



Publisher Controls Spend & Streamlines Purchasing

UK's largest consumer magazine publisher controls spend and improves visibility of the cost pipeline with PROACTIS

Goals

- Quickly and easily integrate a purchasing system into their existing finance system
- Take control of expenditure
- Improve visibility of the cost pipeline
- Exploit cost reduction opportunities

Profile

With a worldwide publishing empire comprising 282 magazines in 15 countries with 6,600 employees worldwide and annual turnover of €1.79bn, The Bauer Publishing Group is the number one consumer magazine publisher in the UK.

Challenge

Bauer's UK operation has a multi-million pound spend, which accounts for the purchase of creative content (such as stories and images), as well as high value services such as printing, marketing and distribution.

Driven by tight operating margins, demanding weekly schedules and an increasingly competitive market, Bauer embarked on a comprehensive spend control programme with the goal of instilling tight controls across all non-payroll expenditure.

This initiative started with a major systems review, led by the company's Finance Director, Max Beddard: *"Bauer already had a market-leading financial accounting system, which enabled us to manage and report on the accounts very well. What was missing however was any ability to influence the company's costs before they were committed and we had become reliant on an inefficient paper-based process to manage supplier costs."*



Results to Date

- PROACTIS rolled-out to 400 users
- Administration time dramatically reduced
- Spend under control and unauthorised invoices eliminated
- Gained financial transparency of the entire cost pipeline
- Have real-time view of actual and committed spend

Why PROACTIS?

Bauer's systems review quickly identified the need for a solution to streamline the company's purchasing processes. The goal was not only to take control of expenditure, but also to improve visibility of the company's cost pipeline and exploit new cost reduction opportunities.

But for Bauer, the requirements for such a system were not straightforward. *"Conventional purchasing solutions did not fit the way we operated, as we needed something that would give us centralised control but with distributed use. We also needed something that could be readily adopted by staff largely made up of artists, journalists and photographers, not employed for their administrative skills,"* explains Beddard.

The PROACTIS purchasing solution was quickly identified as a serious contender by Max Beddard and his team. Max recalls: *"PROACTIS stood out because it was flexible enough to be able to handle our diverse processes using out-of-the-box software. Moreover it was the only solution capable of integrating tightly with our financial accounting system – to share supplier details, budget data, invoice information, etc. – without the need for complex development work."*

Beddard continues: *"The PROACTIS purchasing solution has great functionality and a technical environment that gives us much*

needed workflow for approving spend. This, when combined with PROACTIS' impressive approach to implementation and their clear understanding of our business needs, made the choice compelling."

Results

PROACTIS is currently being used by 400 members of staff and the company continues to add new PROACTIS modules to derive further benefits, including the introduction of a document scanning tool for streamlining invoice management and the implementation of the employee expenses module.

The results of the project have been clear to the team at Bauer, as Max Beddard summarises: *"The system offers us complete transparency of information, affording budget holders a real-time view of actual and committed spend to date. Administrative time has been dramatically reduced which means the system has been welcomed by the user community, and perhaps the biggest win has been our ability to eliminate the ghastly trail of unauthorised invoices that previously existed, with complete confidence that our spend is under control."*

Since expanding its portfolio further by acquiring Emap's Radio and Consumer Magazine divisions, The Bauer Publishing Group, is currently rolling-out PROACTIS to a further 1,000 users.

"The system offers us complete transparency of information, affording budget holders a real-time view of actual and committed spend to date. Administrative time has been dramatically reduced which means the system has been welcomed by the user community."

Max Beddard Finance Director, Bauer UK