

# [competence]

REFERENCE PROJECT

**Volkswagen AG**

Automated processing of incoming invoices ensures  
cost-efficient and timely settlement of accounts

**\_betasystems**

[what]

## Volkswagen and Audi implement efficient input management to improve invoice processing

Volkswagen and Audi rely on the FrontCollect Invoice recognition solution to more efficiently process their yearly load of approximately 2 million incoming invoices and other paper documents. Automation helps to greatly speed up processing, enabling the automobile manufacturers to settle their accounts on time.

## Automated invoice processing

### Inspection at a glance

VW trusts in high-performance, modern technologies for digitalizing their paper documents: The images in TIF format are fed into a document management system (DMS) based on Documentum, and a temporary copy is entered into the high-end invoice reader FrontCollect Invoice. This reader constantly reads header data and checks it against master data of the internal VW booking system. The software scans the invoice for specific properties such as name, address, phone and fax number, bank account details and tax ID. A fuzzy server compares the gathered information with the master data and tries to determine the matching supplier. In addition, the invoice reader draws on a comprehensive set of rules and a knowledge base that "gets smarter" with each invoice processed. Thanks to this combination of different procedures, there is no need to train, configure and program this form-based system. The knowledge base automatically adds new entries, but it is also possible to manually view and edit them. The interpreted invoices are checked and, if necessary, corrected. This process is greatly facilitated by the user-friendly design. The left part of the screen shows the invoice, while the right half displays the fields to be read. A color code indicates the evaluation status, where yellow represents the current field, recognized data is highlighted in green, and red fields need to be checked.

All relevant information is available at a glance. Due to the high recognition rate – 85 per cent for header fields, up to 95 per cent of suppliers – the correction process takes just a few seconds. This results in vast time savings when compared with traditional, purely manual capture. As a next step, the invoice reader FrontCollect Invoice hands over the data to the DMS as a neutral XML file; the DMS, in turn, matches it with the images. Any further processing is handled digitally using an intranet-based workflow.

## The Volkswagen Group

The Volkswagen Group, with headquarters in Wolfsburg, Germany, is one of the world's leading automobile manufacturer and the largest-selling car maker in Europe. The group currently maintains 47 plants in eleven European countries and on seven locations in America, Asia and Africa. Every day, the global workforce of 343,000 employees produces more than 21,500 vehicles and renders services for the automotive sector. The Volkswagen Group offers its vehicles in more than 150 countries. The group aims at offering attractive, safe and environmentally-friendly vehicles that stand out from the competition as best of their class in a highly contested market.

[who]

## [FrontCollect Invoice]



### No training needed

At VW, a key reason for choosing the FrontCollect Invoice solution was its ability to read unstructured documents of various and changing layouts at a very high recognition rate with no prior large-scale configuration work. This powerful free-form recognition feature made it unnecessary to set up the form reader for all relevant invoices from the pool of more than 35,000 active suppliers. This is a significant advantage as compared to other systems.

"Assuming 10 minutes of processing time for each invoice, it would have taken us several hundred days just to set up the new system. Add one or two administrators to configure and optimize new layouts during operation.

This would not have been economically viable," points out Dieter Rohde, Head of the Creditor Systems, Projects and Consignment Department at VW, explaining why VW opted for the FrontCollect Invoice free-form solution. Administrating this solution takes only a few hours each month. At the same time, VW further benefits from a useful "side effect": The invoice reader detects errors and inconsistent entries in VW's booking system – errors that are bound to exist given the vast size of the supplier pool.

### Freely scalable

Recently, Audi AG has also started to use the automated invoice capturing solution located at VW in Wolfsburg, Germany, with a capacity of about 1,000 documents each day. Owing to the large number of joint suppliers, the recognition rate is very high. In this way, Audi benefits from the well-stocked knowledge base of VW. Soon, others will be able to do so as well. The VW Group is planning to turn this area into a service center. As the invoice reader is freely scalable and supports an unlimited number of clients, they can pursue this project straight away.

[how]

[gain]

## Invoice reader FrontCollect Invoice

The capturing system of Beta Systems automatically processes scanned invoices and vouchers, supporting invoice capture all the way through to automatic booking of receipts.

The modular clients-server system uses the InputAccel Enterprise Server of Captiva Software GmbH as its backbone and can be turned into a universal incoming mail solution that supports any documents and volumes.

The invoice reader recognizes documents based on the free-form capture principle, so it is ready for use without any training. The system rather recognizes invoices based on their layout and also draws on existing information such as ERP master data. The software scans the invoice for specific properties such as name, address, phone and fax number, bank account details and tax ID.

A fuzzy server compares the gathered information with the master data and tries to determine the matching supplier. In addition, the invoice reader draws on a comprehensive set of rules and a knowledge base that "gets smarter" with each invoice processed. Thanks to this combination of different procedures, the traditional tasks of setting up, configuring and programming form-based systems become obsolete.

The invoice reader is currently being used throughout Europe and is globally sold via qualified partners.

[experience]