

Error-free invoices at Mammut A Case Study

PHOTO: PR PHOTO OF THE YEAR 2014 SWITZERLAND: "ICE CLIMBING BY NIGHT" BY MAMMUT SPORTS GROUP AG (PHOTOPRESS/TH. SENF/MAMMUT)

Mammut wanted to use a new automated invoice solution from Basware to make workflows more transparent in the company, save time and reduce error rates.

The story of a small company began to take its course 151 years ago in Dintikon, Switzerland. After completing his apprenticeship as a ropemaker in 1862, Kaspar Tanner used ropes to lay the foundation of one of the best-known companies in alpine sports: Mammut.

Today, the Group has total sales of around CHF 233 million, with 70 percent generated outside of Switzerland. The products sold around the world are produced by a variety of vendors in Europe and Asia and shipped either directly to the specialty retail stores or to the central warehouse in Wolfertschwenden, Germany. Ropes are produced exclusively in Switzerland. More than 20,000 invoices were received in 2012, 15 percent more than the previous year.

In addition to creating a great deal of work, the company also received warning letters, since invoices could not be processed and paid within the allowed period. Out of necessity, employees

developed a parallel bookkeeping system. In order to maintain an overview and not overlook any invoices, all of the documents were copied and recorded in Excel files along with their precise status. But this would not have been sufficient much longer. *"We wanted a new solution that would make workflows more transparent, save time and reduce error rates"*, stated Rohr. But what would this solution be? The head accountant already had an idea.

"During subsequent meetings, Tessi Solutions was able to clearly show us that the 'Invoice' and 'Match' solutions were sufficiently flexible to handle the special aspects of our invoice processing."

Christian Rohr, Head of Accounting Mammut Sports Group

Mammut Sports Group

Today, the Mammut Sports Group has total sales of more than CHF 233 million, with 70% generated outside of Switzerland. Although approximately 50% of the sales are for clothing, climbing ropes continue to be an important segment, and Mammut is the best known provider in this market.

www.mammut.ch

The mountain sports specialist often receives partial deliveries of goods, e.g. first 200 units and then 800 units some time later. The associated invoices are sometimes 15 pages long, with thirty different order numbers. Manual processing is extremely time-consuming with workflows like this. For example, when goods are received they must be compared with the order and the accompanying invoice. Even determining whether the figures are consistent with the vendor's contracts takes time. Tessi Solutions and Basware had nevertheless made a good impression on Christian Rohr and he decided to contact them again.

No sooner said than done. The kick-off for implementation took place in December 2012 and the system was already in full operation in August. 116 employees in Switzerland are using the new solution today. It is also being used in Wolfertschwenden, Germany. Mammut makes deliveries throughout the world from the new distribution company located there. Four employees there use this automated solution to check freight invoices and forwarding invoices. Everything works smoothly – also due in part to the support

Freedom of movement and load control

Christian Rohr decided to take another look at a possibility they had investigated in the past. *“Some time ago, we contacted the Swiss systems provider Tessi Solutions and took a look at a reference client that was using solutions from Basware”,* he recalled. *“However, even though it was also a clothing company, it was difficult to draw a comparison. Quite simply, the company's processes were completely different from Mammut's.”*



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provided by Rohr and his team. In order to make it easier to learn the system, they prepared written instructions and conducted personal training courses. The head of accounting sums up: *“Departments like Marketing and Communications that have to process large numbers of invoices are also satisfied with the solution.”*

Speed climbing through the departments

A simple example shows the time savings. In order to obtain comparison values, Christian Rohr calculated the processing times for individual invoices before the solution was installed. From the time the mail was received to physical archiving took 18.6 minutes per invoice – in the ideal case. This does not include delays due to vacation or illness. Basware almost cut the time in half – processing time 11.3 minutes – while also reducing potential errors. Mammut’s workflow using the automated “Invoice” solution now looks like the following. All invoices received in Switzerland are scanned on site. If digital data are available, “Match” runs automatically and compares invoices with orders and agreements. It checks whether the vendors have prepared all documents correctly and whether the terms that Mammut negotiated with them have actually been applied.

If all of the data are correct, Basware module “Invoice” channels the invoices to the verification and approval process. The specialty departments are notified electronically and requested to inspect the invoices. With a few clicks, users can examine the invoices, assign them to an account and approve or reject them. During this process, employees in Accounting can also check the status of individual invoices at any time. This also allows them to check whether any documents are left waiting too long. When an invoice is finally approved, the specialty department simply sends it away – without specifying a recipient, as is necessary, for example, with email. The invoice travels by itself to the proper person in Accounting. A few more mouse clicks and the transaction is posted. These new solutions also prepare Mammut for



“The fact that we manually processed all of those invoices caused massive problems at times.”

Especially when quarterly and annual reports were due, Rohr and his employees would run from Accounting to the other departments.

Christian Rohr, Head of Accounting Mammut Sports Group

the future, and it was high time. The volume of invoices is expected to increase by approximately the same percentage this year, namely 15 percent. The software has proven its value in this respect, as it reduces the processing time required. Christian Rohr feels the investment was worthwhile: *“Being able to approve an invoice with a few mouse clicks and not have to physically forward it simplifies things in the end.”* •



Client

Mammut Sports Group

Keywords

Transparency and speed in invoice processing

Sector

Alpine, climbing and outdoor equipment

Products and Services

Basware accounts payable workflow

Introduction

2012

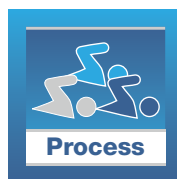


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The Swiss branch of the French company, Tessi S. A. was established following the acquisition of RR Donnelley Switzerland.