NETTING
RECONCILIATION
VENDOR PAYMENTS

COPROCESS
THE NETTING SPECIALISTS

WHO ARE WE?

COPROCESS is a fully independent Swiss company, founded and based in Geneva since 1991. We were the first company to put netting on a PC and we quickly grew to become the leading provider in this key area of corporate treasury.

Today we are the world leader in Intercompany Netting solutions with more than 150 corporate clients and with the addition of reconciliation and centralized vendor payments we have expanded the key role we can play in corporates of any size.

Product

Our state of the art system has been refined over 25 years. This powerful and flexible solution is simple to implement and easy to use. It consists of three parts:

Intercompany Netting
Reconciliation
Vendor Payments

Knowledge

Over 150 corporates use the Coprocess solution.

Our long history in this field gives us unrivalled experience in providing the right solution for your corporate environment. We are the largest source of netting expertise in the world.

Support

One of the main differentiators of COPROCESS is our commitment and dedication to supporting the customer base.

More than 50% of our clients have been with us for over 15 years. Some of them for more than 25 years.

Our 12 full time professionals can offer you unrivalled Commitment, Continuity and Competence in all areas related to netting and reconcilation.

WHO ARE OUR CLIENTS?

Today there are more than 150 corporates currently running our netting system throughout the world many of whom have been using our netting solutions for more than 15 years. From small corporates to some of the world's largest multinationals, they all use a system designed, developed and supported by COPROCESS.

ABB
since 1993

AIR LIQUIDE
since 2004

ALSTOM
since 2001

Nestlé
since 2000

BASF
The Chemical Company
since 2005

GRUPPO CAMPARI
since 2015

Continental
since 2009

DIEBOLD NIXDORF
since 2002

EATON
since 1995

Faiveley TRANSPORT
since 2007

MOTOROLA SOLUTIONS
since 2016

UNIVERSAL MUSIC
since 2016

Atlas Copco
since 1992

KONE
since 2014

SANOFI
since 1999

ZF TRW
since 1999

WHAT OUR CLIENTS SAY...

PEPPERL+FUCHS

Our invoice data is imported from the ERP system using an interface. Around 30 subsidiaries are participating. We see the Coprocess Netting software as very reliable and user friendly. The ERP system we use is Infor M3.

Nestlé

Our company has been running a netting process for about 35 years, currently for more than 300 participants. In 2012, we implemented Coprocess.Netting. The preparation and support of Coprocess staff was excellent. We had a smooth transition from the old Coprocess System and have been working with the new system for more than five years now. Our netting process still runs as stable and predictable as it did before migration. We are very happy with the Coprocess

ABB

Over 270 subsidiaries use the system which settles more than 50,000 Invoices twice a month. The system interfaces with SAP, our global ERP platform. We run the system Receivable driven and make use of the matching and discussion capability to clean up the intercompany. Savings from the netting alone are in the region of USD 20 Million Per annum but the real global benefit to the group is the structure and discipline it brings to intercompany.

Faiveley TRANSPORT

The netting tool is easy to use, and could be tailored to fit the specific needs of Groupe Faiveley Transport. Implementing the netting platform turned out to be very straightforward, as is the administration of the system. The numerous reports help smooth the whole netting process from one end to the other. Customer support is very responsive.

Continental

We have been using the Coprocess netting application since 2007 and now have over 150 subsidiaries integrated into the system. We have interfaced the system with SAP and other local ERP systems to allow for upload of both AP and AR items as well as download for booking. We are very satisfied with the function-alities as well with the performance of the Coprocess Netting system.

icopal

Very good customer service. One point of entry. Easily adaptable system. No software needs to be installed. Custom needs can be implemented in the system

THE COPROCESS PROCESS

In addition to the standard benefits of netting the COPROCESS solution offers further potential savings by providing a complete solution for handling invoice processing by uploading AP and AR data for Matching as well as Reconciliation. A dialogue tool with the ability to discuss, flag and dispute invoices is available on-line inside the regular netting system.

The diagram shows the flows through a complete netting cycle
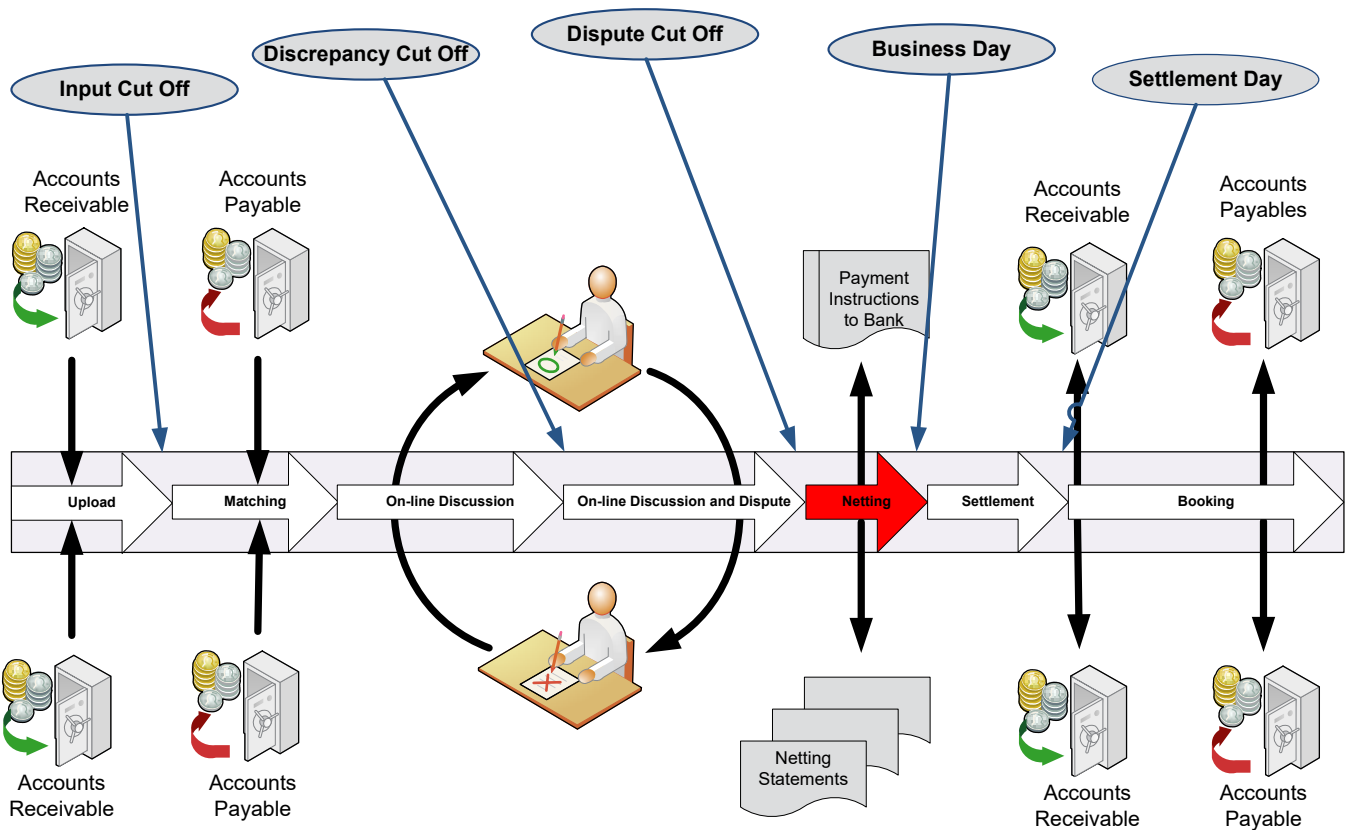
- The process starts with subsidiaries uploading their inter-company flows (payables and/or receivables). Optionally using API

- The subsidiaries are then able to match payables against receivables (optional) they can then dialogue and dispute invoices on-line (again optional).

- Once this process is complete the netting takes place (red arrow). This is the only part that is done by the netting centre when they fix the rates, deal the FX and make the payments.

- Lastly the subsidiaries can download a data file containing settled invoices for booking in their sub-ledger.

NETTING

RECON

VENDOR PAYMENTS

PROBLEMS

- Small/numerous/costly FX deals at subsidiaries
- Lots of payments with High bank charges
- Uncertainty on the payment date
- Difficult/costly to hedge
- Time consuming reconciliation work
- Big mismatch on Intercompany bookings

- Delays/incorrect booking of Accounts Payable
- Mismatches on the consolidated balance sheet
- P&L accounts are incorrectly presented
- Auditors are pushing for solutions and under time pressure
- Considerable manual workload at every subsidiary and centrally
- Reconciled data and documentation is often not stored centrally

- Lots of payments with High bank charges spread globally
- Small/numerous/costly FX deals at subsidiaries
- No corporate hedging can cost you 1% on amounts sent
- To pay vendors the subsidiary may need financing
- No overview on the volume paid to each vendor

SOLUTION

- Flexible calender based Netting system
- Upload both AP and AR (optionally using API)
- Automatic Matching
- Invoice level Discussion and Dispute tool
- On-line browser based solution
- Report writer
- Interfaces to Banks and ERP systems

- Flexible Reconciliation system
- Calendar with reconciliation cut-offs
- Upload ALL AP and AR for Automatic Matching
- Mismatch analysis with Drill down
- Dialoguing at invoice level
- On-line browser based solution
- Report writer
- Interface with Consolidation system

- Centralize your payments
- Use fixed payment runs (weekly/monthly)
- Upload all your AP invoices to the system
- Upload vendor data from ERP system
- Payment interfaces with multiple banks
  (XML, SWIFT)

BENEFITS

- Less payments - ideally, one per participant
- Less float - fewer banks are needed
- Less FX - remaining FX traded at better rates
- Simplified payment procedures across the group
- Brings structure and discipline to Intercompany
- Visibility of Intercompany across the group
- Improves forecasting

- Faster closing
- Cost savings - time less spent
- Subsidaires can concentrate on mismatches
- Great on-line visability of all transactions
- Flexible grid to filter/sort/find data
- Central storage of all AR and AP data for the group
- Flexible reporting
- Archiving of (and access to) historical data

- Less payments
- Centalized FX gives better rates
- Simplified payment procedures across the group
- Reduced payment fees
- Better Liquidity Planning
- Efficient Group financing
- Less time spent for payments in the Group

THE NETTING

- Transaction costs are reduced because fewer payments are made
- Concentration of payments and reduction in the number of banks leads to a reduction in float
- FX is matched reducing exposure
- Non-matched FX is aggregated and dealt centrally at better rates
- Simplified payment procedures throughout the group
- Brings structure and discipline to inter-company payments

Before

Before implementing a netting system each company may have several payments to make to other group companies, possibly in foreign currency. Each payment may cover many invoices.

They will have to make the payments and then inform all the receivers of the specific invoices that are covered by the payment, which in turn need to be reconciled.
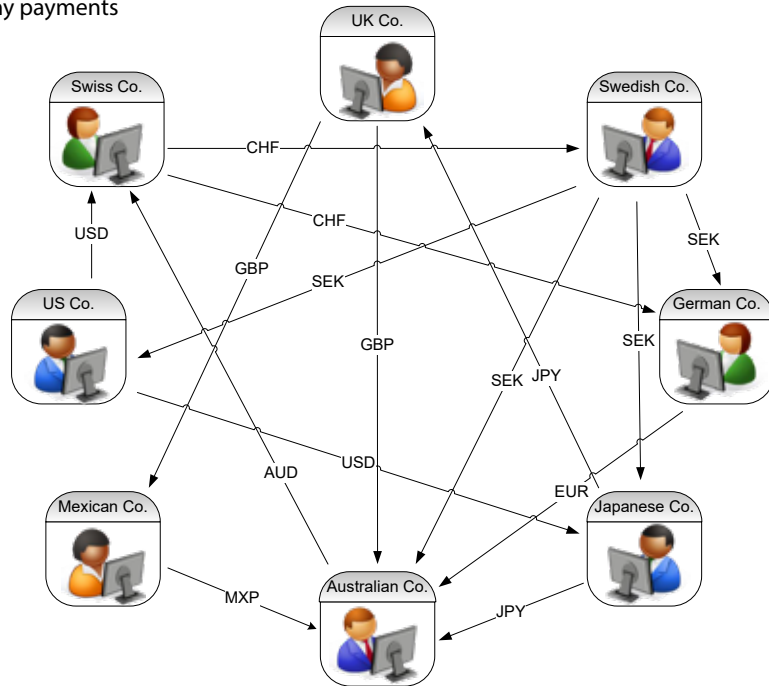
After

Instead of making the payments directly, each company sends the payment information (or invoices themselves) to the Netting Centre.

The Netting Centre calculates each subsidiary's net position in its home currency, deals the corresponding FX centrally and makes the payment to the company or, in the case of a receipt, instructs the company to send the payment to the Netting Centre.
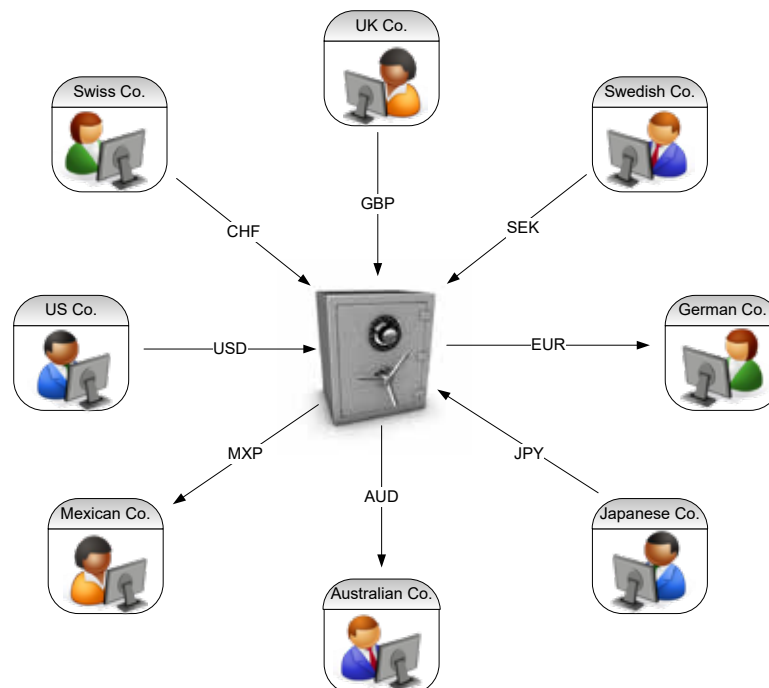
THE SYSTEM

Features in the standard COPROCESS solution are...

- Modern architecture (fully .NET, n-tier with Microsoft SQL Server database)

- In House or Hosted (SaaS) solution

- Single Sign-On (SSO) with SAML 2.0 or Active Directory (AD)

- Role-based security with pluggable authentication

- Flexible interface builder allowing simple interfacing with any external system

- Integrated report writer

- Synchronisation with vendor data in the ERP (Payment Factory)

- Link to image of any invoice ...and...

...THE MODULES

MATCHING

By allowing uploads of both AR and AP, the system has the ability to match your Intercompany transactions and display the result. This allows the users to flag and discuss the differences at an invoice level.

When you upload your Matching file, different colored icons appear: **Red** - Missing, **Yellow** - Mismatch and **Green** - Matching.
Hover over the high-lit area to view the mismatch details. Flag it to make the counter-party aware of the mismatch and start the **Discussion and Dispute** process...

DISCUSSIONS & DISPUTES

The payer can flag invoices and start a dialogue with the counterparty. In order to start a dialogue the payer must choose from a list of categories that define the reason for his discussion. This list of categories is modifiable by the netting administrator.

Ultimately if the payer cannot get a satisfactory resolution of the problem they have the option to dispute the invoice which will result in the invoice not being paid.

A dispute invoice can either be carried forward to the next month's netting or paid to a holding account for a dispute committee to rule on. This is set in the configuration.

API

The Coprocess.Netting API is a flexible and powerful new module which allows external applications to automatically trigger actions within the netting in a secure way without any manual intervention.

It is part of our continued effort to streamline straight-through-processing. For example, it would now be possible for a developer to implement an automated bulk import of invoices from a specific secure folder location within your corporate network, or even directly from an ERP system such as SAP.

The API supports bulk importing and exporting of invoices and will support data querying and report generation.

EXCLUDED

A module of Coprocess Multilateral Netting that allows participants based in countries with Netting or Currency restrictions, to take part in the company netting.

A SAAS SOLUTION

The COPROCESS SaaS platform is a secure, shared, multi-tenant solution. It is a scalable and fully redundant architecture with automatic load-balancing and failover ensuring no single point of failure.

The platform has been live for more than 10 years and today has over 130 corporate clients running netting. It delivers a 24/7 service with a guaranteed and delivered up-time of 99.9%. The platform also includes a Test Environment (UAT), a Pre-Production Environment as well as a dedicated off-site Disaster Recovery Environment.
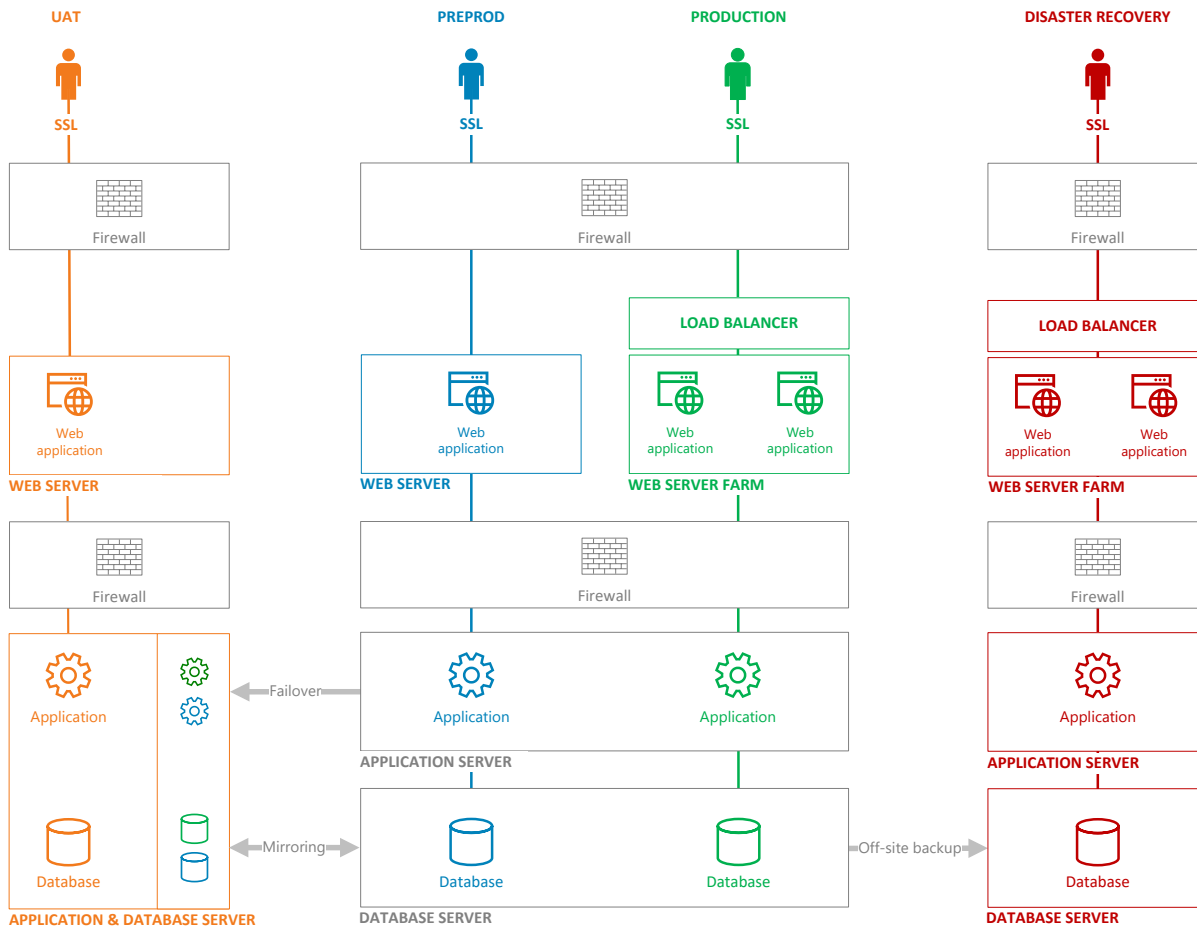
SSAE 18 - IT Audit/Penetration Testing

The SaaS environment is audited annually according to the SSAE 18 Type 2 standard. The latest report is available on request at our website.

Coprocess also commissions an external security firm to perform a detailed annual penetration test on both the application and our SaaS infrastructure.

Outsourced netting

The system has been developed as a Multi Corporate Solution making it ideally suited for a bank or treasury service provider to offer the best possible netting service to its clients.

THE COPROCESS TEAM

Geneva

Andrew Goldie
Director

Clare Goldie
Director

Daniel Cugni
Senior Treasury Consultant

Robert Jonsson
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E-mail: sales@coprocess.com
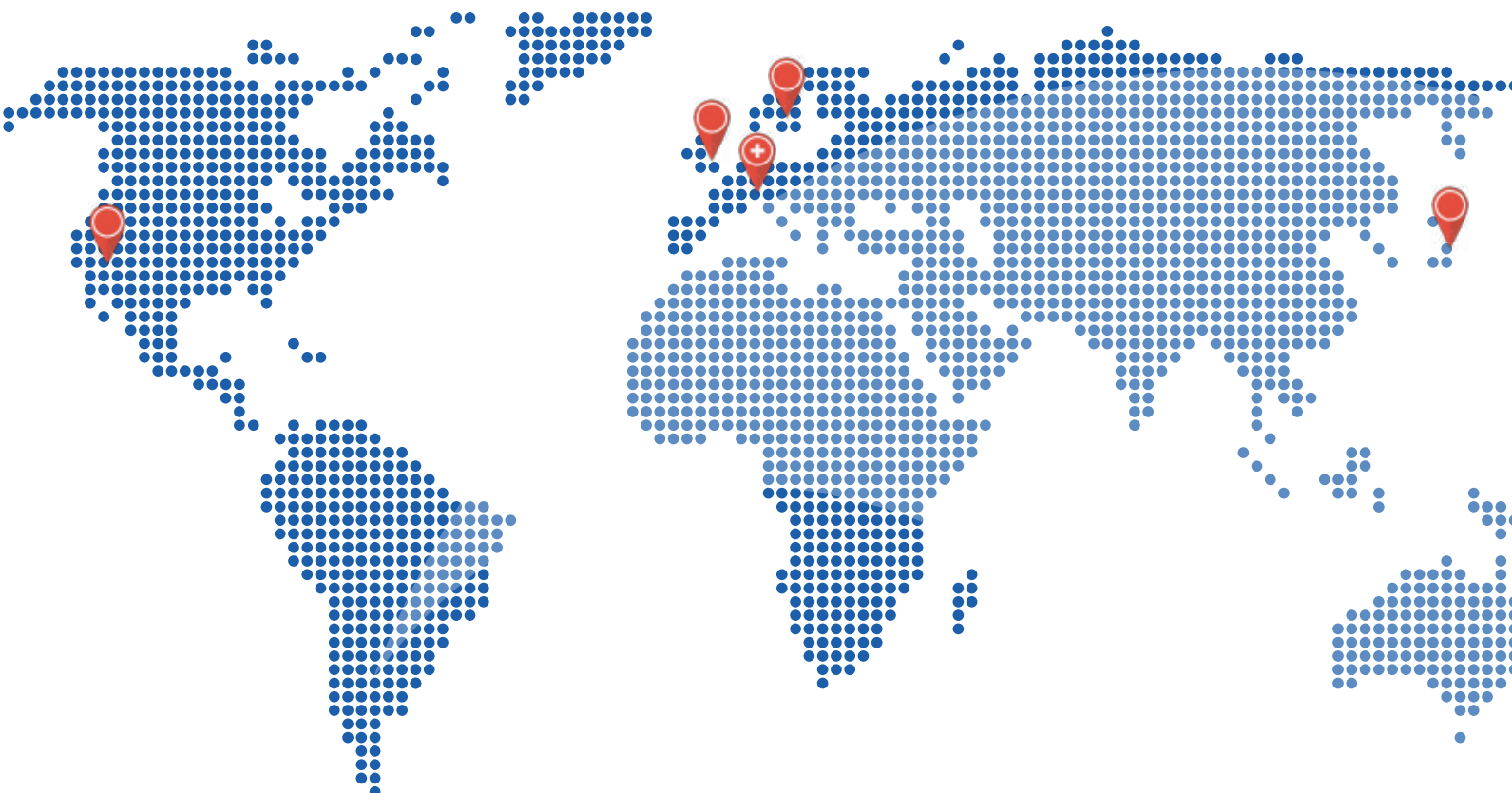Call: +41 22 311 13 83

COPROCESS DELIVERS

Commitment
More than 25 years in the netting business.

Continuity
Customers stay with us - more than half of our clients have been with us for more than 15 years

Competence
The world's first source of netting expertise

OUR LATEST MODULE ALLOWING EXTERNAL APPLICATIONS TO AUTOMATICALLY AND SECURELY TRIGGER ACTIONS WITHIN THE SYSTEM