

# US Farathane speeds up invoicing processes with Palette software

## The Challenge

US Farathane is a leading supplier of highly engineered plastic fabricated components to the automotive industry, operating across several different facilities in the states of Texas, Tennessee, Missouri and Michigan.

US Farathane has a centralized accounting department with purchasing being split between the department and other branch offices. The decentralized purchasing was performed on a

carbon copy paper form, which needed to be manually routed for approval and sent via inter-company mail to corporate finance. Accounts Payable had a 100% paper based, manual process, with all documentation being sent to the corporate headquarters, inundating the AP department with paperwork That needed to be processed manually and then filed for future reference.

“ Our corporate finance department is now as state-of-the-art as the products that we manufacture.

US Farathane Accounting Manager





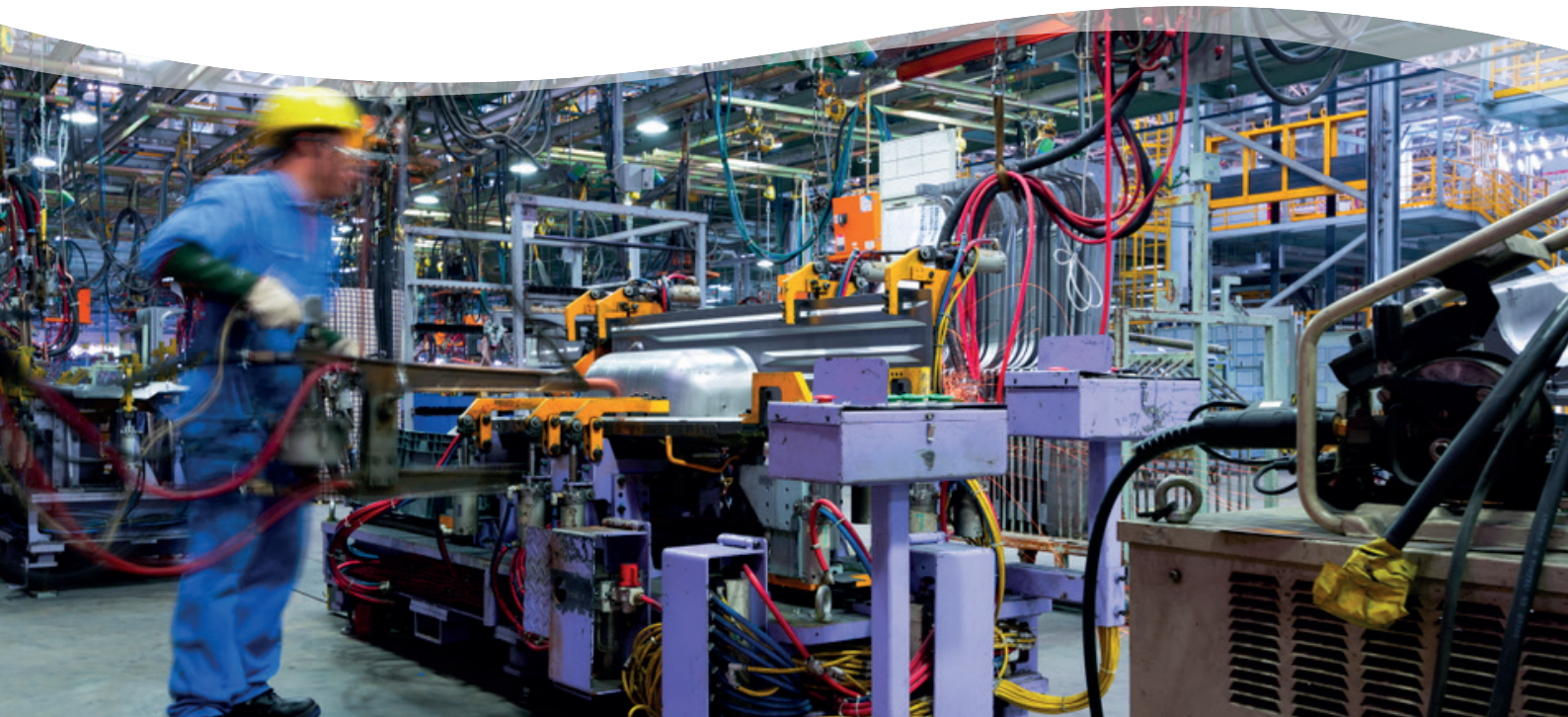
### Solutions in use

Anticipating an increase in growth, and therefore an increase in invoice volume, USF realized that it was not practical to continue using this manual process and decided to automate its invoice processing. “The company had three goals in mind; increased efficiency, selfservice visibility, and less paper handling.” commented US Farathane’s ERP Support Specialist. US Farathane chose Palette as its AP and purchasing automation provider due to its high level of functionality, its ability to meet technical demands, and because it was the most userfriendly system of those tested. USF deployed the PaletteInvoice, PaletteContract, PaletteBuyer and PaletteExpense modules from the PaletteArena purchase-to-pay suite.

This ensures that the thousands of employee expense reports and the 64,000 invoices it receives every year are processed, approved and scheduled for payment quickly and efficiently. Of equal importance is the adherence to contract terms and purchasing policies and this is where PaletteBuyer and PaletteContract offer significant value to those processes. By integrating PaletteExpense with USF’s inhouse developed ERP system Parts+, the company now has a fully connected invoicing process. Palette also built an operational budget module that works with

“By automating purchasing and AP with Palette we have implemented business rules that are automatically enforced and streamlined processes. Purchasing is able to use the reporting capability to leverage spending while AP no longer needs to be ‘corporate policy enforcers’ and are able to work at a higher level,” commented USF’s Accounting Manager, “Thanks to Palette we now have complete visibility of our financial liabilities, and our corporate finance department is as state-of-the-art as the products that we manufacture.

PaletteBuyer. This budget module utilizes the annual budget that the plant controllers finalize at the beginning of each year. It calculates purchases in each of the general ledger accounts





that the controllers wish to monitor, each time that a requisition is approved. If the requisition that is being approved causes the GL account to go over its budget for that period, the plant controller is added to the approval workflow for consideration and approval or rejection. Since requisitions are GL account coded from the beginning of the purchasing process, utilizing the data to drive conformance was an option. As a result, plant controllers are now in a position where they are empowered to maintain the budgets that they had forecasted, rather than having to determine how, when, and why, their plant went over budget.

### Faster and more efficient

Automating their invoice processing with Palette means that USF now has a faster and more efficient invoicing process in place. The deployment has reduced the amount of time that accounting staff spend on administrative tasks and the amount of paper that the company uses. It has also eliminated the delays caused by paperwork as documents are no longer passed between different personnel, which is particularly helpful for staff at remote sites.

One of the Accounts Payable Coordinators with USF had the following to say: “Any employee using the Palette system can answer questions or check status on any invoice by looking them up and viewing all relevant information, and who and where the invoice is in the workflow process, right from their desk.” In addition “Palette was able to allow us to discontinue filing invoice paperwork. All of our purchase orders and



invoices are now in one electronic system available with real time status to those we give access to from any workstation. This helps a great deal with vendor questions”.

### Greater visibility and monitoring

The Palette deployment has also given US Farathane’s finance department better tools and metrics for monitoring and reporting as well as greater visibility over the company’s spending. For example, the Palette software offers up to date information on account balances, allowing the company to better control, manage and analyze its finances. The Expense module has delivered greater insight for the accounting team into staff expenditure, ensuring that it is not only authorized and approved with all required documentation, but also ensures faster reimbursement to employees.

*AP automation with Palette saves time, lowers cost and improve efficiency gains for over 3 500 clients worldwide.*

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