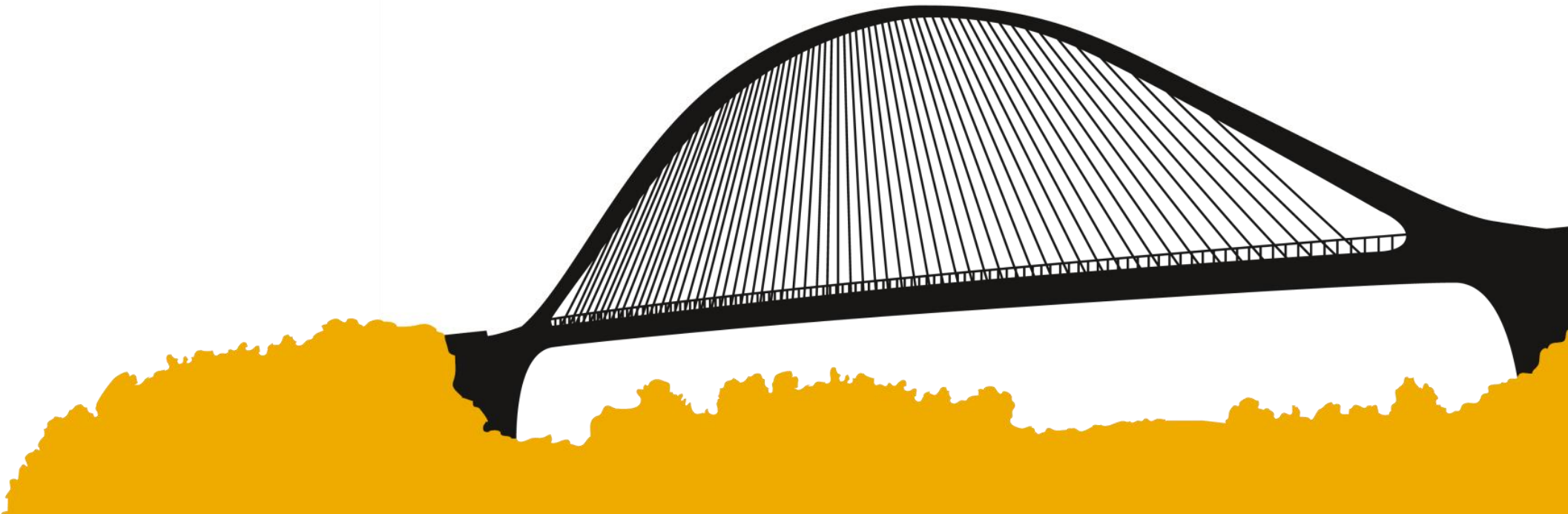# Transform Your B2B Payments with Network-Based Payables Automation

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#SAPPHIRENOW

SAP®

Global treasury

- Credit facility
- Support for growth strategy by M&A finance solutions
- Debt investor relations
- Communication with rating agencies

- Liquidity and working capital management
- Regional bank relationships
- Dividend payments
- Bank account and payment services

- Payment platform using the SAP In-house Cash and SAP Bank Communication Management applications (worldwide bank connectivity, bank account administration, cash centralization)

External funding

Subsidiary support

Global cash management

Global treasury

Dealing and asset management

Financial risk management

Reporting and other topics

- Foreign exchange (FX), securities, derivative instruments
- FX and interest-rate hedging and optimization
- Asset management
- Financial market regulation (such as EMIR*)

- Liquidity risk management
- Forecast
- FX exposure and hedging strategy
- Counterparty risk management
- Treasury-related SOX** controls

- Internal reporting and treasury-related input for external reporting
- Bank relationship management
- Share-based compensation programs
- Post-merger integration
- Cross-departmental projects

*European Market Infrastructure Regulation
**Sarbanes-Oxley Act

Payments – a treasurer's perspective

What matters?

- Clarity in forecasting → working capital optimization → minimize borrowing costs / maximize investable cash

- Efficiency in internal processes

- Financial supply-chain integration

- Banking and transaction fees

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Payments – a treasurer's perspective

Challenges?

- Trading partner buy-in

- Reconciliation of remittance information / integration with accounting systems

- Availability of IT resources

- Cross-border / FX transactions

Considerations

- Macroeconomic trends – higher interest rates on the horizon

- Fraud control / regulatory compliance

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ARIBALive 2015
The Future of Business Commerce

T-Mobile US, Inc.
America's Un-carrier

- NYSE traded public company – TMUS
  - Operating two flagship brands: T-Mobile and MetroPCS
  - Total Revenue: $29.6 billion
  - Total Customers: 55 million
  - ~45k employees across the U.S., nearly 5k in the Seattle area
- Fastest growing wireless company in America
- With the fastest nationwide 4G LTE network
- Headquartered in Bellevue, WA

Scenario: Expiring ACH Software

Issue

The existing automated clearing house (ACH) software used by T-Mobile to pay vendors (Xign by JPMorgan Chase) was set to expire in October 2014. Also, thousands of vendors were still being paid by paper checks. To replace these payment methods, it was necessary for T-Mobile to migrate all of its active vendors to new ACH solutions, including AribaPay

Impact

T-Mobile is more easily and efficiently able to pay vendors with AribaPay, resulting in greater satisfaction throughout the Procure-to-Pay (P2P) value chain. Additionally, the automated process eliminated the need to send paper checks, significantly reducing cost in the long term

Legacy Process

Vendor submits invoice to T-Mobile for services rendered

Invoice is received and processed by T-Mobile Accounts Payable (A/P)

Depending on vendor preference, A/P cuts a check, or issues an electronic payment through Xign
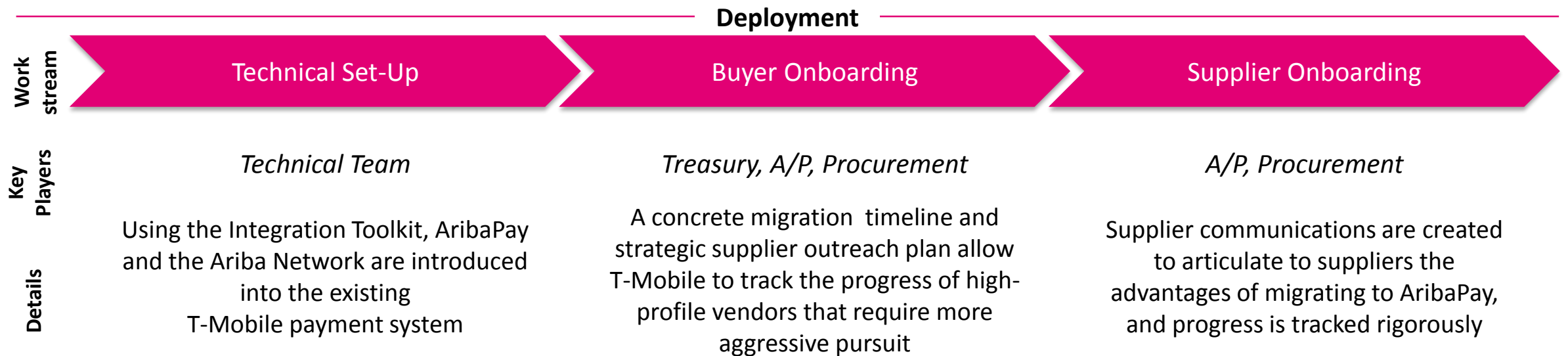
Check must be taken to the bank to be deposited

T··Mobile·

Solution: Migrate all Vendors to ACH Payments

Why AribaPay?

AribaPay offered an advanced service and payment solution that included:

- Enhanced security and reduced risk of fraud
- P2P process visibility for buyers and suppliers
- Rich remittance detail to easily apply funds
- Reduced cost to collect and maintain bank account data and pay suppliers

Deployment

	Technical Set-Up	Buyer Onboarding	Supplier Onboarding
Work stream			
Key Players	*Technical Team*	*Treasury, A/P, Procurement*	*A/P, Procurement*
Details	Using the Integration Toolkit, AribaPay and the Ariba Network are introduced into the existing T-Mobile payment system	A concrete migration timeline and strategic supplier outreach plan allow T-Mobile to track the progress of high-profile vendors that require more aggressive pursuit	Supplier communications are created to articulate to suppliers the advantages of migrating to AribaPay, and progress is tracked rigorously

Deloitte Consulting was engaged to help select the ACH provider(s) and drive the AribaPay implementation efforts

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AribaPay
Certain, secure, and simple

Buyer	Payment instructions →	POs, invoices, contracts, receipts
	← POs, invoices, contracts, receipts	Invoice status
		Rich remittance
		Track and trace payment status
		Bank account management

Supplier

THE ARIBA NETWORK

ARIBA® An SAP Company | AribaPay

Bank Buyer — Debit → Credit → Bank Supplier