



BERNET
DRIVING BUSINESS EFFICIENCIES

BERNET CASE STUDY



Bernet provides global solution to Australasia's leading travel agency group with an Automated Invoice Processing solution.

Bernet enables Flight Centre to automate processing over 1.2 million booking invoices annually.

the challenge.

Each year, Flight Centre GP processes over one million invoices and travel documents in over 20 currencies from over 5,000 suppliers operating in 30 countries. Incoming invoices contain product and service offering line items that include more than 15,000 different types of options for hotels and accommodations, tours, car rentals and more. Catering to both corporate and individual consumers, some invoices have as many as 2,000 line items (one line for each booking).

Along with these challenges, Flight Centre GP had to manage the wide span of supplier and vendor invoicing sophistication. For example, a five star hotel's invoices differ significantly from those of a small bed and breakfast. This required the agency to manage different document formats, fonts, languages and vital data. On top of that, the organization had to process both physical documents received and as invoices arriving via email.

In addition to manual data entry of each invoice, Flight Centre GP's processing staff also had to physically compare and match invoice details against customer confirmation slips and booking forms. To handle all of these activities, the company had nearly 30 accounts payable clerks at their Sydney-based processing centre working hard to manage the massive volume of paper and the time intensive tasks to collect, input, validate and then process invoices.

Following the acquisitions of Liberty Travel and GGO Worldwide Vacations, Flight Centre GP needed to look at ways to manage the increased workload and bring a range of disparate systems and processes together.

"Our invoice processing solution has enabled us to stay ahead of the competition. We are poised for even greater growth, both in terms of business volume as well as product and service offerings, without having to agonize about increasing staff force in a like manner,"

"With Bernet on board and the solution they have provided, we are even more confident of achieving our goal of being the best travel wholesaler in the world – providing the best rates and inventory."

Tony Carolan, Leader Flight Centre GP Treasury for Flight Centre.

**FLIGHT
CENTRE**
Unbeatable

the situation.

Headquartered in Australia, Flight Centre Limited (Flight Centre) is Australasia's best known travel agency group operating more than 200 retail sites and businesses in 11 countries. With over 11,000 employees worldwide, the company provides comprehensive leisure and business travel services for customers in Australia, New Zealand, the U.S, Canada, the U.K, South Africa, Hong Kong, India, China, Singapore and Dubai. In addition, the agency provides a corporate travel management network (FCm Travel Solutions) that extends its services to more than 40 other countries through strategic licensing agreements with independent local operators.

Flight Centre has evolved from a small company founded in the early

1980s. Since that time, it has grown to become one of the world's largest travel services organizations. With a market capitalization of more than \$AUD2 billion, the company is now listed on the Australia Stock Exchange (ASX: FLT) and is recognized as one of the world's more unique and successful travel services group concepts. The company and its family-like corporate culture have been featured in books, such as the Family Village Tribe – The Story, and has earned numerous travel and tourism industry awards, including Best Travel Agency Group from the prestigious AFTA National Travel Industry Awards.

Flight Centre Global Product (Flight Centre GP) is Flight Centre's internal global wholesale product procurement division, established in April 07 after Flight Centre purchased the Travel Spirit Group (TSG) in Feb 2007. Flight Centre GP consolidates all backend wholesale functions and responsibilities for FCL wholesale business globally.

the solution.

To address these challenges, Flight Centre GP selected Bernet Pty Ltd, an Australian based solutions integrator and a Basware and Kofax Certified Solutions Provider, to implement an automated booking invoice solution that could interface directly with their Calypso Travel Booking system and was flexible and scalable to accommodate future needs.

This solution is based on the offerings from Basware and Kofax both suppliers of world class software solutions. Kofax components provide the scanning and extraction components of the solution. Basware components provide the platform for the accounts payable workflow and Calypso interface components.

Kofax is the world's leading information capture platform (Kofax Capture) and incorporates key technologies from Kofax Transformation Modules that enable advanced automated extraction and validation of invoice data. The system also featured Kofax Communications Server that provides advanced email capture, allowing the agency to both receive invoices via physical scanning and emailed directly from the supplier.

Basware is the leading exponent of Procure to Pay solutions and the solution utilizes Basware's Automated Accounts Payable Modules and Interfacing Technology which has been used to interface to over 100 different ERP systems including Oracle and SAP.

Additionally, it includes a Bernet developed logic component that sends

booking data directly to Flight Centre's Calypso booking system. Calypso provides a matching status back to the Accounts Payable user if the booking has not been automatically matched with relevant details. If the booking has been matched by Calypso it sends back an Accepted status with reference and payment details.

The solution was initially rolled out to Flight Centre GP in Australia within nine months. Following this successful implementation, a second phase was then completed in the U.S. in less than three months. The organization now operates two primary scan stations – one in Sydney and the other in New York. These centres handle scanning for all incoming travel-related invoices.

The overall solution not only enables the company to automatically capture its vast mix of vendor invoices, but it also allows data to be scanned from complex unstructured table layouts. This includes the abilities to extract and identify travel tokens and booking references within line items, with scan operators performing validation on these documents as required.

To manage this new system, Flight Centre GP has established two accounts payable teams, one in Sydney and the other in New York. Comprised of a total of 46 people, the teams were initially tasked to automate their top ten vendors and once that was achieved, approximately 25 percent of the organization's invoices were being automated through the solution. When they managed to get the top fifteen suppliers automated, this resulted in a total throughput of 35 percent. They expect to have more than 75 percent of its global invoice processing system automated within a year.

the results.

With the invoice automation solution in place, Flight Centre GP's accounts payable team is now able to deal with qualitative aspects of their job instead of being tied up with data entry and matching work. With immediate electronic access to high quality data and now the ability to view the original invoice details, staff are now able to better address and resolve customer and supplier issues,

often within minutes rather than days or even weeks. Accounts payable staffs are essentially handling invoice exceptions while the majority of bookings are automatically processed behind the scenes.

The solution also enables Flight Centre GP to better manage business volume fluctuations due to travel seasonality. This means that the company does not need to increase staffing during the busy holiday or summer travel seasons thanks to an automation solution that can be readily flexed to easily handle varying capacity needs.