



### Xchange e-procurement for the Contractor

Included as standard within all the RedSky solutions is the ability to trade electronically with their suppliers. Customers that have the order processing module can send orders via a secure process electronically which gives them the ability to match against goods received notes (GRN) and / or invoices. Invoices can also be received electronically as well

### The Concept

The Xchange hub is a "store and forward" server that enables RedSky IT customers to send their Purchase Orders and receive invoices electronically

For sending orders, users do not need to know which of their suppliers are 'Xchange-enabled' and which are not. If the supplier has not yet registered then they will be sent a fax directly from Xchange. Contractors will not even need to change any current business processes, the basic principle is that instead of, or as well as, printing the Purchase Order, they can select to send to Xchange". The only requirement is that all users have their suppliers fax numbers entered in their database. The application takes care of the rest. From the supplier's side, if they have signed up, they are able through the RedSky IT e-client, to receive all orders electronically, which can then be fed directly into their own system.

By return the supplier can now send their invoice electronically to you for processing or matching in the normal manner but with the ability to be stored as an "image" attached to that transaction automatically

### The Requirements

To take advantage of this service and to build upon your current supply chain initiatives, the following are the minimum requirements:

- You need to have a connection line to the Internet. If you have external e-mail or Internet capabilities from your offices, then you probably are already connected.
- For ordering you need to be using a RedSky IT Purchasing module. Currently, we have enabled our Summit, DEMA and Mentor solutions to automatically communicate with Xchange.
- You need to register your company's interest by providing the RedSky IT CRM team with some basic details.

### The Commercials

Importantly, the software enhancements are included as part of your licence fee. The charging mechanism for Xchange is "pay as you go", that is, the charges will be based on the number of transactions that you send and receive through Xchange. For example, to the contractor, the transaction cost for a Purchase Order is less than the cost of a stamp.



## The Benefits

Essentially these are the costs savings that are immediately available.

- The tangible benefits include paper, printing and postage savings, and if you are already faxing, then telephone charges.
- The intangible benefits include improved Supply Chain Management and quicker response times.

*"The impact Xchange would have on our ordering process was immediately obvious. Our Group has 3 buying departments each processing 50 orders a day. Our buyers would use either fax or telephone to place the order, with 75% of orders taking 15 minutes of our buyer's time. The cost of the call could reach over £1 per order. So quickly I could add up the cost of placing an order and this was far more than the cost of ordering via Xchange". - Gary Spicer - Knight Group*