



Bohus

**Bohus doubled the
performance at
half the cost**



Case study

The Company

Bohus is Norway's largest nationwide furniture and interior design chain. 300,000 supplier invoices per year are generated with 59 retail stores, an e-commerce business, and sales of approximately NOK three billion (USD 360 million).

The accounts payable process is now best in class following the upgrade to Medius AP Automation in the cloud. An ambitious investment that saves millions - every single year.

One centralized workflow

In 2010, the popular furniture chain chose to implement Medius AP Automation. Two years later, Bohus upgraded to Medius AP Automation version 10 and integrated the solution with the ERP system SAP. The aim was to bring together the order-based invoices of all stores into one centralized workflow and to fully automate the process for supplier invoices.

"Controls for costs and products are very important in retail, and we realized early on that automatic line level matching for supplier invoices could exponentially raise our efficiency and improve our control. The ability to match our order-based invoices to a purchase order helped us incorporate all our stores into one centralized workflow, and this has really strengthened our accounts payable process," states CFO, Per Magnus Frantzen.

Increased automation



In summary:

- Bohus is an interior design company with 59 stores and an online store in Norway
- Products: Medius AP Automation in the cloud with invoice matching against PO and contracts
- Number of supplier invoices: Manages 300,000 order-based invoices per year at the chain's headquarters in Oslo
- Electronic invoices: 80% of incoming supplier invoices are in EDI (XML), and the rest are received in hard copy or via email

Results:

- Increase from 40% to 88% in automatically approved order-based invoices (touchless) thanks to the upgrade to Medius AP Automation
- Annual savings of approximately NOK 5 million (USD 600K)

Upgrading the cloud

Once Bohus had successfully saved on accounts payable automation costs, the time came to further streamline the accounts payable efficiency in 2016. Six years after upgrading to Medius AP Automation version 10, Bohus took the next step up to the cloud. But the system was not the only thing being upgraded. The percentage of automatically approved order-based invoices - touchless processing - was increased to a new level as well.

"We wanted to become even more efficient and increase the touchless rate even more, which entails automatically verifying and approving order-based invoices without any manual steps in the process. And the results met and even exceeded our expectations. In some cases, we raised the touchless rate from 20 to 80 percent," Per Magnus explains. "But we have also significantly improved our ability to conduct advanced analyses and create powerful reports. The value added by the upgrade is thus significant in many ways."



Medius AP Automation and the cloud gave us substantial gains: The touchless rate increased from 20 percent previously in some cases to an average of 80 percent. The amount of money saved annually is roughly equivalent to the annual salaries of ten full-time employees and approximately NOK 5 million (USD 600K).

Per Magnus Frantzen, CFO at Bohus

Smooth transition

The decision to upgrade was made in late 2015. The goal was to significantly reduce the proportion of manually processed supplier invoices, thus saving valuable time and increasing efficiency. After conducting a short feasibility study and setting clear objectives, Bohus took the plunge in May 2016 and switched to Medius AP Automation in the cloud.

"The transition went very well. Medius AP Automation and SAP work together like a charm, and the users really like the new version," states Per Magnus. "My colleagues praised the user interface, the ability to build personal dashboards, how fast the pages load and a number of other features. In short, they are highly satisfied."

Stress-free solution

In comparison to the way it was in the past, when staff processed and approved supplier invoices manually in 59 stores, the current centralized and automated accounts payable process is nothing less than impressive.

"We now have a centralized structure for our accounts payable process and everyone involved in this process is an expert. We have reached a higher level of professionalism both in the processing of invoices and the accounts payable process, but also due to the fact that we operate in the cloud and do not need to worry about servers, security and availability. We always have the most modern version without having to worry about upgrades and upgrade projects," states Per Magnus.

Bohus has achieved best in class AP invoice automation by upgrading to Medius AP Automation in the cloud.

Financial gains - on several levels

For Bohus, the upgrade to Medius AP Automation and the cloud has been a success, and ambitious goals have been achieved. Better procedures, processes, control, and visibility have helped improve profit margin for a growing Bohus.

"The advantages include having full control over whether we pay the price we agreed on with our suppliers. We immediately see if the price of the agreed order is different from the invoice. We have amazingly good control, and this produces results. It is no exaggeration to say that we now pay less for our invoice management, but we get more out of it. We have dramatically lowered the cost per invoice with the new system, just as it should be," comments Per Magnus.



A relationship for the future

Bohus has constantly placed high demands and challenged Medius to enhance efficiency using cutting-edge technology. And, in the opinion of Per Magnus, Medius has exhibited great responsiveness and cooperation in its business relationship with Bohus.

"The consultants at Medius are good at delving into and comprehending our world and our needs. They are good at listening and interact well with us. We can tell that they want to make life better for us. We are not always easy to deal with and we have high goals, but they have been highly flexible and I have great trust in them as a supplier. They have helped Bohus substantially improve its profit, and also helped us along the way in our continuing expansion," concludes Per Magnus Frantzen, CFO Bohus AS.



The amount of money we saved by investing in Medius AP Automation is roughly equivalent to the annual salaries of ten full-time employees, and we cut the costs of this work by nearly NOK 5 million (USD 600K) annually. It is therefore a fact that the investment has paid off quickly.

Per Magnus Frantzen, CFO at Bohus

About **Medius**

Medius AP management software replaces the work and worry of invoices with AI and automation. Medius goes far beyond basic automation by using artificial intelligence to do the work - so invoices get coded, approved and paid, and your business can trust your budgets and forecasts without the fear of potential fraud. 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.



www.medius.com

© Copyright 2023 Medius. All rights reserved.

The information contained in this document is general in nature and provided as reference material only.

This document is furnished as is without warranty of any kind. Specifications are subject to change without notice.