

EPG CONTRACT MANAGEMENT

NEXT GENERATION INVOICING



INCREASED SERVICES INVOICING MEANS GREATER REVENUE: **GET PAID FOR YOUR VALUE.**

The logistics services industry continues to prosper as more businesses value the capabilities available by partnering with a business with a focused expertise and the ability to support future growth expectations of their clients. The growth in smaller orders has created an immediate challenge for today's logistics services provider since too often contract terms were structured for a customer profile that has changed.

Today's environment has exposed weaknesses in many operating procedures. As the competitive landscape evolves, businesses are really looking for ways to increase profitability with their existing contracts. This has created a new opportunity to identify and enhance invoicing practices, so you get paid for your value.

Today's finance executive is challenging their organization to look for ways increase revenue opportunities per contract, while reducing their operating costs. Some of the typical questions they are asking are:

- 💰 Are we really documenting all the services we provide and thus can invoice?
- 💰 How much time does our internal team spend reviewing and verifying monthly customer invoices?
- 💰 How many people are involved in this actual administrative process?
- 💰 When was the last time the business challenged existing processes for this entire effort?
- 💰 How could we get to invoice agreement faster with our customers to improve accounts receivable invoicing and our overall collective effort?

EPG's Contract Management for Logistics Service Providers can help take your invoicing process to new heights.

Next Generation Invoicing.



THINKING ABOUT THE CORE CHALLENGES NEEDING IMMEDIATE ATTENTION

Many of the challenges your business faces around increasing revenue per contract and getting paid for your teams' efforts is mostly related to your outdated infrastructure, older established processes and stuck together solutions that require high levels of administrative manual engagement. Typically, the core challenges can be grouped into the following areas.

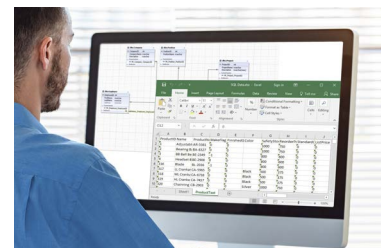


TOTAL INFORMATION IN MULTIPLE DATA SILOS

The first core challenge is that mostly companies have a stuck together solution that ties data from various data systems. WMS and TMS systems have done an excellent job at capturing standard tasks, which has enabled monthly invoice processing, but these systems capture only part of the tasks executed by the operational teams.

HOME GROWN: SQL SCRIPTS AND ADVANCED EXCEL

Most systems have been stuck together by leveraging the macro capabilities and the data import of custom SQL scripts to help automate the data import into a singular environment. These systems were designed and developed internally many years ago to solve this complex invoicing and contract administration process.



ADMINISTRATIVELY BURDENSOME: COMPLEX SOP AND CONTRACT TERMS ADMINISTRATION

Once all the data has been systemically imported into Excel (the #1 solution today to support the complex services invoicing process), the organizations accounting administration team jumps into action. They engage with the internal team to ensure that they have collected all the missing data and that the operations team (WMS and TMS) have included the proper documentation to support the monthly invoice.

This process often has multiple iterations and requires multiple days of engagement to internally settle the detailed invoice requirements to successfully engage with the customer. This is the part of the process that takes another set of days to get to invoice settlement with the customers team and their Accounts Payable organization. Multiple days are wasted around this effort and a core reason why DSO are rarely improved by your Accounts Receivable department.

FORGET TO INCLUDE. WE HAVE BEEN BUSY.

Your operations team are good at their operational responsibilities. They are superb at shipping products accurately and on a timely basis. What they are not the best at though is around the administrative and paperwork type tasks. They waste too much time engaging with the internal contract administration and accounts receivable invoicing organization.



EPG'S CONTRACT MANAGEMENT

IMPROVES THE INVOICING PROCESS CHALLENGE



Increased invoicing by ensuring that all work tasks are included within existing contract agreements across various systems such as: WMS and TMS, as well other in-house custom systems



Increased internal process productivity by 20% – 30% vs. existing processes with centralized and mobile friendly solution capable of support complex contract terms



Reduced internal communications and process flow by up 40% with ability to support centralized and decentralized finance organizations



Reduced manual and paper-based processes by 90% in the preparation of invoices and improve customer invoice checking and error corrections before invoices go to customer for review



Reduction in customer service chargebacks by 20% due to contract performance SLA performance measurement weaknesses



Greater contract compliance with singular source of truth for greater transparency that helps reduce customer service contract follow-up activities and enables improved business relationships



Modernized contract management and invoicing platform designed by professionals with more than 30 years of experience supporting logistics service providers



Reduced IT dependence to fix issues and provide enhancements in order to support existing and new clients with a full-featured, secure enterprise SaaS solution

BRINGING OPERATIONS AND INVOICING TEAMS CLOSER TOGETHER

The EPG Contract Management solution is Mobile-Centric to fully empower the Operations team to identify and capture services rendered as they execute individual tasks which enables the capture of work performed.

The Operations team loves the EPG solution because it dramatically reduces their daily administrative burden, as well as their month-end engagement needed to verify and assist the invoicing team complete the documentation around monthly services.

The business wins by getting paid for the value performed every month.



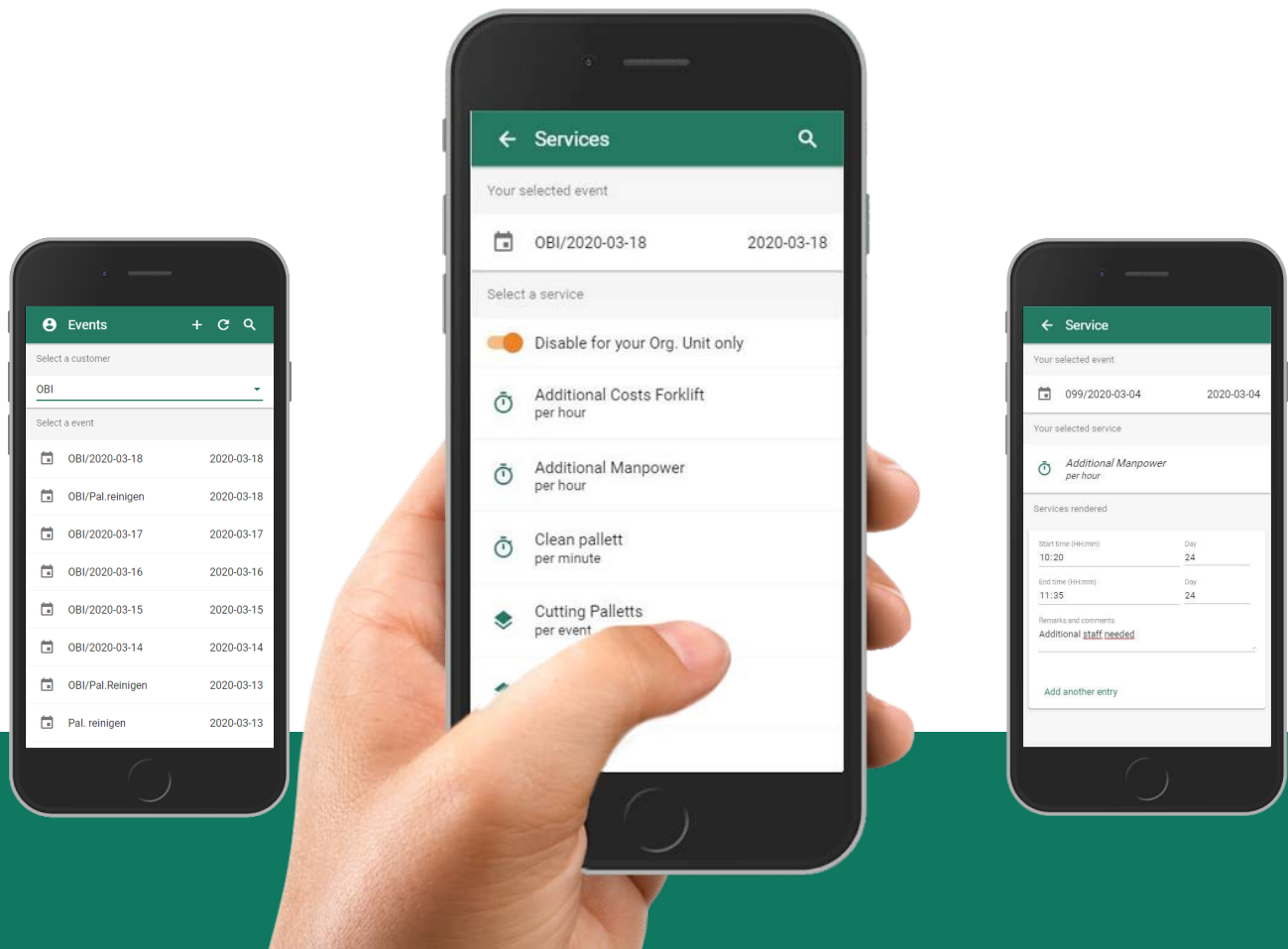
**MOBILE FRIENDLY APP
FOR OPERATIONS TEAM**



**QUICKLY ADD SERVICES
RENDERED WHEN IT HAPPENS**



**ELIMINATE MANUAL
AND PAPER PROCESSES**



EPG CONTRACT MANAGEMENT CENTRALPARK™ WEB PORTAL

EPG's Contract Management Web Portal provides a singular informational hub (thus CentralPark) for all the contract and services information with line-item drill-down capabilities and full invoicing transparency for internal stakeholders and approved customer proforma invoicing review and approval contacts.

The decisive advantage that CentralPark offers is the ability for quick review, internal team engagement and a seamless customer feedback loop that virtually eliminates the traditional back and forth and invoice delaying settlement process: EPG Contract Management ensures that all services within the agreed contracts are quickly reviewable and customer questions on individual line-item invoices are addressed without delays. EPG Contract Management provides an easy way for all to review comments and reasonings for not approving an invoice and supports a rapid focus on the invoicing exceptions. By using the EPG Contract Management solution, you will reduce the complexity within your ERP system and time-consuming and cost-intensive process adjustment processes.

Drilling down into each proforma invoice.

The screenshot displays the EPG Contract Management CentralPark Web Portal interface. The top navigation bar includes 'Back to Services' and 'User Administration' buttons. The main content area is divided into several sections:

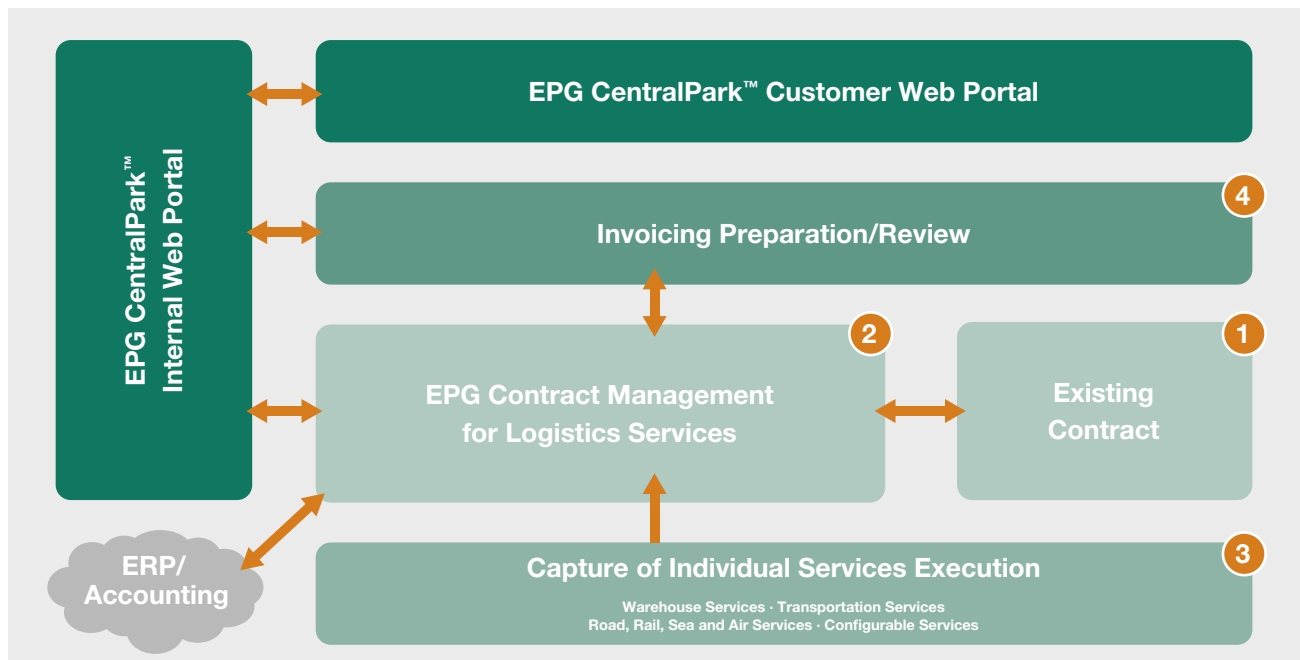
- Customer Portal Service remarks:** Shows a status change from 'Closed' to 'In Progress' for a specific invoice item.
- Customer Portal Invoices:** A table listing invoices with columns for Station, Customer, Invoice Date, and Invoice Amount.
- Services Line Item Details:** A detailed view of a selected invoice item, showing service type, quantity, price, and total.
- Services Line Items:** A table listing services with columns for Station, Customer, Service Code, Service Description, Quantity, Price, and Total.
- Services Invoices and Status:** A table listing invoices with columns for Invoice Date, Invoice Amount, and Status.

The interface also features a 'Selected Event' section on the right, providing details about the event, including the event name, date, time, and location.

EPG CONTRACT MANAGEMENT

INFORMATION FLOW

EPG Contract Management for Logistics Services Providers solution automates the entire data collection, invoice reconciliation process and customer invoice review process within a secure SaaS environment.



- 1 Create specific customer and supplier contracts at the required level of detail with the integrated contract template manager to enable onboarding new and modified contracts.
- 2 Additional services can be documented quickly and securely plus saved as an annex to an existing contract. The solution automatically inserts the new information into the documents based on customer agreements. Seamless integration with various in-house systems is also a key part of the overall solution.

The EPG Contract Management solution has an integrated set of flexible and deep commercial rule options. This includes, for example, price index clauses for automatic price adjustments, a foreign currency management system, weekend and overtime bonuses and other possible contractual agreements. Individual details such as quantity, weights, prices, invoice recipients or additional services can be changed manually at any time.

- 3 All the services you perform in all parts of the supply chain are recorded: warehouse activities from your WMS, such as goods incoming, stock transfers and picking, as well as services related to Transportation Management related to: road, rail, sea and air, such as container unloading and toll charges. Once a service has been recorded, the EPG Contract Management solution handles the fully automatic recognition and allocation of the service to the correct contract conditions. This is based on a commercial rulebook, including price index clauses for automatic price adjustments and foreign currency management
- 4 The invoice is then generated digitally and automatically. The solution also supports automated billing runs. Proforma invoices can be sent to the customer by email for review or the customer can then easily check the invoice details in the CentralPark web portal.

SOLVING YOUR KEY CONTRACT MANAGEMENT AND INVOICING RESOLUTION CHALLENGES

MASTER SERVICES AGREEMENT

- Scope of work and length
- Logistics service responsibilities
- Purchase order process
- Account Management
- **Service level administration**
- **Service level rates and charges**
- **Invoicing process and administration**
- Reporting and metrics
- Payment process and terms

KEY CHALLENGES SOLVED

- ✓ Master services agreement typically does not include sufficient service level rates and/or library of invoiceable task detail with price list or billing rulebook
- ✓ Standard contract management template not appropriate for services application, nor flexibility to quickly create services agreement addendums

WAREHOUSE & TRANSPORTATION SERVICES

- Receiving
- Put-away
- Cross dock
- Fulfillment
- Back stocking/Replenishment
- Transfer
- Consolidation, Staging
- Loading, Shipping
- Value added – customer specific
- Unique task movements

KEY CHALLENGES SOLVED

- ✓ Master services agreement typically does not include sufficient service level task detail or support on-the-fly additions
- ✓ Warehouse and Transportation operations lack's ability to quickly and easily add various unique movements to invoice
- ✓ Month end proforma review time consuming
- ✓ Detailed customer review time consuming

INTERNAL SUBMISSION FOR REVIEW

- Operations submits detailed tasks
- Finance creates proforma invoice
- Finance reviews submission
- Operations updates with changes
- Finance ensures agreement costs
- Account Management review
- Additions/edits to Proforma invoice
- Proforma invoice review
- Final invoice issued from A/R

KEY CHALLENGES SOLVED

- ✓ Multiple internal review cycles
- ✓ Missing invoice line-item details
- ✓ Multiple days to proforma settlement
- ✓ Changes on price verification
- ✓ Manual changes on quantifies/weights
- ✓ Late additions on missed items

EXTERNAL INVOICE REVIEW

- Proforma invoice review with customer
- Customer internal review
- Customer engagement with operations
- Proposed invoice changes
- Invoice settlement
- Agreement to accept invoice amount

KEY CHALLENGES SOLVED

- ✓ Invoices are never accurate
- ✓ Time consuming for team
- ✓ Added A/P administration staffing
- ✓ Account Management always engaged
- ✓ Overbilling to customer
- ✓ Delays in payment
- ✓ DSO continues to grow

TAKE THE NEXT STEP

LET US PROVE IT TO YOU.

EPG offers a Prove It program where we can show your team with your contracts and your terms how easily you can use the solution. We will integrate with one of your data systems (WMS, TMS, ERP or homegrown system). This is a tremendous value to enable your business to evaluate the solution with almost no risk. Give us a chance to prove it to you.

EPG CONTRACT MANAGEMENT PROVE IT! PROGRAM

Let EPG Prove It in 60 Days with a Live Pilot Program for only \$9,500*



Increased invoicing by ensuring that all operational work tasks are included and invoiced, as agreed to within existing contract agreements



Reduced internal communication **process back-and-forth by up 25%** and ensure all invoiceable work tasks are included



Reduced manual and paper-based process errors by 80% in the preparation of invoices and improve customer invoice checking and error corrections process before invoices go to customer for approval



Increased contract compliance provides greater transparency and helps reduce customer service contract follow-up activities, while providing improved business relationship



Modernized contract management and invoicing platform designed by logistics professionals with more than 30 years of experience at logistics service providers



Reduced IT dependence to onboard new clients and provide value-added service offering with a full-featured, secure enterprise SaaS solution with more than 500 standard task services library

* Up to 3 Users. Add Up to 3 Contracts.

EPG FAST FACTS

SMARTER CONNECTED LOGISTICS



>1,500
Customers globally



700+ People
Dedicated EPG
logistics team



24-Hour Support
'AlwaysOn' customer
support center



2nd largest
WMS provider in Europe



**2nd largest
global voice**
Lydia Voice



300+
3PL Customers



License Friendly
SaaS and Managed Services



**Tier 3
Data Center**
99.95% Uptime SLA

Ehrhardt Partner Group (EPG) is the leading provider of comprehensive supply chain execution and voice software solutions for smarter connected logistics. EPG's highly configurable and scalable logistics solution, LFS, delivers Tier I functionality inclusive of: warehouse management, warehouse control and automation, resource management, transportation management, advanced business intelligence analytics and its industry leading iBrowser ensures ongoing support for all major browsers, delivering flexibility and platform independence. Our Lydia Voice solution offers unparalleled voice recognition with its deep neural network technology and eliminates the need for voice template training, while interfacing with a multitude of WMS and ERP solutions. Our Contract Management for Logistics Service Providers solution helps modernize invoicing processes so service providers can get paid for the value they provide. To learn more, visit www.epg.com.



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