



Case Study

Top 30 U.S. Importer Taps Acuitive Solutions to Automate Ocean Freight Audit Process

THE CHALLENGE

A large and diversified consumer products company needed to improve the efficiency of its ocean freight audit process. With 100 global affiliates, audit processes were fragmented, highly manual, and failed to take full advantage of negotiated credit terms on a \$60 million ocean freight spend.

The company sought to centralize and automate ocean freight bill auditing using Acuitive Solutions for pre-payment audit of 35,000 annual ocean containers.

THE FIX

Acuitive established a pre-payment audit process that receives EDI invoices, matches them with manifests and carrier contract terms, validates correct invoices, and then flags and resolves exceptions. Invoice costs are allocated to the appropriate business units and GL codes are assigned and fed directly into the customer's financials. Finance staff is now directly involved in less than 1% of transactions.

According to the company's vice president of corporate finance, under the old approach senior accounting people were glorified clerks, processing stacks of invoices and cross referencing shipping documents.

"We would pay the invoice and then spend weeks and months cleaning up incorrect charges. It was a huge resource drain that added no value. Today, we manage by exception. Instead of spending hours and hours processing ocean bills, our people may field four exception alerts a week, which they can resolve within minutes prior to payment."

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- VP of Corporate Finance



Acuitive's automated freight audit solution also helped the company:

- **Adhere to GAP principles.**

The company hired a management firm to validate Acuitive's processes and assure audits meet all regulatory and SSAE 16 standards for reporting on compliance controls.

- **Leverage credit terms.**

Large freight shippers can negotiate favorable credit terms, but capitalizing on these agreements is difficult when you have fragmented pay processes. The Acuitive solution centralized processes and provides a clear view of payment terms and when and what payments to issue to each carrier. The company takes advantage of these terms to reduce the amount of cash business units need to have on hand.

THE RESULT

Acuitive's solution validated that the company already had strong controls in place to identify overpayments. According to the company's logistics director, the real value in automating the audit process was in redirecting resources away from clerical tasks and toward creative solutions to real business problems.

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- Logistics Director