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# Electronic Trading Solutions

## For Boral Suppliers

**An Introduction to Boral's eSolution initiative**

Version 1.0 (July 2009)

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# Electronic Trading Solutions
## for Boral's Suppliers.

eSolutions is a range of electronic services for Boral's suppliers that facilitate the fast, efficient exchange of business documents. eSolutions facilitates the speedy exchange of catalogue information, purchase orders and invoices & provides online access to business information.

## Boral's eSolution Capabilities

Boral's e-Solution incorporates four main e-commerce capabilities which are.

A.   Electronic Supplier Catalogues

B.   Electronic Document Exchange

C.   Recipient Created Tax Invoice (RCTI)

D.   e-Solutions Supplier Portal

## Electronic Cataloguing

Electronic cataloguing allows for the creation of electronic purchase orders directly from the catalogue.

The benefits of electronic catalogues are that they:

- Allow for the addition of information to the purchase order without the need for re-keying information thereby ensuring that suppliers get the right information when they need it to fill orders more efficiently

- Assist in ensuring that correct product descriptions and correct price are used

- Help reduce disputes and incorrect deliveries

- Bring about a reduction in credit & debit notes

- Support the adherence to buying guidelines

## Boral's model for accessing supplier catalogues

Boral supports two models for accessing electronic catalogues. These are:

1.   Boral Hosted Catalogues

2.   Supplier Hosted Catalogues

## 1   Boral Hosted Catalogues

Boral Hosted Catalogues are best suited for direct material (such as goods related items), products with a pre negotiated or stable prices, items for which blanket purchase agreements and quotations already exist in Boral's Oracle Purchasing system, or indirect material that our supplier's want to manage locally.

- Boral Hosted Catalogues are loaded into Boral's purchasing system using a simple electronic template/ spread sheet into which suppliers load their product and pricing information. Simple templates are also available to enable suppliers to maintain and update product and pricing information once the initial catalogue has been uploaded.

## 2   Supplier Hosted Catalogues

With a supplier hosted catalogue the supplier maintains their catalogue of goods and services on their own system but provide Boral purchasing personnel with internet access to it. Boral can then pull information relating to goods, services and pricing directly from the supplier's catalogue into Boral's purchasing system where a Purchase Order is raised and sent electronically to the Supplier. Boral is now purchasing from a number of suppliers using this technique. In summary Supplier hosted catalogues:

- Enable Boral's purchasing officers, working within Boral's purchasing system, to select items they need directly from a supplier's catalogue on the supplier's web site.

- Boral's procurement application transparently maintains connection with the supplier's web site so that relevant information about the transaction is delivered back to the Boral's internal purchase requisition.

- Issuance of a purchase order is then completed within Boral's procurement application.
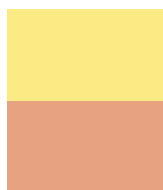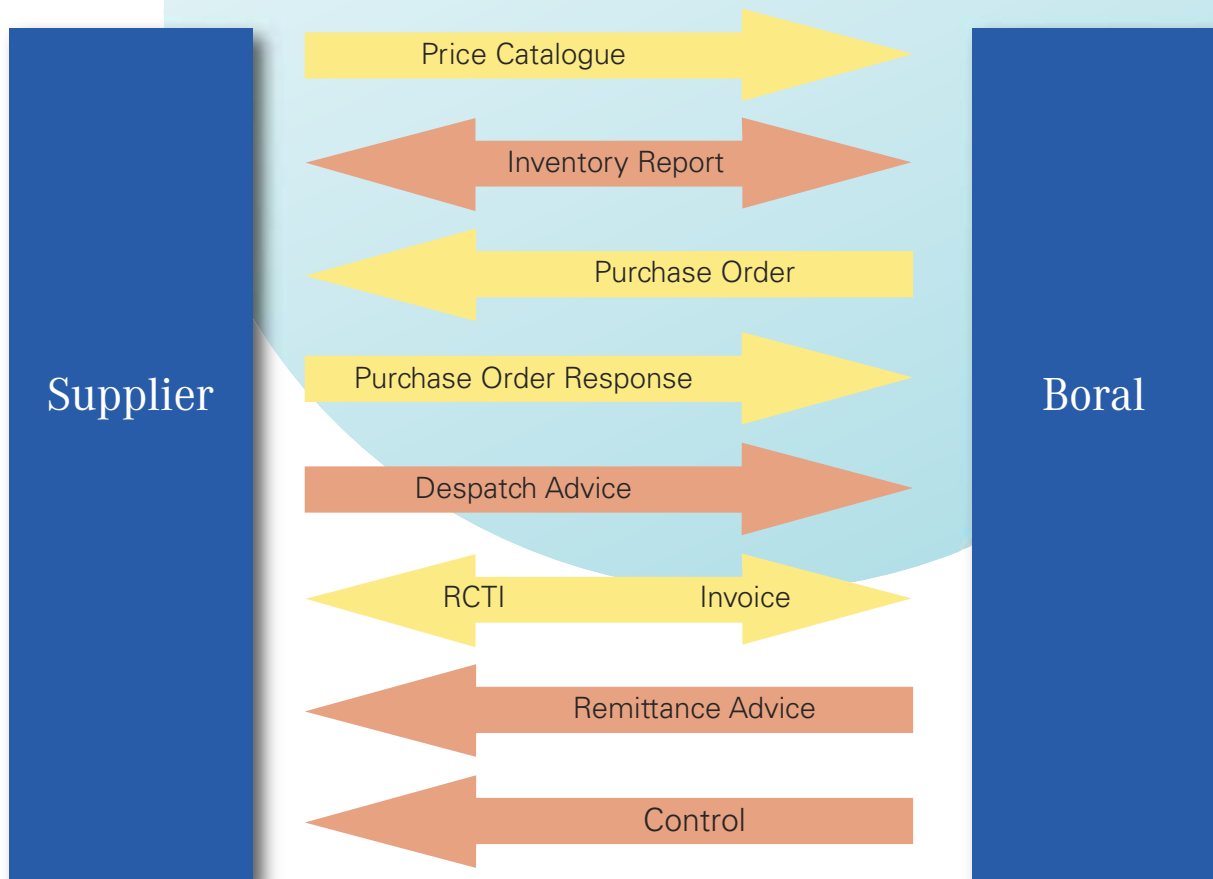
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## Electronic Document Exchange

Once the required goods or services have been identified on a suppliers catalogue, Electronic Document Exchange through Boral's eSolutions enables Boral's suppliers to enjoy direct, fast and secure electronic data transfer between the suppliers order entry and accounts receivable system to Boral's purchasing and accounts payable system.

The primary documents being transferred at the moment are the purchase order and the invoice.*

## Boral eSolution Supplier Services

Boral supports international standards for the exchange of electronic documents and these can either be exchanged directly between Boral and its suppliers or via a third party service provider as an intermediary to assist with document transmission and conversion. Boral's representatives are happy to discuss the best approach with you.

| Supplier | | Boral |
|---|---|---|
| | Price Catalogue → | |
| | ← Inventory Report → | |
| | ← Purchase Order | |
| | Purchase Order Response → | |
| | Despatch Advice → | |
| | RCTI    Invoice → | |
| | ← Remittance Advice | |
| | ← Control | |

- Current system capabilities
- Future system capabilities

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## Recipient Created Tax Invoice (RCTI)

With an RCTI agreement in place Boral will generate a bulk Purchase Order (PO) and progressively draw down on this order based on the delivery of goods/services. At an agreed interval (usually weekly) Boral generates the invoice on behalf of the supplier with payment made according to contracted terms. When payment has been sent, the Remittance Advice will be generated with the necessary delivery docket numbers included (for reconciliation purposes). The supplier must suppress the delivery of invoices to Boral.

**The advantages of transacting in this way are:**

- Reduction in Print and Post costs as it is not necessary to print and post invoices.

- Eliminates confusing billing as Boral makes payment based on goods/services receipted. This will in turn reduce invoice holds and improve timeliness of payments.

## eSolutions Supplier Portal (Coming Soon)

eSolutions Supplier portal allows secure access to Boral's suppliers so they might:

- review their own data online

- access invoices including status/payment information etc

- access payment history information.

- access Purchase Orders, invoice, receipt and payment details

## Why trade electonically, what are the benefits?

**Data accuracy:** This is one of the first benefits to be realised. Data is transferred between systems with significant improvements in speed and accuracy.

**Lower transaction costs:** These results mostly from reduced data entry.

**Improved cash flow:** Significant internal savings can be achieved by the elimination of paperwork and clerical effort.

**Improved accountability:** Another advantage of electronic document exchange is auditing and traceability is easier to achieve by the elimination of paper records and the ability to maintain automatic audit logs.

Effective use of human resources: Staff's time is freed up with reduced processing requirements.

**Minimizes errors:** It minimises data entry, communication and administration errors.

**Fast and Secure Electronic Transfer:** It allows suppliers to use the secure electronic data transfer between Boral's account payable and supplier's account receivable. This option makes it easy to match and reconcile invoices, purchase orders and payments

**Automatic match** between invoice, PO and receipt with Boral's system reduces on holds, facilitates payment within terms and reduces errors and disputes.

*Other documents will be added over time.

**For further information please contact your Strategic Sourcing Category Manager or your Business Representative.**

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