



# Nissan Europe accelerates purchasing efficiencies and savings with Medius



Case study



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Nissan, one of the world's leading car manufacturers has one of the most comprehensive European presences of any overseas manufacturers, spread across 41 markets and with more than 14,500 staff. In 2014, Nissan plants in just the UK, Spain and Russia produced more than 635,000 vehicles.



# Goals: efficiency, compliance and cost reduction

Nissan selected the Medius Spend Management solution to manage all indirect spend across its European and Russian operations alongside a planned upgrade of the company's SAP ERP solution as part of a Financial Break Through (FBT) initiative.

Working towards its objectives of becoming the number one Asian brand in Europe, achieving a global market share of 8% and increasing its corporate operating profit to 8%, Nissan embarked on a major overhaul of its European procurement strategy and financial management processes to help increase efficiencies, ensure compliance with Delegation of Authority (DoA) and reduce costs.



# Indirect inefficiency



Moving from traditional paper and email based purchasing and accounts payable processes to Medius will provide significant benefits to both Nissan and our suppliers.

Michael Brook, Finance Process Control Leader, Nissan Europe

Nissan is one of the world's most highly automated and efficient companies when it comes to car production, (a process Nissan call Monozukuri) however it recognized its systems for managing its multi-million Euro indirect spend across Europe, needed to be equally as efficient. Multiple systems were being used across the region for indirect purchasing and these were largely manual, paper-based processes and as a result, collaboration between finance and purchasing

departments and between Nissan and its suppliers, was not integrated and could lead to duplication on spend.

In order to improve the way it manages its indirect spend with its supply chain across Europe and drive significant process efficiencies, controls and savings as a result, Nissan decided to move its entire European operations to a single eProcurement platform that could integrate with its existing SAP system.



# Evaluating ease of use



Key to the success of the rollout of the new eProcurement system to 23 territories was the need for an intuitive and user-friendly solution to ensure maximum adoption by authorized employees, business outsourcing partners and suppliers. The solution also needed to be multi-lingual.

Nissan's investment in an eProcurement platform is part of the organization's wider 'Financial Break Through'

(FBT) project to help introduce best practice and common processes to deliver a more centralized financial view of Europe.

Looking for a solution to meet its needs, Nissan conducted an extensive evaluation of global eProcurement specialists and six firms were shortlisted and invited to present their key credentials and approach to implementation.



# Comprehensive and flexible

Ease-of-use and  
functionality was key  
to the successful roll-out

Following the RFP process, Medius was selected as Nissan's preferred supplier to deliver an online spend management platform to better manage its entire non-production spend. Medius Spend Management was chosen thanks to its comprehensive feature set, flexibility, SAP integration capabilities and above all its intuitiveness and ease-of-use, which was essential for a successful roll out across a large and distributed user-base. It was also able to support multiple languages and currencies.

Before embarking on the Europe-wide system roll out, Nissan and Medius ran a ten-day workshop to develop the final solution specification. A cross-functional project team was set up to include stakeholders and this cross departmental, cross geographical team has been crucial to the success of the project by ensuring stakeholder involvement throughout the implementation process.

Medius worked closely with Nissan's finance, procurement, IT, plant office-based staff to place the end-users at the heart of the experience.



# International reach

The Europe-wide rollout covers 23 territories and has been delivered in a phased approach. Nissan started its implementation of the Medius system with non-English language speaking countries in the Central and Eastern Europe (CEE) countries (Czech Republic, Hungary, Poland and Slovakia) and used these countries as pilots for the system, developing an implementation 'blueprint' for subsequent phases that could ensure a seamless and rapid deployment across all 23 territories.

Any rollout of this scale undoubtedly poses a variety of challenges and Medius worked closely with Nissan to address any issues during the pilot phase. For example, regional diversity was an initial challenge as different legal requirements exist in each of the CEE countries, and the rules around electronic invoicing can differ.



Medius deployed  
in 23 territories



# The solution at a glance

- 23 territories served
- 4,000 Nissan users
- 8,000 suppliers
- 600,000 invoices per annum
- 500,000 unique authorization workflows
- Multi-million Euro indirect spend
- 7 languages





# Integration expertise

Unique in the eProcurement space, Medius Connect is a proprietary integration platform product that provides seamless integration with back office systems, supported by a dedicated Integration Services team.

With 14 points of integration between Medius and SAP, further complicated by a changing back-office environment that would see Nissan move between versions of SAP during the same period, SAP integration expertise, flexibility and capability formed a key part of the company's evaluation of Medius as a technology provider.



Medius integrates  
seamlessly with SAP



# Supplier success

Internally, the Medius system has been named as 'ProRex' and it is successfully enabling Nissan's employees to raise requisitions electronically and issue approved orders automatically to suppliers. All requisitions and orders are authorized, 85% of them by email or mobile, and approved subject to strict corporate guidelines embedded in Medius, aligned with the Nissan DoA.

The Medius system now allows suppliers to submit invoices electronically via the multi-lingual supplier portal. This means that most of Nissan's 600,000 supplier invoices can now be received with one simple click, eliminating manual processing errors.



Medius' ability to seamlessly integrate with SAP was a key reason Nissan chose the organization. Its wealth of experience helped Nissan IS to deliver one of its most successful integration projects to date.

Pablo Lamarca, Section Manager, IS



# Low impact integration

Thanks to Medius Connect and a good measure of forward planning, Medius was able to run a low impact integration crossover to Nissan's new FBT SAP platform in parallel with the European deployment without the need for system rework. Both systems could therefore be run in parallel in the background, whilst users experienced

a single application front-end to minimize the impact of this extensive business transformation. Standard iDoc formats and leveraging existing middleware and SAPPI enabled dual running of both existing (NESAP) and future (SAPFBT) ERPs via a single application, during what was an extensive business change program.

# ProRex



# Savings and process efficiencies

Medius delivers new  
ways of working and  
process efficiencies  
to Nissan

Used across 23 territories with over 12,000 users (including over 8,000 suppliers) goods receipting, supplier management and invoice matching are now all taken care of by Medius, helping Nissan better manage its annual, multi-million Euro, non-production spend and delivering tighter control over expenditure and improved process efficiencies.

Barry Wilmer, purchase systems development manager said: "We have had an ambition for a number of years now to move all of our European operations to a common eProcurement platform that can transform our purchasing and finance processes for both our purchasers and suppliers."

"In Medius we have found a system that has improved the way we do business with our supply chain across Europe and that has helped us drive significant process efficiencies, controls and savings."

And the savings that Nissan has experienced since implementation include:

- Total spend down by 3%
- Maverick spend reduced by 18%
- 43% reduction in the cost to raise a purchase order
- 85% reduction in the cost to process electronic invoices versus the paper alternative



# About Medius

Medius is a leading global provider of cloud-based spend management solutions, helping organizations drive their business forward by enabling best-in-class process efficiency, cost saving opportunities and greater financial control.

Our modular spend management suite includes market leading solutions for strategic sourcing, contract management, procurement, accounts payable automation and supplier management as well as data insights tools bringing control, compliance and cost savings throughout the entire source-to-pay process.

Thanks to an easy cloud deployment, intuitive user interface and built-in best practices our customers experience tangible savings right from the start as well as long term ROI success. With Medius, spend is simply managed.

Over 4,000 customers and 500,000 unique users worldwide use Medius spend management solutions, managing transactions worth more than \$160 billion annually.

Founded in 2001, Medius is owned by the global investment firm Marlin Equity Partners. In 2019 Medius acquired Wax Digital to become the powerhouse in spend management solutions. The group has over 400 employees and offices in Sweden (HQ), the United States, United Kingdom, Australia, Denmark, Norway, the Netherlands and Poland. For more information, please visit [medius.com](https://medius.com).



# medius

spend simply managed

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