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RBS live with new e-billing platform

The Royal Bank of Scotland (RBS) has gone live with its new e-invoicing solution for corporates. The bank is already claiming contracted customers and says the customers who signed up during the pilot phase are still continuing to use the system. No new or pilot client names were forthcoming at this point.

In mid-June, the bank signed a multi-year agreement with e-invoicing vendor, Accountis, for the 'indefinite' provision of an RBS-branded e-invoicing solution and service.

Prior to system selection, the Accountis product faced stiff competition 'from all the usual players', from the US, Europe and the UK, says Ian Watkinson, head of e-invoicing for RBS. 'What we were very interested in, in terms of the customer proposition, was the ease of use, and the security behind it. We feel this is the right solution for them,' he says, adding that 'it doesn't force massive change on their accounting systems, or their trading partners' accounting systems'.

Accountis technology will now slot in as a brand new RBS service, working alongside existing RBS subsidiary, Trust Assured. This operation has handled issuance of the bank's digital signatures and certificates for electronic documents for the past five years for the bank itself, RBS brands such as Coutts and NatWest, and for other institutions, as a white labelled service.

Trust Assured operates as a Certification Authority, using IdenTrust technology, issuing digital certificates in a number of formats, most commonly as smart cards.

RBS's work with Accountis started around three years ago on the back of



Ian Watkinson, RBS

the bank's response to the shift from the dial-up Bacs service to the web-based Bacstel IP. 'We were looking at what else we could do to help the customer in terms of digital signatures,' Watkinson clarifies. With the EC's e-invoicing Directive 2001/115/EC opening up the field for e-invoicing (in theory, at least), the bank decided to explore data provision and digital signing for e-invoices and how this might remove some of its customers' paper-based billing processes.

Peter Radcliffe, executive chairman of Accountis, says the bank and vendor started working together on the pilot for e-invoicing about 18 months ago. The success of the pilot has seen the solution evolve into the full working solution now being offered as a white label solution to RBS's corporate customers, intended to ease the flow of payments with their own suppliers.

Uptake is expected to be steady on the corporate buyer side but, says Radcliffe, 'the issue is in persuading their suppliers to implement it'. He believes reasons to take the solution abound. Aside from 'a very low entry cost', Radcliffe says that the solution boasts 'a very simple solution' for the SME market called ebPrinter. The software for this takes about 15 minutes to install and is used to turn invoices into PDFs which are then sent to a central hub. An email is then automatically sent to the buyer, notifying them that an invoice is awaiting their inspection.

The data hub in this instance is provided as an outsourced service to RBS via Accountis. Radcliffe points out that Accountis clients with high volumes are at liberty to specify their own hub (see DHL case study, page 26).

The whole system is intended to deliver savings on printing and mailing invoices and, Radcliffe comments, the buyer 'can't turn round and say we've lost it' – as soon as it is drawn down from the hub a message is sent to the supplier, creating a trail.

The Accountis e-invoicing solution has further tricks up its sleeve, he says, and is capable of capturing PO data, automatically reconciling this with the relevant electronically stored invoice. A positive match will generate an entry for 'most accounting systems', and can respond to any schedule of payment built around this.

A no-match for an invoice will automatically create an electronic query that can be sent back to the supplier to sort out and re-submit. With up to 30 per cent of invoices bearing some mistake, the time and

money saved is significant, says Radcliffe.

Watkinson adds that RBS corporate users of the new system will be on a 'fast-track to saving time and money'. The bank will benefit too, he says, commenting that e-invoicing is a 'strategic addition' to its existing product portfolio.

The range of functionality on offer with the new service is set to increase the corporate client's overall visibility of its own financial supply chain data, notes Radcliffe. This, he explains, could easily give RBS 'a transaction-based income' founded on its ability to provide supplier finance (factoring or invoice discounting for example) against the invoices logged by its customers.

Accountis is now part of Fundtech (CFS, May 2008), a US-based vendor working in the global supply-chain and cash management space. Although RBS is the first customer to take the white label approach, Radcliffe anticipates that the vendor's e-invoicing technology will now be sold into Fundtech's global customer base of major international banks. It has had 'considerable interest from Asia Pacific and from the Americas already', he claims.

In a development that sits alongside its e-invoicing product, Accountis is continuing to build its own Global Directory where all of the high level information related to e-invoicing customers and their suppliers is logged. The plan is to extend use of the Directory to enable more data sharing.

It is currently being used by players in a number of UK-based vertical sectors such as local government and NHS trusts. RBS will now be adding its own data. 'Once you have that supplier on with one organisation, it's easy for the information to be used by any other,' comments Radcliffe. 'We really like the multi-hub architecture,' Watkinson comments. 'Everyone that is connected, is connected to everyone else.'

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