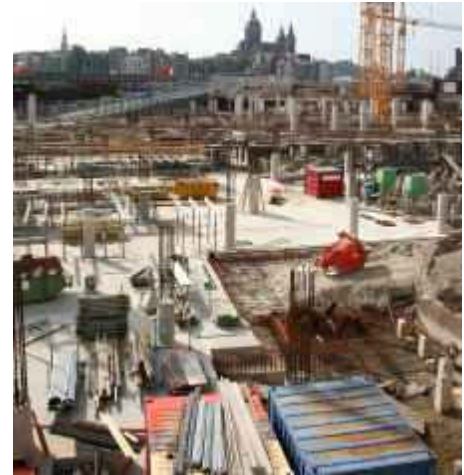


Improve Plant Hire ordering efficiency with eOpen Orders

Background: Producing the authorised requisition or purchase order [PO] required to hire plant can be a time consuming and counterproductive exercise for the workforce and often the administration costs can be disproportionately higher than the cost of the equipment being hired. This is especially true with short-term hires required for maintenance and FM work or when hiring lower-value equipment such as small tools.

In addition, once the plant hire invoices are produced, the contractor faces the challenging exercise of reconciling the individual charges to the hire details on the original PO.

If the contractor finds it difficult reconciling the plant hire invoice to the PO, there is a real risk to the plant hirer that line items charges will be disputed, resulting in increased administration costs for both the contractor and the plant hirer, and the likelihood of delayed payments, which in turn impacts the hirers Days of Sales Outstanding [DSO] figures and increases debt financing costs.



Overview of the COINS/Speedy eOpen Order process for Plant Hire

The COINS/Speedy eOpen Order process addresses these issues by minimising the paperwork, time and effort necessary for maintenance engineers and site personnel to acquire authorised plant and by providing an electronic copy of the Order Confirmation as the Plant Hire Contract is raised. This ensures that the contractor knows every detail of impending charges within minutes of the hire starting, providing the opportunity to raise and settle queries long before the invoice arrives.

Obtaining Plant Hire items: The contractor raises an Open Order for each contract and transmits a copy of this to Speedy and a copy to the contract. Speedy process this Open Order to register the contract details; the contract number, contract name, site address and the unique Open PO number.

Plant items can be requested by any authorised individual by email, by telephone or by calling into one of the Speedy depots. To obtain hired plant, the requestor has to follow the agreed plant hire requisition process for his business, quoting the project number and project name, the Open Order Number, and providing their name. This could be either through a hire desk or within a Speedy depot in person, subject to the supply agreement with Speedy.

Raising the Plant Hire Contract: A plant hire contract will be raised quoting the Open Order number, the site/contract number and site details, and the requested plant hire items will be issued to the requestor. As the Hire Contract is completed, an electronic eOrder Confirmation message is transmitted to the contractor. This message contains all of the hire contract information; contractor and site details, plant hire items and rates, plus any additional charges such as transport or cutting discs etc.

Updating the contractors PO details: The eOrder Confirmation message is received by the contractor within minutes of the plant hire contract being completed by Speedy. COINS automatically checks the PO and contract number quoted and verifies that the plant hired is in accordance with the agreed list of

plant that can be hired through this process for this contract. When accepted, the eOrder Confirmation details are used to automatically update the COINS PO details.

Business benefit

The COINS/Speedy eOpen Order for plant hire items considerably reduces the effort required by the workforce to obtain hired plant and dramatically improves the efficiency of the requisition-to-order process. The entire end-to-end process is electronic, with extensive controls and PO validation being exercised by both the Speedy back-office application and by COINS.

Using the Speedy eOrder Confirmation message to update the contractors PO details ensures that the plant hire items are appropriately recorded, and also ensures that there is a 100% opportunity to first time match the subsequent Speedy plant hire eInvoices. In addition, having all the plant hire items together with rates and the anticipated hire period enables COINS to provide the contractor with the necessary plant hire accrual information. Processing the eOrder Confirmation message ensures that there is complete alignment between the contractors PO details on COINS and Speedy's Hire Contract.

As the percentage of eInvoices matched first time against the PO increases, there will be fewer invoice queries, resulting in fewer delayed and disputed payments and reduced administration costs for both the contractor and Speedy.

Benefits summary

Process	Contractor Business Benefit	Speedy (Supplier) Business Benefit
Obtain required plant hire items	Faster and more effective process for the workforce to obtain the plant items they need with little or no paperwork.	Provision of a more efficient, customer focused, plant hire service with greater efficiency and control.
Raising the Hire Contract		Ability to distribute an electronic copy of the Plant Hire Contract (eOrder Confirmation) to the contractor for updating/amending the PO details.
Raising an accurate Plant Hire PO	Using the eOrder Confirmation message to update the plant hire PO improves the timeliness, quality and accuracy of the plant hire PO.	An accurate PO improves the likelihood of higher numbers of invoices being matched first time without invoice queries and credit notes being raised.
Invoice clearance	Accurate and timely POs increase the volume of auto-matched eInvoices and considerably improves the efficiency of the invoice clearance process, reduces queries and lowers administration costs.	Improved eInvoice first-time matching KPI's reduces disputes and improves the likelihood of on-time payments.
On-time Payments	Fewer queries improves on-time payment KPI's.	On-time payments improve DSO, drives down debt finance charges and reduces the likelihood of bad debt provisions.

The Speedy (Hire) Plc Business Profile:

Speedy (Hire) Plc is a leading provider of equipment and support services to construction, manufacturing, industrial, rail and related industries. Since its foundation in 1977, Speedy has grown to an £500m organisation with more than 100,000 customers, 4,500 employees and a national network of 450 depots.

