

CASE STUDY

Knight Ridder Relies on Integrated Oracle and RightFax e-Document Delivery

“Once a PO is approved, the integrated Oracle and RightFax system automatically generates the order and automatically faxes it.” – Tom Perez, National Buyer, Knight Ridder

OVERVIEW

Knight Ridder news reporters are not the only ones who deal with time-sensitive information. For 65 employees at the Knight Ridder Shared Service Center, obtaining and processing purchase orders (POs) or vendor payments is a critical “beat.” With this in mind, the Center implemented a joint solution to speed procurement efforts.

BACKGROUND

Employing nearly 22,000 professionals, Knight Ridder is the nation's second-largest newspaper publisher. The company publishes 31 daily newspapers in 28 U.S. markets, with a readership of 8.3 million daily and 12.1 million Sunday.

The company's Internet operation, Knight Ridder Digital, creates and maintains a variety of online services, including REAL CITIES, a national network of 83 city and regional Web sites in 62 cities, including 20 of the top 30 U.S. markets and 27 of the top 50 U.S. markets. Knight Ridder and Knight Ridder Digital are headquartered in San Jose, California. The Miami-based Knight Ridder Shared Service Center, created in 1997, handles purchasing, accounting and other functions.

THE CHALLENGE

The Knight Ridder Shared Service Center receives and sends hundreds of faxes every day. According to Tom Perez, a national buyer with Knight Ridder, the Center's procurement team and accounts payable staff receive the majority of approximately 120 daily incoming faxes. Perez' responsibilities include maintenance of a fax system that handles transmissions and integrates with existing and customized Knight Ridder applications.

Early on, Perez and the Procurement team recognized the benefits of automatic fax and e-document delivery. A fully manual system, compared to a network fax solution, is simply cost prohibitive, according to Perez. “If we had to fax purchase orders manually,” he said, “all of our buyers—five employees—would need to be involved to ensure the documents are faxed correctly.” Since such management would add up to several hours per day in lost productivity and hundreds of dollars per year in hardware and toner costs, Perez and his team knew they needed an automated fax system.

When the Center was created it implemented CommercePath, a previous Captaris production fax solution for sending documents directly from business applications. CommercePath provided a way to automatically fax purchase orders electronically, rather than printing and re-faxing the documents.

Still, the Center relied heavily on manual procedures. “A lot of faxes were still sent to a manual fax machine, increasing the chances for the papers to be lost,” Perez explained. Many of the faxes contained critical information or “stack files”

that included vendor and user payments and other documents. “Control totals on the files would be submitted to a regular fax machine and sometimes misplaced,” Perez said.

When CommercePath technology was incorporated into the Captaris RightFax product, the Knight Ridder Shared Service Center took the opportunity to conduct some “investigative reporting” on its fax solution to determine if it should make a change.

While pricing played an important role in the decision, a new fax system needed to meet three main criteria:

- Automated functionality
- Integration with Knight Ridder’s existing applications, including Oracle Financials and Microsoft Exchange
- Desktop faxing for inbound and outbound transmissions

Extended automated capabilities would offer Knight Ridder buyers and other service center staff members additional productivity and cost savings, as would desktop management of both inbound and outbound faxes. In this story, however, the headline would include an important detail, the chosen fax product needed to integrate with the backbone of Knight Ridder’s financial system—Oracle.

For several years, the Knight Ridder Shared Service Center has used Oracle Financials, most recently migrating to Oracle 11i financial applications in mid-2003. Knight Ridder is in the process of implementing Oracle Internet Procurement Purchasing, a module that provides a self-service requisitioning capability to ensure material purchases are conducted through pre-negotiated supplier contracts. iProcurement, according to Oracle, is a key component of the complete Internet-based procure-to-pay solution that helps businesses process requisitions, purchase orders, RFQs and receipts quickly and efficiently. The Center also plans to roll out Oracle Purchasing Intelligence, an iProcurement component that Perez describes as a tool for negotiating supplier contracts.

To fully leverage its investments, the Center considered only fax systems that offered tight integration with Oracle and other Knight Ridder business applications. “There are a lot of things to do to make sure the functionality between systems works well,” Perez said. “Using the only fax system with an integration that has been co-developed with Oracle saves us from having to tweak or customize as much as we would any other product.”

THE SOLUTION

The service center staff, just like the Knight Ridder newspaper writers they support, like it when stories wrap up in a “nice package.” After researching five fax vendors, the Center found the option fitting, even exceeding, all its requirements also happened to be the least expensive. “With the merging of the RightFax and CommercePath technology, we simply changed to RightFax. It was much less expensive than implementing a new system,” Perez said.

One reason for the flexibility of RightFax is that it is built on a solid infrastructure of modular building blocks from Intel, the world’s largest chipmaker and a leading manufacturer of computer, networking and communications products. By providing open, standards-based hardware components, Intel allows Captaris the freedom to do what it does best—aggressively create a robust, highly sophisticated fax solution that can be tailored to meet each customer’s special needs.

With more integrations than its competitors, RightFax provides Universal Information Exchange (UIX)—fax and e-document delivery capable of supporting the rigors of vital document delivery and receipt. RightFax UIX provides built-in integrations with Oracle, as well as a host of intelligent data recognition tools that enable Knight Ridder to automate exchange from virtually any Oracle application.

The Knight Ridder Shared Service Center uses RightFax to send and receive documents from core business applications right at the desktop. Since RightFax integrates with Microsoft Exchange, the Center’s staff can view faxes as they are delivered directly to their email Inboxes. Fast and easy access enables users to eliminate manual processes and increase productivity.

RightFax offers a four-step workflow process to send documents directly from Oracle. It:

- Captures information from Oracle
- Renders it into an electronic image
- Distributes the information via fax, email or the Internet
- Creates customized reporting

Perez described how RightFax works at Knight Ridder: “We don’t have to print POs or mail them. Once a PO is approved, the integrated Oracle and RightFax system automatically generates the order and automatically faxes it. We don’t have to ‘touch’ the faxes for delivery.” He continued, “With our customization, RightFax also sends reports on fax transmittal, so we know when faxes were sent successfully or when they were not so we can take quick action.”

In comparison to manual methods, including printing papers to be physically transported and transmitted on a fax machine or even stuffed into envelopes for “snail mail” delivery, Perez estimates RightFax to result in an overall work reduction of 10 percent. In other words, with the more effective processes in place, a full-time employee may save four hours a week—adding up to more than an entire month a year. Then, he or she would be freed to focus on other business-critical tasks.

Perez said businesses that currently mail POs would realize huge time savings with e-document delivery.

“The management and delivery of approved POs would go from a turnaround time of three to five days via mail to five minutes via Oracle and RightFax.”

Hard costs can add up as well. According to a Captaris study, when purchase orders and other documents are manually prepared, printed and mailed, they cost more than \$1.20 (USD) each. In contrast, RightFax automatically delivers the same documents electronically for approximately 10¢ per document.

RightFax also offers significant improvements in managing stack files that previously relied on unreliable manual fax machines. “With RightFax, we created a separate fax number that is automatically routed to a specific department or user,” Perez said. “It helps with PO faxes that were not received due to a busy signal or other reason. Instead of going to ‘nowhere land,’ they are routed to a central location where the buyer can view it at the desktop and take quick action.”

RightFax features also make it easier to store and retrieve faxes, according to Perez.

While the Center is planning to expand its RightFax use, it has already seen a quick Return on Investment in the features and areas in which the product has been deployed. “I think we’ve gained our money back on the installation of RightFax,” Perez said. “Now we look forward to expanding it to impact other areas.”

FOR MORE INFORMATION

Captaris is a leading provider of Business Information Delivery solutions that integrate, process and automate the flow of messages, data and documents. Captaris produces a suite of proven products and services, in partnership with leading enterprise technology companies, delivered through a global distribution network. Captaris has installed over 80,000 systems in 44 countries with 93 of the Fortune 100 using the company’s award-winning products and services to reduce costs and increase the performance of critical business information investments. For more information please contact us at www.captaris.com or call +1.520.320.7000.

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