

LEE ENTERPRISES STRENGTHENS CUSTOMER RETENTION WITH AUTOMATED AR BILLING SOLUTION



Challenge:

- Over a hundred statement templates with different paper stock
- Data generated from multiple platforms with specific information
- No way to capitalize on economies of scale with use of multiple vendors
- No global view of process

Solution:

- API's AR Bill Presentment Service
- Built-in duplicate file controls
- Quality control loop to correct statement errors
- Management reporting
- Mail commingling process for better postage rates
- Planet code mail tracking
- Marketing messaging on statement and envelope

Results:

- Reduced costs by 16%
- Centralized process with customized options per site
- Increased standardization
- Added clarity to statements with use of spot color
- Strengthened business intelligence

API's AR Billing Solution Transforms Newspaper's Process & Improved Customer Satisfaction

The Challenge

As the fourth largest newspaper company in the country, Lee Enterprises knows how to deliver the news. They began their newspaper empire in 1890 with one publication, and over the years, built their business to over 300 independent newspapers. Unfortunately, knowing how to deliver the news didn't necessarily translate into knowing the best way to deliver the bills.

Billing was being managed independently throughout the enterprise with no way to take advantage of discounts due to economies of scale or utilization of best practices. With circulation of nearly 2 million subscribers, Lee realized that there had to be a better way to manage their billing process for more consistency and to reduce costs at the corporate level. Even with a centralized solution, the newspapers still needed to have the autonomy to have customized information and marketing messaging per site. Lee looked to API to provide a solid partnership and offer their expertise to transform their billing process.

Solution

API evaluated all of the newspapers' bills and billing processes to determine ways to improve the notices for Lee's subscribers. From a global perspective, API discovered that there were over 100 different templates being used and multiple types of paper stock for the statements. API helped reduce the number of templates and paper stock.

Since data files were being sent from different platforms and from multiple locations, the next issue to address was the actual files and data that was being printed. API receives approximately 640 files monthly from the various newspapers, and sends out over 200,000 notices per month. API used their proprietary technology to combine data from the multiple sites into a single daily production run. Each newspaper still has a unique statement backer, logo, inserts and messaging. In addition, the program contains built-in duplicate file controls so that if the same file was sent a second time in error, Lee would be notified. Another feature was the quality control loop which let Lee know if any statements contained errors, so that they could be corrected for the next print run.

In centralizing the process, a new problem emerged - mail delivery issues. API helped improve this process as well. For newspapers which had previously only mailed notices first class, API was able to commingle the mail with other mail to reduce postal costs. For newspapers which had slow mail times, API did some investigation with the United States Post Office by use of Planet Code tracking.

Case Study - (cont'd)

In one instance, API was able to negotiate with the post office to circumvent a delivery route that was slowing down the process so that the site's mail could be delivered faster. API also expanded services in San Diego for improved mail delivery for the west coast sites.

One other service API provided in centralizing the billing process was to coordinate with the sites which did not have lockbox services. API worked with the banks and established test runs to ensure the proper bar coding was on the statements. Ensuring that all sites used lockbox services helped Lee get paid faster.

Because API was producing subscriber notices for multiple newspapers, Lee was able to receive analysis and reporting on a global level. This allowed Lee to instill best practices for subscriber statements and identify issues with individual newspapers.

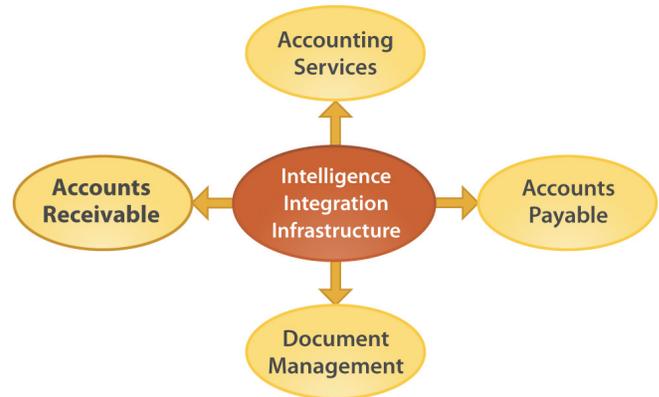
Results

API's AR Bill Presentment Service has made a significant impact on Lee Enterprises and their subscribers. Notices are issued with a consistent look and feel and the use of spot color has enhanced clarity in the statement. API has been able to streamline processes, reduce costs and help improve customer retention efforts. Other enhancements include the use of marketing messaging on statements and envelopes for branding and cross-selling efforts.

About API Outsourcing

API Outsourcing, Inc. is a leading onshore Finance and Accounting Outsourcing (FAO) provider of innovative state-of-the-art document management, accounts payable, accounts receivable and accounting services headquartered in St. Paul, MN. By transforming manual paper-dependent payables and billing processes through our imaging, bill delivery and workflow systems, customers minimize the labor intensive work associated with back-office processing and can focus on their core business. Outsourcing benefits include improved cash flow through improved DSO and controlled DPO. This combined with reduced processing costs, increased business intelligence and improved customer/vendor relationships provides the ultimate value proposition. API currently processes over one hundred million transactions annually, delivers world-class quality, provides exceptional customer satisfaction, utilizes Six Sigma practices and performs a SAS 70 Type II Audit annually.

API Solution Framework



Now that API is providing the printing services for multiple newspapers, marketing initiatives that prove successful for one newspaper can be rolled-out to the other newspapers easily.

API has been a true partner on this initiative. Working with the banks for lockbox set-up, working with the United States Post Office and working with the programmers at Lee have made a difference. Vice President of Lee Enterprises sums up the change to API, she states, "Our partnership with API gives us the capability to simultaneously strengthen subscriber services, streamline internal processes and lower operational costs. Working with API has made a significant impact on our subscriber billing services."