



GLS LOWERS DAYS SALES OUTSTANDING (DSO) AND INCREASES CASH FLOW WITH AVANTGARD

Prior to implementing AvantGard technology, GLS was faced with the challenge of devising a way of improving productivity, reporting and overall performance within its regional accounts receivables operation.

Background:

GLS France is a subsidiary of the GLS Group, the European holding of Royal Mail (UK Postal Services). The GLS Group with head office in the Netherlands is a network of express and logistic operators with presence in 34 European countries. GLS France is the third largest in the French market for express transportation. The company has about 7000 customers in all business sectors (optical, medical, spare parts, public sector, etc.) and transports more than 2.5 million parcels per month.



Challenges:

GLS France's accounts receivables team, under the direction of Alain Aksil, the director of corporate credit, was charged with the task of reducing the payment cycle time (invoice to cash) with the ultimate objective of improving overall daily processes within the treasury and collecting on owed funds in an organized and efficient way. Determining new practices and procedures that could help to better manage claims and disputes raised by customers was another priority for the company, as these outstanding issues were often preventing the timely payment of invoices.

Another area that GLS France was looking to enhance was reducing bad debt through better analyzing and following customer payment habits and behavior. GLS France hoped that by making these improvements, they would see tangible results in the form of lowered days sales outstanding (DSO) and improved bottom line financial results.

GLS FRANCE

Industry: Express transportation & logistic operators

Environment: Decentralized

Location: France (with presence throughout Europe)

SOLUTION BENEFITS DERIVED:

- Lowered DSO by 22 days (10 days within the first year)
- Increased free cash flow from €4 M to €17M in 3 Years (to €9 M in first year)
- Decreased headcount by 20% in first year
- Improved claims resolved prior to due date from 12% to 84% (to 50% in first year)

Solution:

For many corporations claims, deductions in payments and other charge backs are difficult to manage or quantify because the associated data is poorly organized, and often references already distributed documents, spreadsheets and contracts. Fortunately, by implementing workflow technology this dilemma can be easily combated.

Aware of this challenge, GLS France decided to take a proactive approach to deduction management by searching for technology that could introduce automated tools that could serve to better manage this process. After a thorough evaluation of providers, GLS France decided to implement AvantGard Receivables to improve productivity, reporting and overall performance in the account receivable environment.

“SunGard’s AvantGard provides efficient management of a decentralized structure. It also provides good visibility of the actions performed by the team and helps us maintain control and coach the team even though they are based in different regions. ”

Alain Aksil, Director of Corporate Credit, GLS France

AvantGard Receivables is SunGard’s fully integrated, Web-based order-to-cash solution that enables companies to achieve significant financial and operational benefits. The

solution drives automation, workflow and collaboration across the order-to-cash cycle, with detailed analysis and reporting capabilities for decision support. Companies utilizing AvantGard Receivables often realize the following benefits:

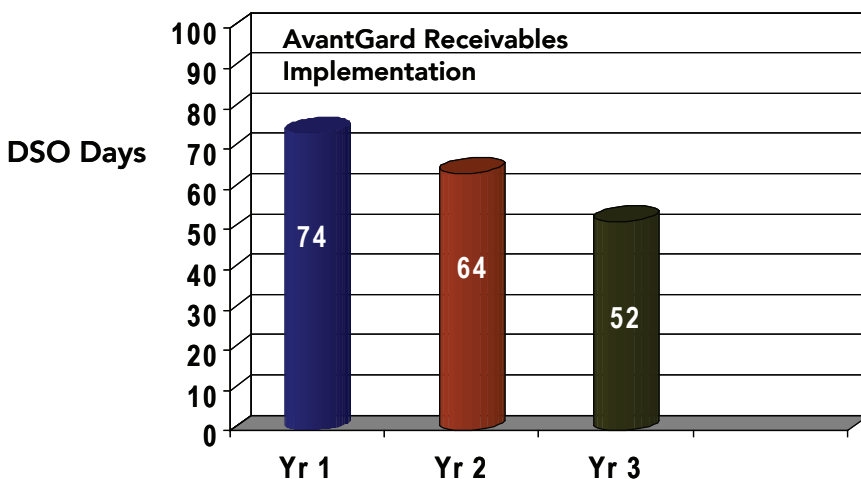
- Mitigated corporate credit risk & reduce bad debt expense
- Increased cash flow / lowered DSO
- Reduced past due A/R
- Expedited dispute resolution cycle time
- Improved productivity & reduced manual processing

Results:

With the increasing availability of more sophisticated document management and business process technology, such as that offered by AvantGard Receivables, companies such as GLS France are now able to more aggressively address the requirement for sophisticated claims management.

In fact, following the implementation of AvantGard Receivables solution, GLS France has experienced numerous positive results. The solution has improved the efficiency and effectiveness of their credit operation, resulting in a reduction of DSO by 22 days, increased free cash flow from €4 M to €17M, decreased headcount by 20% and improved claims resolved prior to due date from 12% to 84%.

DSO Reduction by Year



Stronger management of collections and dispute resolution through automation & workflow engines helps companies like GLS reduce DSO and improve cash flow.

In order to accomplish the aforementioned accounts receivable goals, GLS France relied on the following highlighted functionality available in AvantGard Receivables:

- Automated processing for improved productivity and effectiveness
- Online portals and web technology facilitating improved collaboration
- Driven workflow for expedited resolution of claims
- Clear visibility for improved, strategic decision-making

“In the transportation business, efficient management of claims or disputes is crucial for good financial results and customer satisfaction. AvantGard is helping us to better manage claims and disputes and is increasing organization collaboration for an immediate resolution of claims and disputes.”

*Alain Aksil, Director of Corporate Credit,
GLS France*

GLS France anticipates that the tight controls and strong dispute management capabilities of AvantGard Receivables will support them in realizing further improvements and goals within their credit operations as time goes on.



ABOUT AVANTGARD RECEIVABLES

AvantGard Receivables helps companies manage strategic and major accounts as well as the order-to-cash life cycle, credit risk, collections, dispute resolution, cash application, dashboards and reporting for all accounts. Additionally, AvantGard Receivables provides collaborative solutions for sales and customers.

ABOUT AVANTGARD

SunGard's AvantGard is a leading liquidity management solution for corporations, financial institutions and the public sector. AvantGard provides chief financial officers and treasurers with real-time visibility into cash flows and increased operational controls around treasury, receivables and payments management. The solution aggregates data for a single view of cash, drives productivity through automation, and fosters collaboration between trading partners. For more information, visit www.sungard.com/avantgard.

ABOUT SUNGARD

SunGard is one of the world's leading software and IT services companies. SunGard serves more than 25,000 customers in more than 70 countries, including the world's 25 largest financial services companies.

SunGard provides software and processing solutions for financial services, higher education and the public sector. SunGard also provides disaster recovery services, managed IT services, information availability consulting services and business continuity management software.

With annual revenue exceeding \$5 billion, SunGard is ranked 472 on the Fortune 500 and is the largest privately held business software and services company on the Forbes list of private businesses. Based on information compiled by Datamonitor*, SunGard is the third largest provider of business applications software after Oracle and SAP. Continuity, Insurance & Risk has recognized SunGard as service provider of the year an unprecedented five times. For more information, please visit SunGard at www.sungard.com.

*January 2009 Technology Vendors Financial Database Tracker <http://www.datamonitor.com>

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