



A&W Food Services of Canada Inc.

Purchasing & Distribution Accounting Department Moves to Electronic Filing

A&W Food Services of Canada Inc. is the country's second largest quick-service hamburger restaurant chain with over \$850 million in system sales. Their restaurants feature famous trade-marked menu items such as The Burger Family®, Chubby Chicken® and A&W Root Beer®. Since opening its doors in Winnipeg in 1956, the franchise-based business has grown to over 800 restaurants coast-to-coast.

A dedication to continuous improvement is exemplified by A&W's Purchasing & Distribution Accounting department. "The team wanted to get into the 'born-digital, stay digital' mindset," says Rob DuMont of RKO Solutions, "and are finding ways to digitize their current processes".



Overview

Challenge

The Purchasing and Distribution (P&D) Accounting team at A&W Food Services of Canada filed more than 47,000 invoices per year in filing cabinets. Both filing and retrieval of invoices took considerable time and led to inaccuracies. Off-site storage increased costs and turn-around times.

Solution

The company implemented IBM FileNet, Datacap and Content Collector for electronic filing and efficient search and retrieval.

Benefits

P&D Accounting eliminated a laborious filing procedure, a bank of file cabinets, and costs associated with off-site storage. Retrieval of all associated documents is quick and dependable.



"I'm proud of the P&D Accounting team for contributing their ideas and efforts to the project. Change can be unsettling but they have really embraced the new way of working and are happy to experience the benefits of electronic filing every day.

Reducing or eliminating paper from processes and managing records electronically is absolutely the right way to go for the organisation and for the environment. RKO helped us implement and customise systems that have become a part of the way we do business in our accounting department. We look forward to building on that foundation and extending efficiencies into other areas of the business."

Delores Beier
Manager, Team Technology

The department processes over 70 supplier invoices daily - that's over 25,000 per year - and produces 22,000 distributor invoices per year. They saw the value of electronic filing right away. They knew it would eliminate the laborious task of associating vendor and distributor invoices in the paper files, make invoices easier to find, reduce the risk of losing invoices, increase information security and eliminate physical filing space.

There are three key areas of innovation where implementing electronic filing has resulted in dramatic savings in paper and printing costs, eliminated the labour involved in filing and reduced the time to find and resend invoices:

- Electronic filing of distributor invoices
- Electronic filing of supplier invoices
- Electronic filing of invoice inquiry backup documentation

Electronic Filing of Distributor Invoices

Before the introduction of electronic filing, A&W physically stored copies of all distributor invoices in file cabinets. Each invoice was printed for mailing and photocopied for filing. There were costs associated with printing, photocopying on to coloured paper, taking time to file each invoice, reprinting, off-site storage and transfers. In addition to these hard costs there were less quantifiable costs associated with potential misfiling, missing files and the time and effort associated with needing to be physically in the office to retrieve a filed invoice.

RKO Solutions was hired to implement an electronic repository for A&W's invoices. IBM FileNet Content Manager offers a single repository to centralize access to, and improve control of, documents, which was exactly what A&W was looking for. Upon implementation, the company was able to electronically file all distributor invoices and no longer needed to print and physically store these documents. They gained substantial savings from the costs associated with printing, paper, filing time, reprints and off-site storage of 22,100 sheets of coloured paper per year. Transfer costs related to off-site storage were also eliminated. Electronic filing saved the company hours per week due to no initial filing, easy retrieval of invoices and the ease of resending PDF copies of invoices via email when required.

Electronic Filing of Supplier Invoices

A&W processes almost 2,000 supplier invoices per period. Invoices are marked up, processed and passed to A/P for payment. Prior to the implementation of electronic filing, each invoice was photocopied and then matched with and stapled to an associated distributor invoice in the file cabinets. There were physical and soft costs associated with photocopying, paper, matching & stapling supplier invoices with distributor invoices, filing time, off-site storage and transferring invoices.

To ascertain the best technology to streamline these processes, RKO engaged the team in an in-depth needs discovery process. It was important not only to make each invoice available electronically, but also to associate it with a corresponding distributor invoice. The first step was to find the right solution for automating the ingestion of scanned invoices into FileNet.

Technology Implemented

- IBM FileNet Content Manager
- IBM Datacap
- IBM Content Collector

"We can literally see the open spaces in the filing cabinets. Next year we will be able to eliminate an entire bank of filing cabinets. We simply don't need to file paper related to these processes any more. This also means we have nothing to ship and store off site and no need to retrieve records from off site storage. This translates into significant cost and time savings."

A&W originally considered a 3rd party solution affiliated with their scanner vendor, but opted for the seamless integration and superior functionality offered by IBM's zonal optical character recognition (OCR) solution, Datacap. Key values on scanned invoices are recognized by Datacap, then presented for verification using Taskmaster DotEdit. The invoices are then electronically filed to their FileNet repository.

The 25,000 invoices per year they previously photocopied and filed are now available electronically. This saves the company hours of staff time as the laborious filing task is eliminated, documents are easy to retrieve and easy to resend as PDFs via email when needed.

"The whole paperless thing makes my job much easier! I have reduced the time I spend processing invoices and statements by 1/3. I am less stressed so I can focus on more productive jobs, or go home earlier to spend time with my family. Going paperless is a remarkable change in our company!"

Electronic Filing of Invoice Inquiry Backup Documentation

When invoice inquiries came in, they were investigated by gathering a number of backup documents including emails, faxes and the original distributor invoice and corresponding supplier invoice from the filing cabinets. An associated debit or credit note was then generated and filed as part of the documentation collection. A document collection could contain as many as 6 to 10 pages of materials and about 50 were produced per period.

Post implementation, document collections are now combined into a single PDF using OCR scanning and PDF tools, then filed electronically in the FileNet repository. An "All Associated Documents" search template returns every document associated with a key value (P.O. / Order Number) - saving time and ensuring accuracy in that related documents aren't missed. Distributor documentation packages are no longer photocopied and filed in a filing cabinet. Elements of the package remain digital and are never printed. The paper savings amount to approximately 5,000 sheets of paper per year.

"We were also scanning additional documentation whenever we had to rebill or reverse an invoice and it usually involved a fair bit of investigation and documentation being pulled together. It is so nice to now have that "story", as it were, neatly filed in one place where we can recall it, using electronic search, if further questions arise."

Electronic filing of distributor documentation packages saves hours of work time per week as there is no initial filing. It is now easier for operators to retrieve all of the associated documents and to resend documents as a PDF via email when needed.

Reduced Storage, Big Savings

The elimination of filed paper invoices has reduced their physical storage needs significantly – no more paper is going into the file cabinets. The remaining files will be the last to be sent off-site for long term storage. The team can access invoices in seconds. All the invoice details are available electronically so they can search invoices based on dates, invoice numbers and vendors. Additionally, RKO built specialty search templates to meet the individual needs of team members.

"The biggest benefit I have seen is the enhanced and rapid ability to retrieve information on all levels - be it for franchisees, distributors or internal customers. With access through FileNet and its search capabilities, I have, no doubt, saved hundreds of hours managing my workload."

A great value add for the team has been the elimination of the filing activity. When you eliminate paper filing you:

- Eliminate the human resources expended on the task and the all-too-frequent backlog which manifests itself as piles of paper waiting to be filed (and growing pressure and stress on the team).
- Remove the chance of misfiling or lost files.
- Reduce (and eventually eliminate) the physical space required in filing cabinets.
- Eliminate the time and costs associated with off-site storage including preparing files for transfer to storage, managing files in storage, retrieval from storage and ultimately destruction.
- Facilitate ease of retrieval and the ability to email a PDF if necessary.
- Secure files against physical damage due to fire or flood.



For More Information

To find out how RKO Content Management Solutions can help you, contact us at sales@rkosolutions.com or +1.778.383.1850 or visit www.rkosolutions.com.

For more information about A&W Food Services of Canada Inc. visit www.aw.ca.

About RKO Solutions

RKO solves complex content & process related business problems. The company's custom solutions help organizations better manage documents, streamline processes, surface business knowledge and mitigate compliance risk. With a 15 year legacy of success, RKO is Canada's leading Enterprise Content Management (ECM) consulting company, an IBM Premiere Partner, Microsoft Gold Certified Partner and winner of IBM's ECM Business Partner Achievement Award. Visit www.rkosolutions.com to learn more.