development that PayStream examines in greater detail in our complementary report titled *Dynamic Discount Management: Finding the Treasure in Treasury*.

Easy to Implement, Affordable Solutions: The availability of affordable, easy-to-implement and use technology solutions is driving renewed interest in AP automation for small and medium size companies. Software-as-a-Service (SaaS), or web-based solutions that are hosted and maintained by the software vendor instead of company IT staff, is driving this trend. In addition, the need to gain instant access on the go is driving the mobile application trend, resulting in more solution providers offering mobile functionality.

Supplier Resistance is Futile: In the ongoing battle to get suppliers to embrace electronic invoicing, PayStream research shows that companies having the most success with supplier onboarding are those that chose solution providers with aggressive supplier onboarding programs. Such programs minimize hurdles to supplier participation and maximize eInvoicing initiatives.

Sign of the Times: Companies reporting that their old, paper-based manual processes work well are starting to decrease year after year. The automation age is here, and while there is still a lot of work to be done, PayStream research shows that companies are moving in the right direction.

Research Methodology

The findings in this report are based on the survey results of PayStream's 2012 Invoice Automation Adoption survey. Participants in the survey included over 300 accounts payable professionals in a variety of finance positions. Based on our experience and the number of respondents, the survey has a confidence level of +/-5 percent.

About PayStream Advisors, Inc.

PayStream Advisors is a technology research and consulting firm that improves the way companies plan, evaluate, and select emerging technologies to achieve their business objectives. PayStream Advisors assists clients in sorting through the growing complexities of IT applications related to business process automation with the goal of making objective, analytical, and actionable recommendations. Wherever business process automation technology is an issue, PayStream Advisors is there to help. For more information, call (704) 523-7357 or visit us on the Web at www.paystreamadvisors.com.