

USE CASE CHEMCENTRAL CORPORATION

IMPLEMENTATION HIGHLIGHTS

- On behalf of CHEMCENTRAL, SpringCM manages more than 1.2 million documents — growing by more than 50,000 new documents each month — such as Material Safety Data Sheets (MSDS), Certificates of Analysis (CoA), product updates, proofs of delivery, price letters, and invoices.
- More than 800 CHEMCENTRAL employees at 36 locations use SpringCM across the US.
- SpringCM processes more than 30,000 inbound/outbound faxes and emails, and delivers 25,000 mailed documents for the company each month.
- CHEMCENTRAL is leveraging its SpringCM relationship to efficiently centralize, manage, and share information among its locations and customers.

BENEFITS

- Labor costs associated with managing and distributing 3,000 to 4,000 MSDSs per month have been reduced by up to 70 percent.
- Certificates of Analysis (CoAs) can be accessed from any location, eliminating 60 percent of physical intra-company transfers, reducing distribution costs by as much as 70 percent, and ensuring



“SpringCM is a natural fit for our strategy to make effective use of partner capabilities. By handling content management-related processes for us, they have helped us achieve regulatory compliance and auditability, accelerate processes to improve efficiency, and meet the preference of our customers for electronic communication and documentation.”

John Ruther, Director of Outsourced Services | CHEMCENTRAL

- that an accurate CoA accompanies or precedes every customer shipment.
- Total preparation time for each product update mailing has been reduced from up to 8 hours to only 15 minutes.
- Administrators can access Proofs of Delivery in seconds, and inventory reconciliation times have been reduced by 25 to 30 percent.
- A single solution manages online, electronic (email), and fax delivery as well as inbound and outbound physical mail, ensuring that CHEMCENTRAL's facilities

- and customers receive information in the manner best suited to each.
- Approximately 300,000 price letters each year are produced and distributed electronically, reducing delivery time and capturing key marginal revenue by ensuring CHEMCENTRAL's pricing is most current.



Increase Efficiency, Streamline Processes
CHEMCENTRAL relies on SpringCM to efficiently centralize, manage, and share information among its locations and customers.

SpringCM Scales to Support a Global Leader

As the world's largest privately held chemical distributor, CHEMCENTRAL generates \$1.2 billion in annual revenue by making a market between 200 materials suppliers and 30,000 unique customers.

The company's success is built on a simple idea: to focus on what they do best — providing a technically adept sales team, a broad product mix, packaging and blending capabilities, logistics expertise, and the safe shipping and handling of chemicals to customers at over 60,000 delivery points worldwide.

Says John Ruther, Director of Outsourced Services, “We try to run lean. Of 1,100 employees, only 200 or so do any kind of administration; the rest are directly involved in getting the materials out to our customers. It's central to us to be able to provide support services without adding headcount.”

In keeping with this strategy, CHEMCENTRAL sought a content management provider that could handle large volumes of industry-specific documentation and improve efficiency across a broad spectrum of document types and processes. CHEMCENTRAL relies on SpringCM to efficiently centralize, manage, and share

information among its locations and customers; conduct scheduled and ad hoc customer communications; support regulatory compliance; and transform physical documents into electronic form and vice versa. The range and depth of impact can be seen across six distinct content processes fully managed by SpringCM.

MATERIAL SAFETY DATA SHEETS (MSDS): COST-EFFECTIVE REGULATORY COMPLIANCE

The Occupational Safety and Health Administration (OSHA) requires companies that sell chemicals to send an MSDS to each first-time buyer of a given product, as well as an updated version any time the document is amended. In the past, paper copies of MSDSs — approximately 2,500 new versions per year — were maintained and distributed independently from each of CHEMCENTRAL's branch locations, an inefficient and often redundant process that made regulatory compliance difficult to maintain.

Now, CHEMCENTRAL forwards the MSDSs received at each branch location to SpringCM, where they are scanned, indexed, and maintained in a single repository alongside additional MSDSs created by CHEMCENTRAL for its own proprietary blends. Instead of mailing physical documents from 36 different locations, CHEMCENTRAL relies on SpringCM to distribute roughly 3,000 to 4,000 MSDSs each month by mail, fax, email, and online. Employees and customers in any location can also search and retrieve individual MSDSs via a CHEMCENTRAL customer portal created and maintained by SpringCM. To ensure compliance, SpringCM maintains a complete audit trail of MSDS delivery. **By taking on the management and distribution of MSDSs, SpringCM has helped CHEMCENTRAL reduce associated labor costs by up to 70 percent.**

CERTIFICATES OF ANALYSIS (CoA): CENTRALIZED STORAGE WITH DISTRIBUTED ACCESS

Certificates of Analysis (CoA) verify that a given batch of a product has been tested and meets advertised product specifications. Received from suppliers at each of

CHEMCENTRAL's locations, these documents are scanned, indexed, and then distributed to customers as the product is sold. The buyer must receive an accurate CoA no later than the arrival of the materials; otherwise, the shipment can be rejected. In addition, CHEMCENTRAL transfers products between its branches — the CoA must follow. "When it was paper documents, the branches often didn't remember to send COAs to the other branches, then phone calls ensue asking for COAs to be faxed from branch to branch," says Ruther.



Now, using SpringCM, incoming CoAs are scanned, indexed, and added to a central repository. Lot numbers and customer destinations are added as needed. As the product is prepared for delivery to a customer, the document is retrieved from SpringCM and an electronic watermark is applied to allow customer-specific information to be entered. The CoA is then distributed by email, fax, or in printed form for inclusion with the shipment — a process that is repeated 1,000 to 1,500 times each day. The entire process gets an audit trail through SpringCM.

By making centrally stored CoAs accessible from any location, CHEMCENTRAL has eliminated the intra-company movement of these certificates that previously amounted to 60 percent of all CoA traffic. **Overall costs have been reduced by as much as 70 percent, and customers are now assured of receiving an accurate CoA with every delivery.** "Now all the branch office has to do is pull a CoA from the system instead of having to call around for it," says Ruther.

PRODUCT UPDATES: ON-DEMAND ONE-TO-MANY DISTRIBUTION

When suppliers change a characteristic of a product, they send CHEMCENTRAL a letter detailing the modifications. In turn, CHEMCENTRAL sends the letter to all customers who have bought the product in the past 12 months — typically, from 500 to 3,000 companies. Previously, this was handled through time-consuming manual processes.

Product update letters received by CHEMCENTRAL are now scanned, then sent with a list of recipients to SpringCM. SpringCM indexes the letter, adds it to the repository for future reference, and automatically generates individual letters to be mailed to each customer. **Total preparation time has been reduced from as much as one full day to only 15 minutes for each of three to five mailings per month.**

PROOFS OF DELIVERY: INSTANT DOCUMENT ACCESS

A Proof of Delivery (PoD) is a bill of lading that has been signed by the product recipient indicating that the shipment was received. Documents originate at branch offices and are used for inventory reconciliation, billing disputes, and to determine service level compliance. However, billing disputes are handled out of the regional business centers, and in the past retrieving a PoD could take as long as two days to receive from a branch.

Now, as delivery drivers return PoDs to each branch office, they are scanned and uploaded to SpringCM. Inventory control can reconcile at their desks without having to walk out to the plant and fumble through stacks of papers just to find one POD. Similarly, Credit/Collections personnel at the Regional Business Centers can retrieve any PoD as needed in a matter of seconds, without distracting personnel at branch offices from other tasks. **The new system has reduced inventory reconciliation time by 1.5 hours per cycle — a 25 to 30 percent reduction — and eliminated the expense of intra-company document transfer.**

PRICE LETTERS: ACCESS-CONTROLLED E-DOCUMENTS

Pricing in the chemical industry is quite volatile, and CHEMCENTRAL maintains custom pricing for each customer and product. When pricing changes, the company issues updated price letters to every customer affected. In the past, approximately 300,000 letters each year were generated at regional business centers, printed, folded, stuffed in an envelope, and mailed.

SpringCM has replaced this onerous process with automated electronic production and distribution. Each day, CHEMCENTRAL uploads an XML-based price letter file to SpringCM, where it is converted into a form, uploaded and indexed, to CHEMCENTRAL's document repository, and automatically distributed via mail, fax, e-mail, or online. Customers can also check their pricing at any time in an online e-binder that also contains MSDSs, CoAs, proofs of delivery, and other relevant documents, all safeguarded by document type-level security.

By reducing price letter delivery time by 2 to 3 days, SpringCM has allowed CHEMCENTRAL's pricing to be more current, helping to avoid billing disputes with customers, and eliminate corrected invoices. CHEMCENTRAL also achieved its main goal of meeting the request of many of its customers to receive price letters via e-mail.

INVOICES: AUTOMATED, AUDITABLE E-BILLING

Most recently, CHEMCENTRAL is building on the success in distributing price letters by implementing a similar process for the 400,000 invoices generated each year. Faster electronic delivery will get invoices into the customer's AP system several days more quickly, speeding CHEMCENTRAL's order-to-cash cycle. Clerical labor is reduced, and CHEMCENTRAL's Credit/Collections personnel can easily research any specific invoice rather than having to look through line items in the company's accounting system.



LOOKING AHEAD: STREAMLINED INTERNAL COMMUNICATIONS

Five years into its relationship with SpringCM, CHEMCENTRAL is still deepening its implementation. The company has made the transition from a decentralized structure, to one in which four regional business centers provide front-office support on behalf of 36 branch offices. Because most content originates at the local level, the company places a premium on its ability to manage, share, and transfer information effectively among its locations and with customers.

"There are many external paper documents still being mailed to local facilities that are placed in files or approved and forwarded to the regional business centers," says Ruther. "If we can scan these documents and put them online, where regional personnel can immediately review and act on them, we can really improve the speed and efficiency of our internal processes and communications."

As CHEMCENTRAL explores further efficiencies to be gained through software-as-a-service, SpringCM continues to deliver the scalability, breadth of impact, and industry-specific capabilities that have made CHEMCENTRAL's content processes flowing as smoothly — and profitably — as the materials it distributes.