

GAF: Automating POs and Invoices to Improve Compliance and Spend Management

With 23 plant locations and annual sales approaching US\$3 billion, GAF is North America's largest manufacturer of commercial and residential roofing. A key to its success is a commitment to innovation and product quality. Contractors and home builders rank GAF number one in shingle quality, and it is recognized as number one in innovation for shingles and ridge ventilation.

GAF is committed to excellence across its procure-to-pay operations. While a first step involved moving to an external invoice processing system, it still only had an 8% touchless processing rate, dependency on buyers for invoice processing, and too much rogue spend. With SAP® Ariba® solutions, GAF dramatically improved its straight-through invoice processing rate and drove compliance through the extended use of catalogs and automated PO and invoice matching.



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GAF reduced rogue spend and lowers prices

Company

GAF

Headquarters

Parsippany, New Jersey

Industry

Mill products – building materials

Products and Services

Manufacturer of commercial and residential roofing

Revenue

~US\$3 billion

Web Site

www.gaf.com

Objectives

- Free up procurement to drive strategic buying
- Maximize spend with key suppliers to lower prices
- Expand use of catalogs and extend purchasing to the casual user
- Improve straight-through invoice processing to lower costs and capture more discounts

Why SAP® Ariba® solutions

Tools needed to effectively control spending, collaborate with suppliers, and reduce costs

Resolution

- Joined the Ariba® Network
- Deployed the Ariba PO Automation, Ariba Invoice Automation, and Ariba Procurement Content solutions

Benefits

- Simple user interface for personnel in plant stores and casual users
- Dramatic reduction in rogue spend and lower prices by increasing volume with select suppliers
- More early-payment discounts captured

60%

Of maintenance, repair, and operations transactions automated, accounting for 80% of Maximo spend

>975

Suppliers enabled in the first phase of deployment

67%

Straight-through invoice processing in the first phase, up from 8% with the legacy system

100%

Straight-through invoice processing with vending machine inventory off catalogs

“With SAP® Ariba solutions, we can match electronic invoices to catalogs, purchase orders, and contracts that ensure a perfect payable without human intervention. This is helping GAF reduce rogue spend, enforce contracted pricing on invoices, and maximize spend with key suppliers to lower our costs.”

Patricia Hutton, Vice President of Global Procurement, GAF

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