

A red CEVA semi-truck is shown from a front-quarter perspective, parked in a warehouse. The truck has "CEVA" branding on the door and the trailer. The background is a blurred warehouse interior.

CEVA Logistics puts **Medius Spend Management** at the heart of cost savings strategy



Case study

The **company**

CEVA Logistics, a leading global logistics firm sought an experienced procurement technology provider to help transform, modernize and better control its spending.

After successfully implementing a sourcing and contract management solution with Medius, CEVA Logistics sought our help to standardize Procure to Pay (P2P) practices across the entire global business.


The need: efficiency and cost reduction

CEVA needed help with requisitioning and payment processing, as well as reducing overall procurement costs. They wanted a system that would allow users to be more self sufficient in purchasing. In addition, CEVA Logistics needed a comprehensive platform to analyze data, gather insight and boost overall procurement efficiency and effectiveness.

Finally, CEVA expected full integration with logistics systems they were using, such as CargoWise, as well as its ERP, JD Edwards (JDE).

Learn about CEVA's challenges and the solutions Medius presented, including a seamless integration with JDE.

COMPANY STATISTICS	
Name:	Ceva Logistics
Gross Revenue:	\$7 billion
Countries active:	Over 60
Number of employees:	56,000
Warehouse space managed:	9 square miles
Approximate weight of goods moved:	480,000 tonnes by air 729,000 TEUs by sea 1.9 MM tonnes by land



Sorting through a haphazard invoicing process



Before approaching Medius, CEVA Logistics managed eProcurement with a range of in-house systems. Jacco Daemen, Finance Transformation Manager at CEVA Logistics explains:

“Managing our invoicing was a haphazard process before we implemented Medius. Our accounts payable team used a combination of JDE, Microsoft Excel and Word documents as well as a tool we’d developed internally.”

“It wasn’t a very efficient process, and frequently, we had to switch between tools to import and export data. It was difficult to keep track of everything and ensure different departments in the business have the same tools and data.”

After analyzing its approach to eProcurement, CEVA recognized the need for better technology.

“Just before we decided to go with the Medius solution, we identified that on average, we process over 2.5 million invoices every single year,” commented Daemen. “We also onboarded anywhere between 25 and 50 suppliers per territory per month.”

CEVA's problems focused around not having a centralized repository for all transactional-related documents and information. Instead, transactional data was fragmented in multiple locations, in different systems and each department was managing its own purchasing. In essence, CEVA was suffering from a serious spend management problem.



Delivering a comprehensive
project plan **for anywhere
in the world**

Lack of spend visibility

Medius started with an audit to analyze how CEVA was conducting and managing purchasing.

The audit revealed that CEVA lacked insight into its spending habits. A lack of visibility over spend in specific categories made it difficult to negotiate better terms with suppliers and understand where money was being spent.

This became obvious because of the Medius Sourcing and Contract Management implementation a year before the P2P project was initiated and scoped. The introduction of these solutions made it obvious that CEVA Logistics was invoice-led as opposed to maintaining purchase order discipline.

Rapid implementation

Medius developed a plan to overhaul CEVA Logistics' procurement function. "After we identified what the procurement problems were at CEVA Logistics, we worked with Jacco and the team to build a project plan," explained Daniel Price, Medius VP of Account Management.

"Because of the international nature of CEVA Logistics, we leveraged our well-established 'international blueprint' - a process that allows us to implement the Medius solution rapidly for any business, in territories all over the world."

Medius used this approach when constructing its strategy for tackling CEVA Logistics' problem. The blueprint allows Medius to be agile in its approach to implementing the Medius solution in multiple territories. It relies on illustrating the benefits of Medius to smaller, well-respected territories before rolling the software out to the wider business.

Global roll-out

Medius worked with CEVA - one of the largest logistics firms in the world - to deploy the solution across 18 territories within eighteen months. The details of the project are:

- Australia and Italy were initial pilot territories, which were used to demonstrate the benefits to the wider business.
- The initial delivery took six months from requirements analysis through to implementation.
- Once Australia and Italy went live, 18 new territories followed in the next 18 months.
- CEVA now has 40 territories live, including the USA and Canada.
- Bringing over \$360 million of annual spend under management.



Bringing procurement control to CEVA

CEVA now has an overview of all of its purchasing activities, including requisitions, approvals, purchase orders, and receipts.

"It's now far easier for our teams to purchase items in Medius Procurement," comments Jacco. "Users simply use an online catalog to find and select the items they want, placing them into a basket - identical to the process used on ecommerce sites."

Much of the administrative process associated with purchasing is now automated, with requisitions for goods/ services automatically sent to pre-determined personnel for approval. Once approved, a purchase order is raised and issued to a supplier who fulfills and delivers the order.

When receipted, and there's a corresponding invoice from the supplier, the system automatically matches and instructs JD Edwards to authorize payment.

Medius Connect ensures JDE receives the data needed to generate invoices to pay suppliers; an improvement over the paper-based, disparate systems CEVA Logistics was using previously.

Finally, Medius Connect brings data from JDE back into Medius to complete each transaction and mark them off as completed. It also brings data from JDE into Medius and helps CEVA carefully monitor spend and identify scope for savings.

Medius Connect

Medius Connect is the lynchpin of the CEVA Logistics project success. Here is a breakdown of its key features:

- A global integration library allows you to build interfaces for ERP systems such as SAP, Oracle, SunSystems, JDE and many more.
- Rapid and robust integration between hosted and/or locally sited systems.
- Entirely cloud-based, so no need for hardware or software maintenance.
- Comes with a raft of pre-built connectors to get you up and running quickly.

To date we have integrated with a large number of systems including, but not limited to:



ORACLE

JDEdwards®
Enterprise Software

LAWSON™

PeopleSoft

sage

UNIT4
Agresso



infor SunSystems

Kerridge
Commercial Systems

Tackling entrenched users and celebrating success

To ensure the project ran smoothly, Medius supervised the implementation of Medius Procurement in Australia and Italy; two well-respected pilot territories. The lessons learned here were instrumental in the latter stages of the project.

Jacco admits that it wasn't easy going in these initial stages: "Australia and Italy were two of the most challenging territories we've had in this entire project. And we certainly learned a lot here that helped us later."

"For instance, users entrenched in the systems they've always used and always had, proved to be difficult to win over."

Getting people to use new software or do things outside of their comfort zone is a challenge Medius understands. "People generally don't like to do things differently when they have an established way of doing something. It's difficult to drive adoption with people in the same office, let alone on the other side of the globe," comments Daniel Price.

"As such, we worked very hard with Jacco and his team to take measures to increase the platform's adoption rate."

"Our project managers and trainers arranged numerous training sessions and webinars to help CEVA staff understand that the Medius solution isn't anything to be afraid of. It's actually a tool that will make your life much easier - as well as the clear benefits of bringing all that spend under management."

Price added: "We also helped Jacco create reports to send to executives in other business areas, illustrating how many people are using the new tool and how they're using it in their day-to-day role."

User adoption key to success

As adoption of the Medius solution increased, so did the type of people using the tool. Now, employees from operations, financial approvers, procurement departments, and even those operating at C-level use the tool.

The Medius solution is live in over 40 territories and CEVA Logistics is realizing the benefits across the whole of the business. 3,200 users are now set up on the platform, with a staggering 30,000 suppliers registered.

This rapid adoption in the space of just 18 months has enabled CEVA to get \$360 million of annual spend under the management.

Jacco was effusive in his praise of the Medius system. "I'm really pleased with the way the implementation of the Medius solution turned out. The tool satisfied all the requirements identified at the start of the project. Our procurement teams have more visibility of spend figures, and categories, which they can use to negotiate better deals with our suppliers."



It's helped with our cost control. **We can clearly see now where money is being spent,** so we can ensure that we aren't wasting money on expensive suppliers and aren't duplicating effort.

Jacco Daemen, Finance Transformation Manager, CEVA logistics

Strategic sourcing with Medius

Prior to implementing Procurement, CEVA Logistics had been a longstanding user of other modules within the Medius Spend Management suite.

Medius Sourcing has helped CEVA Logistics make significant cost savings on negotiations with suppliers over many years. In addition, Medius Contract Management has helped the logistics firm centralize all vendor contract activities.

Medius empowers CEVA Logistics to:

- Create a center-led model for sourcing, where local territories worldwide can run events under a central process framework
- Increase the number of sourcing events with fewer overheads
- Boost process transparency and make it simpler to audit data
- Make significant cost savings across all spend categories

Strategic sourcing savings

Savings they have made include:



THERMAL PRINTING
\$332K spend
\$167K price reduction
43% SAVING



OCEAN FREIGHT SOURCING
\$71M spend
\$3M - \$8M price reduction
7% SAVING



FORKLIFT TRUCKS
\$10M spend
\$1295K price reduction
13% SAVING



WASTE RECYCLING SERVICES
\$575K spend
\$327K price reduction
56% SAVING



OFFICE SUPPLIES
\$119K spend
\$17K price reduction
14% SAVING



MARKETING COLLATERAL
\$5405K spend
\$1485K price reduction
27% SAVING



COURIER SERVICES /
THERMAL PRINTING
\$14K spend
16% SAVING



PACKAGING
\$288K spend
\$58K price reduction
20% SAVING

Why Medius

After assessing numerous spend management providers, CEVA Logistics selected the Medius solution for its business. According to Jacco, after pitches from many different providers, he and his team settled on Medius because it was the best solution for the task at hand.

Jacco said: "A couple of people in the team had worked with Medius on previous projects, so before Medius came in to pitch, we had a good idea of what you guys are capable of."

Jacco added: "A big factor in our decision to partner with Medius, was working with an organization that has expertise working with large, enterprise-class organizations. Another big draw is Medius' agile approach to developing and implementing eProcurement and its wider suite of spend management tools. They've earned a reputation for putting the customer first, and this certainly was evident in all of our interactions with the Medius team."



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Looking to the future

Implementing Procurement is only the start of Medius' ongoing relationship with CEVA Logistics. As well as providing expertise and support to Jacco and the team as they roll out Medius solutions in more territories, Medius is currently working with CEVA to improve its global invoicing process with Medius AP Automation.

Jacco said: "Medius is live in 40 territories now - I'd say, we're about 80% of the way through the implementation process. However, after seeing the benefits of Procurement, we've engaged in conversations with Medius about integrating their other spend management modules.

"We feel that implementing Medius has transformed the way we approach procurement. We now understand our spending habits, providing us with opportunities to make savings where we can. But we want to go further than that and improve the way we interact with our suppliers."

"One of Medius' strengths is its ability to either be broken up into individual modules or to come as a complete package," comments Price. "Quite often however, a business will see what the solution is capable of and realize they will gain huge benefits from implementing the full suite."

Price added: "I'm looking forward to working closely with Jacco and his team to help them implement tools to further manage their spend."

About Medius

Managing AP and finance should be about strategy, not stress. You shouldn't have to sift through endless emails, PDFs or paper to get invoices confirmed, coded and paid, so you can (heaven forbid) go home. You shouldn't have to scramble to pay suppliers and keep them happy or cross your fingers no surprises land in your inbox that jeopardize the numbers you've presented to the boss and the board. You shouldn't have to worry about a fake invoice subjecting you to fraud. And you certainly shouldn't have to fret about finding a solution that is actually a solution - one that doesn't add expensive consultants and costs instead of speed and simplicity.

Let's replace all that worry and wondering with calm and confidence. Medius links all of AP together - from invoice capture and processing all the way through payment. With one look at a demo, you'll see how Medius takes you beyond basic automation and minor improvements to let Artificial Intelligence (AI) do most of the work for you, so you can get done, go home and rest easy. You'll know exactly what's paid, what's pending, and that your forecasts are spot on. And you won't have to worry about implementation and ongoing administration costs, because you'll start seeing the value immediately and the innovation won't stop. To learn more, visit medius.com.



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