



Major Pharmaceutical Company Eliminates Paper on a Global Scale

Direct Commerce was the only provider that could deliver a customized VAT-compliance solution in markets worldwide.

In 2012, a major pharmaceutical company hired Direct Commerce to provide eInvoicing services for suppliers in the U.S. and Puerto Rico. The pharmaceutical giant was using another provider in select European markets.

When the pharmaceutical company wanted to automate VAT compliance based on regional and country-specific rules throughout Europe in 2016, however, the other provider was unable to accommodate the request.

Direct Commerce came through with a stable, customized solution that met the pharmaceutical company's complex objectives.

The pharmaceutical company turned to the experts at Direct Commerce, who developed a solution that would only accept invoices that were VAT-compliant for each market. Other invoices would be rejected by the system, forcing suppliers to make the necessary changes before they could successfully submit their invoices.

The Direct Commerce solution was proven effective in 2017, through a successful pilot program in Denmark, The Netherlands, and Canada (which has different tax structures in each Province).

Customer Profile

Client:

Global Pharmaceutical Company

Global Reach:

- U.S. Headquarters
- Operates in 72 countries
- Sales in 140 countries

Annual Revenue:

\$24 Billion

Suppliers:

13,932

Monthly Invoices:

24,189

Direct Commerce Solution

Highlights: Global eInvoicing

- 100% reduction in paper invoice transactions
- 95% transaction accuracy
- Dramatic reduction in administrative and help desk costs
- Faster invoice processing, no more lost paperwork or keying errors
- Complete visibility into purchase orders, payments and invoice status
- No cost to suppliers
- Supplier onboarding and support in local languages
- Quarterly enhancements
- Hourly data updates



AP Automation/Payments

By the end of 2018, the time-saving solution was rolled out in another five countries. In early 2019, Direct Commerce made adjustments to accommodate a mandate by the Italian government, which requires all suppliers to submit electronic invoices through a government-run platform. Direct Commerce was able to sync the information from the government platform to the pharmaceutical company's system, while maintaining the pharmaceutical company's business rules.

Extensive validation rules enabled 95% of eInvoice data to feed into the pharmaceutical company's ERP system (SAP) automatically.

Evolving to Meet Additional Needs

By the end of 2019, Direct Commerce got the solution up and running in three additional countries, and plans are in the works to deploy the solution throughout South America and Asia.

Company Evangelists Keep Selling the Solution

AP professionals from the pharmaceutical company do roadshows on a regular basis, to sell the solution into different markets that are still using outdated, manual processes.

“Our goal for the past decade has been to reduce administrative and processing costs by eliminating paper worldwide,” says the pharmaceutical company's Director of AP. “Direct Commerce came through for us when no one else could and we deeply value our partnership.”



To learn more about how Direct Commerce solutions can transform your source-to-pay (S2P) processes,

email sales@directcommerce.com or call 415-288-9700.