

### At a glance

#### Customer

- Frankfurter Allgemeine Zeitung GmbH
- Year of foundation: 1949
- F.A.Z. readers daily: 1,035,000 (AWA 2009)
- Headquarters: Frankfurt/Main

#### Industry sector

Media

#### Key figures

- Vendors: 1,600
- Incoming invoices per year: approx. 60,000

#### Challenges

F.A.Z. GmbH was looking for an electronic solution as replacement for the existing paper-based processing of incoming invoices in order to reduce the efforts of invoice processing, increase the throughput and – at the same time – get a better overview. Above all, the new system had to be suitable for clients to be able to not only map F.A.Z. GmbH but also its subsidiary Märkische Verlags- und Druckereigesellschaft (MVD) and its sister company Frankfurter Societäts-Druckerei (FSD), all of them working parallelly on the same SAP system.

#### Solution

Invoice scanner FCI, FIS/edc®

#### Benefits

The invoice throughput has been considerably accelerated thanks to FIS/edc® and a user is now able to have an overview of all open invoices at any time. Consequently, there are also time advantages with regards to input tax deduction and at the same time significant liquidity advantages.

**‘It was the complete package by FIS GmbH that impressed us most: meaningful references, good product documentation and presentations, wide-ranging SAP competence in the company and in particular an excellent value for money.’**

Klaus-Erich Rieseberg,  
IT project manager of the  
Frankfurter Allgemeine Zeitung

A high level of administrative exertion, a throughput being too slow and a missing invoice-process overview during the paper-based processing of incoming invoices were the reasons for Frankfurter Allgemeine Zeitung GmbH considering processing invoices electronically. The FIS/edc® solution was implemented in spring 2010 – on one central SAP system for three clients in parallel: F.A.Z. GmbH, its subsidiary Märkische Verlags- und Druckereigesellschaft (MVD) as well as its sister company Frankfurter Societäts-Druckerei (FSD).

F.A.Z., MVD and FSD are three separate legal entities that are mapped as independent clients on one joint SAP system. Consequently, the software these companies decided to implement in the middle of 2009 was required to be suitable for clients. Christian Hüsing, project manager of FIS GmbH: ‘Here, we have realized three individual projects for invoice processing.’

During the last few years, the personnel turnover within the F.A.Z. group has been worrying. Today, Erich Trageser, head of the accounts payable accounting department of F.A.Z., has to make do with six employees instead of ten in the past; Horst Heisiph, his colleague from the subsidiary accounting, has to make do with three employees instead of six. The number of incoming invoices, however, is not decreasing. ‘Quite on the contrary’, says Trageser, ‘at a time of increased activity, we are able to place more orders and the number of vendor invoices is increasing.’ Every month, approx. 1,600 vendors send their invoices to the publishing house in Frankfurt Hellerhofstraße: 2,300 invoices are sent to F.A.Z. GmbH and its five subsidiaries, 2,000 to Frankfurter

Societäts-Druckerei (FSD) and 1,000 to Märkische Verlags- und Druckereigesellschaft (MVD) –



a total of 60,000 receivables that had to be processed and posted manually until the end of 2009. Purchase-order-related invoices from SAP MM are quite rare at F.A.Z., most of them are processed via SAP FI. On the other hand, FSD and MVD use the MM module

much more intensively. In the past, F.A.Z. lost two days for sending invoices back and forth between accounting department and user department. During this time, it was not possible to clarify accounts and if one of the approx. 200 'releasing' persons was late in approving an invoice, they just lost track of currently open receivables.

Therefore, it was obvious that one had to think about processing invoices in an automated and completely digital way in the future. 'We checked and compared four software solutions that differed only slightly with regard to their functionality', explains Klaus-Erich Rieseberg, IT project manager of the Frankfurter Allgemeine

Zeitung. 'Each invoice document is entered as posting so that we can view it on the accounts. The document will be considered in all SAP standard evaluations; however, it will not yet be considered for financial accounting and consequently, it is not yet relevant for sales.' This approach seemed to be most suitable for the requirements of F.A.Z. accounts payable accounting department. 'As for the FIS/edc® release workflow, most of the 'releasing' persons use the FIS web solution so that invoices can be released much more rapidly and easily', says Klaus-Erich Rieseberg, IT project manager of Frankfurter Allgemeine Zeitung.



▲ Klaus-Erich Rieseberg, IT project manager of the Frankfurter Allgemeine Zeitung

ne Zeitung, 'it was the complete package by FIS GmbH that impressed us most: meaningful references, good product documentation and presentations, wide-ranging SAP competence in the company and in particular excellent value for money.'

#### **FIS/edc® uses 'parked' documents**

FIS GmbH uses a particular technical approach for its workflow software: so-called 'parked' documents, i.e. an SAP standard document type. Erich Trageser: 'FIS/edc® fills the real SAP tables and addresses the real SAP functions. Therefore, we are able to work with advance

#### **A 'cold start' that worked at first go: electronic invoices from 0 to 100 %**

The decision for the FIS product was made in late autumn of 2009; however, it was not before the upcoming release upgrade to SAP ERP 6.0 that FIS GmbH started to install and implement the solution, i.e. in January 2010. As first company, F.A.Z. GmbH went live on April 28, followed by MVD at the beginning of May and FSD at the end of June. As planned, the entire project costs amounted to a five-digit value with software accounting for 1/3 and services for 2/3 of the amount. It was a 'cold start' that succeeded at first go. Even the IT

project manager was surprised: 'We started with an invoice volume of 100 % immediately after going live and were able to switch from manual (paper) to electronic processing within one day', says Klaus-Erich Rieseberg enthusiastically.

Horst Heisiph accurately describes the new way of processing: In his opinion, it is 'just elegant' when you are able to scan the invoice immediately after its receipt and when the entire release process runs completely electronically. Today, invoices are received in a central mail room and scanned there immediately, i.e. the FCI invoice scanner reads and imports header data. In the past, invoices were sent to the

FIS/edc® release workflow is triggered manually or – optionally – automatically.

### Release levels can be 'fine-tuned'

F.A.Z. has authorized 150 releasing persons at level 1 and another 60 at level 2. 'In the workflow, these gradings can be fine-tuned according to the invoice amount and separately for each department', says Klaus-Erich Rieseberg. When it comes to releasing an invoice, the persons responsible receive an e-mail with two links, i.e. one link to the current invoice to be released and a second link to their accounts in the F.A.Z. intranet with an overview of all their current invoices. Today, the FIS software enables the release of invoices within a few minutes

whereas in the past it might have happened that invoices made their way through the company before they returned to the accounting department for posting after one long week. In particular, the use of FIS/edc® makes the entire accounting more transparent. 'We now have more invoices already

'It is just elegant when you are able to scan the invoice immediately after its receipt and when the entire release process runs completely electronically.'

Horst Heisiph, head of subsidiary accounting



▲ From left: Horst Heisiph, head of subsidiary accounting, and Erich Trageser, head of accounts payable accounting department

user departments at first, signed by the persons responsible and passed on to the accounting department via internal mail. 'We posted the documents, paid the amounts, scanned the documents by our own and attached them to the postings', explains Heisiph, 'each authorized person was then able to have a look at the TIFF invoice in the archive via SAP – the classical example of late archiving.' Today, the colleagues of Erich Trageser, Horst Heisiph, Silke Ambos from FSD and Gert Bausitian from MVD receive the documents – that have been digitized in the post room – as scan already. They are able to postprocess the data not clearly recognized by the FCI invoice reader in the validation monitor. Afterwards, the invoices go as parked documents to the FIS invoice receipt monitor in SAP where the

ready posted for month-end closing and a much better overview of our costs', explains Erich Trageser, 'we can see at a glance whether there are pending invoices and which month they belong to. We just did not have this overview in the past.' Consequently, F.A.Z. GmbH is also able to deduce input tax earlier and in doing so to take considerable liquidity advantages.

### F.A.Z. profile

F.A.Z. GmbH publishes the Frankfurter Allgemeine Zeitung that was released for the first time on November 01, 1949. 'Newspaper for Germany' most accurately described the function of this newspaper. Its intention to be 'the mirror' of Germany as a whole has not changed to this day. The F.A.Z. is an independ-

ent daily newspaper with one peculiarity: not one chief editor only defines the agenda of this newspaper but a body of five editors working

F.A.Z. GmbH, its subsidiary Märkische Verlags- und Druckereigesellschaft (MVD) as well as its sister company Frankfurter Societäts-Drucke-



'Due to FIS/edc®, we now have more invoices already posted for month-end closing and a much better overview of our costs.'

Erich Trageser, head of accounts payable accounting department

▲ From left: Erich Trageser, head of accounts payable accounting department and Horst Heisiph, head of subsidiary accounting

together for a common purpose. The F.A.Z. has 1,035,000 daily readers (AWA 2009) and is the 'must-read' on all German stock exchanges. Every day it is delivered to approx. 120 countries worldwide and is therefore the most widespread German quality daily newspaper.

rei (FSD) are part of the F.A.Z. group. In 2009, the publishing group employed an average of 1,785 persons.

#### FIS GmbH

FIS Informationssysteme und Consulting GmbH is an independent company with approx. 360 employees focusing on SAP projects. FIS, an SAP Full Service House and international SAP 'Gold' partner, works on all hardware platforms released by SAP and concentrates on industry and technical wholesale. FIS develops own solutions that can be used independently and complement the SAP standard software products in a meaningful way. All software systems and tools offered by SAP are consulted, supported and licensed by FIS.



▲ Editorial offices of F.A.Z. GmbH



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