

Accounts Payable



Overcoming Invoicing Bottlenecks with AI-Driven Automation

FUCHS Lubricants experiences greater efficiency with Esker's Accounts Payable solution.



At a glance

FUCHS Lubricants (Australasia) Pty. Ltd.



**Lubricant
manufacturer**



58 subsidiaries



**5,700 employees
worldwide**



**Headquartered in Mannheim,
Germany**



Established in 1931



SAP® ERP



Challenges






A manual AP process creates blind spots for employees & suppliers

As one of the world's largest suppliers among independent lubricant manufacturers, the FUCHS Group develops, produces, and distributes high-quality lubricants for almost all industries and a wide range of application areas. The company was founded in Mannheim, Germany in 1931 and employs around 6,000 people in 58 operating subsidiaries worldwide. FUCHS has 14 distribution centres across Australia and New Zealand.

Business growth – especially through the acquisition of Australian engine oil maker Nulon Products – was stretching the existing manual, paper-based accounts payable processes to the limit. Jacqui Kemp, Accounts Payable Supervisor at FUCHS Lubricants (Australasia) Pty. Ltd. explained, “in the past, we relied on a very manual approach to processing supplier invoices. Invoices were all over the business and not all invoices were emailed directly to us. There was a lot of guesswork involved in finding out who the invoice is with when a supplier called to enquire about the payment status.”

The AP team had to process 100 to 200 invoices every day: printing invoices from the payables inbox, manually coding and then filing them in the filing cabinet. Once the payment was made, the FUCHS AP team matched the payments to invoices and filed them again. Tracing and printing invoices, filing and archiving, and finally getting authorisation and approval – it all took an incredible amount of time and effort for the team to stay on top of such a large volume of invoices. “We knew there had to be a better way. We couldn't afford inefficient manual processes to hold us back from making payments in a timely manner, so we set out to find a solution to streamline AP operations,” Ms. Kemp said.

Objectives

-  **Increase visibility into AP process & approvals**
-  **Decrease invoice processing times**
-  **Reduce time spent on supplier queries**
-  **Free up staff to focus on higher-value tasks**
-  **Improve audit trails**

Solution

Overcoming the lack of visibility with automation

The long-term trust between Esker and FUCHS simplified the decision-making process when selecting an AP solution vendor. Based on the success FUCHS Germany and FUCHS U.S. experienced with Esker, the decision was made to standardise all FUCHS entities worldwide on Esker, including FUCHS Lubricants (Australasia).

With automated invoice processing in place, suppliers now send their invoices directly to a dedicated email address and from there they go straight into Esker. "Nothing gets lost and everything is traceable," commented Ms. Kemp. Esker dashboards provide a real-time view of invoice processing – to easily identify where invoices are in the process and prevent bottlenecks.

"Loading from the clipboard and cost assignment templates are my favourite solution features. The team no longer has to remember the cost centres and what belongs where. All they have to do now is load the cost assignment template and find the cost centres from there," she continued.

Implementing Esker had a positive impact on the team's health and wellbeing during the COVID-19 pandemic. Ms. Kemp further added that "I was going home with boxes of invoices to process and then bringing those back to the office for filing. It was a nightmare. Thanks to Esker, we realised we could process them from anywhere and no longer had to carry boxes back and forth. Esker was a real godsend!"

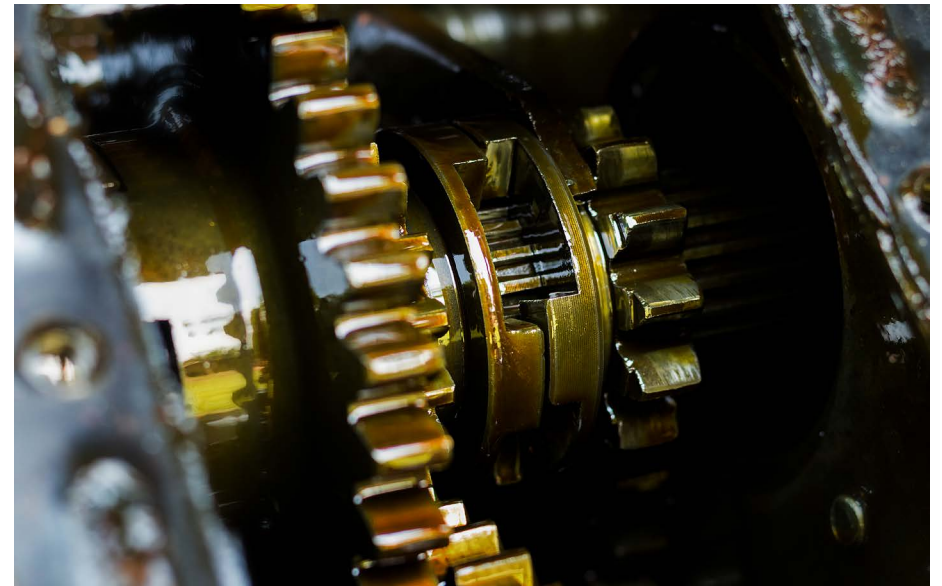
Ms. Kemp applauded the excellent support FUCHS has received and are still receiving from Esker's team. "The team is available at the drop of a hat to answer any questions we have. Couldn't have asked for a better team to work with," she remarked. From the start, Esker understood FUCHS' requirements and everything was well-documented. Esker's documentation library and short videos have also been very useful for the team.



"Bringing Esker on board was just the most exciting thing that could have happened for me. I couldn't have asked for anything better and easier."

Jacqui Kemp

Accounts Payable Supervisor, FUCHS Lubricants (Australasia) Pty. Ltd.





“Rather than filing for two hours a day, we are spending that time now getting out invoices for approval and getting them back in a timely manner”

Jacqui Kemp
Accounts Payable Supervisor, FUCHS Lubricants (Australasia) Pty. Ltd.

Highlights

-  **Increased visibility & control**
-  **Improved reporting capabilities**
-  **Shortened DPO from 20 to 10 days**
-  **Reduced response time for vendor queries by 30%**
-  **Saved printing 10,000 sheets of paper per year**

Results

Providing insights & boosting morale

Since the implementation of Esker’s Accounts Payable solution, FUCHS Lubricants Australasia has seen a number of significant benefits, both operationally and strategically. 100% of the company’s invoices are now being processed electronically through Esker.

For Ms. Kemp and the AP team, one of the biggest benefits of using Esker’s Accounts Payable solution is the time savings. Before Esker, invoices would sit on desks or wait in email inboxes for approval. Today, these delays have been eliminated and the approval process streamlined. “Esker has helped reduce the amount of time it takes to hunt down the invoice status as we can see where it’s sitting and whom to contact,” she said. All this has translated into better employee morale and happier suppliers.

Esker has also helped with document management, eliminating the need to file paper invoices. This has been beneficial for auditing purposes as well. What’s more, FUCHS has also cut down on hard costs such as machine maintenance for wear and tear, repairs, parts replacements, and printer ink and toner. “We estimate that we have saved around 10,000 sheets of paper that we used to print every year. That’s good for the environment as well,” she commented. “I don’t really use the photocopier anymore, thanks to Esker!”

FUCHS Lubricants is looking to continue its digital transformation journey and automate more processes, including vendor statement reconciliation. “I’d like to explore what else we can leverage Esker for and can’t wait to see Esker’s recently launched supplier statement management feature in action,” Ms. Kemp concluded.

Want to automate your Accounts Payable processes like FUCHS Lubricants?

Get in touch with Esker.

About Esker

Esker is a global cloud platform built to unlock strategic value for Finance, Procurement and Customer Service professionals, and strengthen collaboration between companies by automating the cash conversion cycle. Founded in 1985, Esker operates in North America, Latin America, Europe and Asia Pacific with global headquarters in Lyon, France, and U.S. headquarters in Madison, Wisconsin. Our customers use our cloud solutions to increase the efficiency, productivity and visibility of their source-to-pay (S2P) and order-to-cash (O2C) processes.

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