

The company's products help engineers solve their unique design challenges in automotive, communications, computing, consumer, industrial, medical and military/aerospace applications. Manufacturing locations in 9 countries, \$3.5 billion revenue 2015, HQ in Phoenix Arizona.

### Process

Invoices are extracted from Oracle ERP. Within the ERP transactions are grouped by supplier name and/or same bank account. Two netting cycles per month with approx. 20,000 invoices resulting in approx. 800 payments. ON Semi uses customized file import formats and settles using local payments for common currencies (mainly USD & EUR) formatted in XML. USD payments are made via ACH & wire. ACH payments are identified by an ACH ABA, wire by a wire ABA and by SWIFT BIC. Euro payments are sent via SEPA within the qualifying countries and by SWIFT elsewhere. The rates used are on a pre-negotiated spread with Bank of America Merrill Lynch and are held by the Bank while ON Semi completes their payment process thus allowing a one shot approach. Settlements are disbursed from currency accounts based in London.

### Procedure

Extract from ERP supplier details, participant banking information and invoice information and upload to Coprocess. Authorise participant information in Coprocess, import FX rates. Coprocess creates payment files and log reports. Click the 'Execute Payments' button to send XML files via sFTP to the Bank. The Bank will respond momentarily with EDI reports for the payments sent showing rejections/acceptance. Later 2nd and 3rd level reports on payments made are emailed to a team email address including rate confirmations. Coprocess provide a file to reconcile ERP vs payments made.

### Benefits

- Liquidity control on overseas disbursements (amount and schedule)
- Enabling Cash management strategy, delaying payments at quarter end if needed
- Reduce overall FX costs, net payment by business units in local currency and net to suppliers in invoiced currency
- Reduce payment costs. All payments are sent low value ACH where possible