



Whitepaper: Automating the distribution packing slips for an oil-field supply distributor



Integration Technology	IBM Mainframe
Industry	Distribution
Enterprise Applications	In-house Application JD Edwards
Document Flow	Inbound Outbound Fax
SNAPS Products	Snapsflow

Executive Summary

This oil-field supply distribution company has 10 distribution centers located around the country. Their customers place orders by calling a central call center. Once the order is entered, it automatically prints in the distribution center closest to the customer.

The client was experiencing delays in payment due to billing errors. To resolve this, they started having the distribution center fax their packing slips into headquarters so clerks could compare what was delivered to what was ordered. Snapsflow was implemented in order to automate the splitting and indexing of the packing slips prior to linking them with the PO in the client's accounting system. Elimination of the manual task of linking sped up the invoicing process and reduced their receivables days outstanding.

Case Study Details

Our client is an oil-field supply distribution company has 10 distribution centers located around the country. Customer would call their central location and place orders for products to be delivered. Each order was entered into the corporate mainframe ERP system. Once entered, the order was printed, via a reporting package, to the distribution center closest to the customer.

Each distribution center maintained inventory, but did not always have everything the customer wanted on hand. For example, if a customer ordered 10 widgets, but the distribution center only had 8 in stock, the driver would deliver 8 and the remaining 2 would go on back order. At the time of delivery, the driver would make notes on the packing slip to indicate that only 8 widgets were delivered. The customer would then sign the packing list. At the end of the day, when the driver returned to the distribution center, he would turn in all of his packing slips. These slips would be faxed in to headquarters in one large batch sometimes consisting of 100 or more pages.

Our client had a RightFax server in headquarters for receiving the faxes, but a significant amount of manual labor was involved in splitting these multi-page TIFF files and uploading/linking them to the original PO. Only after the packing slip was linked could the accounting department generate an accurate invoice. (Inaccurate invoices were often not paid, leading to outstanding receivables.) The packing slips were linked to the PO using a custom web page after the multi-page fax was manually split at the clerks desktop PC.

We were contacted to determine if there was a way to automate the splitting and linking process. On our initial call, it was determined that the reporting package used to print the orders at the distribution center, could place a bar-code on the packing slips. With a bar-code on the packing slips, Snapsflow could easily split the multi-page TIFF files each time it encountered a new order.

The client decided to implement Snapsflow with the bar-code module. A policy was built that did the following:

- Monitor a certain RightFax mailbox for incoming faxes.
- When a fax was received, Snapsflow would perform bar-code recognition on each page and temporarily store this information.
- Split the document each time the bar-code value (order number) changed.
- Perform a database lookup using the bar-code value and an ODBC connection to the mainframe in order to retrieve additional indexing information.
- Write out the index file.
- Write out the image file containing only the pages for that order.

Once the index and image files were written, a client process picked them up, read the indexing information and linked them to the correct order in the ERP system. It took just one day to build, test and deploy this solution.

Business Need

This client received packing slips that were signed by their customers when products were delivered. After a driver finished his route, the distribution center would fax a stack of packing slips to headquarters so they could be compared to the original purchase order. Because of the laborious task of splitting out the faxes and linking them to the PO/invoice, a better method was needed in order to reduce their outstanding payables.

Benefit/ROI

Our client recognized a return on their investment in just a few months. The major pay-back was in the labor costs associated with manual linking, but another major benefit was the reduction in their outstanding receivables.