

DHL & Hewlett Packard Enterprise take aim at invoice process improvement

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Based upon smart contracts and blockchain technology, this solution offers a more robust alternative to back-end processes. Through a joint collaboration, DHL Global Forwarding and HPE invest in the automation of administrative and shipment processing, offering more transparency and a better customer experience.

DHL Global Forwarding, the air and ocean freight specialist of Deutsche Post DHL **Group, and Hewlett Packard Enterprise (HPE)** have worked to deploy a blockchain solution supporting logistics payment processing. Based upon smart contracts and blockchain technology, this solution offers a more robust alternative to back-end processes which are often error-prone and tedious. DHL believes blockchain has significant potential in this area and (by deploying a solution in conjunction with a major customer) intends to take a leading position in the application of this technology. The growing number of digital solutions and services deployed by DHL Global Forwarding is fully in line with **Deutsche Post DHL Group's recently** presented new corporate "Strategy 2025 -Delivering excellence in a digital world".

"Blockchain and other innovative technologies can be seen as key differentiators in removing significant layers of complexity from global supply chains," said Eugenius Otte, Head of Product Management, DHL Global Forwarding, Netherlands. "We are extremely excited to work with HPE, a long-standing customer, on this joint venture with the goal of delivering significant service enhancements, productivity improvements and savings in the supply chain."

Live since July 1, this Minimum Viable

Product (MVP) solution links multiple entities of HPE and DHL Global Forwarding for one-off order management. One-offs are defined as requests for shipments that can be supported by the DHL network, but that are not part of the standard contract. The MVP aims to address some of the pain points in the approval process by making use of the inherent functionality of a distributed ledger. It simplifies the approval process and clearly identifies the shipment quotes that are approved (by whom, and when) - all in immutable records.

"Based on the initial results, HPE has observed a number of inherent benefits, including 100% invoice accuracy and paid on agreed terms, less days payment aging, and little to no manual intervention," according to Kim Masone, HPE Vice President, Global Logistics.

By eliminating the post -delivery checks for shipment approval, considerable time is gained by both HPE and DHL. In addition to facilitating shipment quote approvals, use of the MVP offers customers insight into expected payments, improves accounts receivable, and offers a single source of transparency for all parties. Invoices are triggered immediately following POD and can be paid to contractual payment terms.

According to Masone, "We see great benefits



in using this tool and look forward to expanding its use to other non-contractual

business globally."

Source: <u>Deutsche Post DHL Group</u>