



### At a Glance

Cox Enterprises

### Industry

Media

### Employees

77,000 employees

### Logistics

Atlanta, GA

### Solution

Epicor Enterprise

### Business Challenge

Decentralized, cumbersome purchasing processes slowed order fulfillment and drained human resources

### Solution

Automated e-procurement solution that provides automated approvals and integration to back office financials

### Business Benefits

- Greater efficiency in purchasing process, from requisition through approvals and payment
- Ability to contract with national and local vendors

### Return On Investment

- Analysis of annual spend reduced from 2-3 months, to 1 day
- Error rate for printing purchases reduced to 1% compared to 18-20%
- Reduced requisition to check processing cost by at least 40%

As with many companies across most business sectors, Procurement is alive and growing at Cox. The Cox Marketplace, powered by Epicor Procurement, a comprehensive Web-based procurement solution, is gaining traction. The Marketplace, an online virtual mall, is being used to launch the procurement initiative at Cox, the idea of vice president supply chain services and chief procurement officer Mike Mannheimer and purchasing director Gary Robinson.

Cox Enterprises is one of the nation's leading media companies and operators of automobile auctions. Major operating subsidiaries include Cox Communications, Inc. ([NYSE: COX] cable television distribution, telephone, high-speed Internet access and other advanced broadband services); Cox Newspapers, Inc. (newspapers, local and national direct mail advertising and customized newsletters); Cox Television (television, television sales rep firms and research); Cox Radio, Inc. ([NYSE: CXR] broadcast radio stations and interactive Web sites); and Manheim Auctions, Inc., (vehicle auctions, repair and certification services and Web-based technology products). Cox Enterprises also owns an equity stake in a range of Internet businesses, including AutoTrader.com, the world's largest and most visited source of used vehicle listings for dealers and consumers. More information about Cox Enterprises can be accessed via the Internet at [www.coxenterprises.com](http://www.coxenterprises.com).

Cox Enterprises does not mandate how its numerous subsidiaries run their business units. That makes it challenging to introduce new technologies and facilities solutions that would help the subsidiaries, and the corporation as a whole, to save money and operate more effectively. "Being decentralized, it is difficult sometimes to move a good idea forward", stated Mannheimer. "We have been trying to get the message out that this is a great opportunity for Cox to not only save money but to promote efficiency in the purchasing process. The Epicor Procurement initiative has allowed us to focus on the day-to-day spend on a national scale while at the same time promoting local vendors. I feel one of the biggest opportunities is in the direct spend market."

Bob Pelon known as the “virtual mall manager” manages the Cox Marketplace and enjoys the program’s flexibility as well as the process improvements it offers. Pelon’s previous experience with process improvements has benefited the initiative. “Oftentimes when a program is brought into an organization it satisfies only the ‘back end’ or financial requirements; it fails to help the individual purchaser or manager. This program supports the total purchasing spectrum. It supports individual users with speed and accuracy, the manager with the potential to establish his/her own purchasing requirements/standards and provides the necessary information for the financial requirements. This program allows the manager to drive purchasing from the front end and be proactive instead of reactive.”

A variety of enterprise systems are installed across the various Cox companies — SAP, PeopleSoft, JDEdwards, Lawson, as well as some homegrown solutions, making it impractical to develop and maintain direct integration links to each of these back-end systems. “We operate the Procurement system as a stand-alone application,” says Pelon, “using the purchasing card as a payment tool. These (cards) can be mapped right into our financial systems,” making the integration simple and effective.

#### Realizing the Benefits of Streamlined Purchasing

Since implementing Epicor Procurement, Cox has experienced many successes, one of which is printing. “We buy a lot of printing — everything from business cards and stationery to brochures and catalogs. We’ve been able to greatly reduce the number of suppliers and streamline the procedures for getting printing orders in place. Instead of four or five weeks for a simple business card we are looking at less than five days,” says Robinson.

“When we started looking at the purchasing process just for stationery there were over 40 steps and at least five different people involved. Now the business cards are ordered right on the computer, with the proof viewed on the screen and sent to printers, saving both time and money.

“Our error rate is now less than one percent for the printing orders we’re doing with Procurement. Compare that to an industry average error rate of something like 18 to 20 percent for print orders.”

Using the solution’s procurement card as the chief mechanism for payment provides Cox with a clear and distinct audit trail. “It’s so much more convenient and flexible,” Pelon says of Epicor Procurement.

Epicor Procurement has provided further benefit through the powerful workflow capabilities built into the system. In most organizations, an order doesn’t go out until it’s approved. Using a paper-based system, the order approval process is cumbersome and slow with few gauges for timely follow through or accountability.

The workflow in Epicor Procurement manages the routing of the order through whatever approvals are needed and controls the process — making sure it gets the right approvals in the right order based on the characteristics of the request. Furthermore, because Epicor Procurement can process multiple approvals at the same time and it’s not geographically limited — approvers can be literally anywhere on earth as long as they have access to the Internet.

**“Previously, I had to commission a study that took several months in order to determine our annual spend. This year using Epicor Procurement, I had year-end summaries done on January 2.”**

Bob Pelon, senior project coordinator  
Cox Enterprises

#### About Epicor

Epicor is a leading provider of enterprise business software solutions to the midmarket and divisions of Global 1000 companies. Founded in 1984, Epicor serves over 20,000 customers in more than 140 countries, providing solutions in over 30 languages.



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