

## **E-Procurement Punch-out – FAQ**

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### **What is E-Procurement?**

E-Procurement is business-to-business purchasing via an electronic system. This system allows transactions to be completed via the internet by moving paper-based purchasing activities to the web, drastically reducing a company's purchasing costs. E-Procurement systems are web-based spend management systems that allow companies to control and track their spending through the use of requisitions, purchase orders and automated approval processes. It provides a centralized place for all users to make all types purchases, such as office supplies, travel and print services. At the same time, management can control who is buying what, how much they are spending and from what vendors they are buying.

### **What is Punch-out?**

When a buyer logs into their company's procurement system they find links to various goods and vendors. For simple items like office supplies the buyer will see a list of supplies that they are able to purchase right from within the procurement system. For more complicated purchases, such as the kinds of customized goods that Mimeo provides, the user must go through the vendor's website experience to get what they need. This workflow ensures compliance with company spending policies, and would work something like this:

- The buyer clicks on the desired vendor link in their company's procurement system
- The user 'punches-out' (is redirected) to the vendor website
- The user completes the order on the vendor website
- The vendor punch-out site sends a requisition back to the procurement system which flows through the company's approval process
- Once the proper approvals are logged, the procurement system transmits a purchase order back to the punch-out site
- The order is processed by the vendor

### **What are the benefits to Mimeo integrating with a client's procurement system?**

Mimeo would be considered a preferred vendor as far as procurement is concerned, which could facilitate penetration across additional departments. Sales management should determine if a particular opportunity justifies the effort required to set up an integration. Additionally, orders through a punch-out integration are pre-approved and have purchase orders associated with them, which reduces the time and cost of collecting funds dramatically.

### **What are the customer benefits of the procurement system integration?**

- Automated end-to-end transaction processing reduces transaction costs
- Reduced order time through automated approval routing and order submission
- Decreased administrative/clerical errors by reducing paperwork
- Streamlined purchasing from pre-defined workflows. Increased contract compliance and visibility to special negotiated pricing

Additionally, by integrating into the customer's e-procurement system and leveraging preexisting business processes, customers maximize the ROI on their existing internal system. There is a higher and faster adoption rate, plus support for an end-to-end process through integration with their back-end systems.

### **What procurement systems is Mimeo integrated with?**

Mimeo has built three punch-out integrations to date: GE's Oracle iProcurement system, Ariba and Coupa. Any client currently using Ariba or Coupa can easily be set up to use Mimeo's punch-out within a matter of days.



### **My client wants to integrate their E-Procurement system with Mimeo. What are the next steps?**

If they use Ariba or Coupa, the effort required to integrate with Mimeo should not be significant. Although these integrations are generic, each installation has customized options within their procurement application which may affect the integration. We would set up one or more meetings to review the Mimeo punch-out process, how it works, the various options available, and how they affect the particular client's installation.

If the client uses a procurement system other than Ariba or Coupa, then an integration would require a new development project to build a punch-out site compatible with their system. This would require a business case to be developed to determine if the opportunity justifies resources being allocated to such a project.

Sales managers with clients interested in E-Procurement integrations should contact Joel Borell, Dir. Product Integrations.

### **Do these integrations include invoicing?**

No. These integrations do not extend to the invoicing process. They basically end at the point that Mimeo receives a purchase order from the customer. This purchase order number will be included on the customer's invoice but electronic invoicing is not included at this point. However, a client can request that our Finance department manually enter invoices into the procurement system. This will help the client match up invoices with purchase orders.

### **What does the future hold for punch-outs?**

There are many procurement systems out there that Mimeo could integrate with. The ones with the largest user base include SAP and Oracle. While our goal is to be able to integrate with every major vendor, the priority and order in which we develop the integrations will be determined by demand and the value of the various opportunities that arise.

All questions and comments regarding Punch-out should be directed to Raul Moncada, Director Enterprise Development, [rmoncada@mimeo.com](mailto:rmoncada@mimeo.com).