

CASE STUDY



Company: **Auchan Holding**

Industry: **Mass market retailing**

Headquarters: **Belgium**

Website: **www.groupe-auchan.com**

Solutions: **Payment Factory and Supply Chain Finance**

About Auchan

A privately-held company that combines family and employee shareholders, Auchan Group, now renamed Auchan Holding - is organized into three autonomous companies: Auchan Retail, which brings together all existing food retail formats (hypermarkets, convenience store and e-commerce), Immochan and One Banque Accord.

Auchan Holding bears the name of its historical hypermarket business, launched in 1961 by Gérard Mulliez. Today, it is a federation of responsible and

sustainably prosperous companies, developing around a shared mission: "To improve the purchasing power and the quality of life of the greatest number of customers, with responsible, professional, committed and respected employees." This mission is based on three fundamental values: trust, sharing and progress.

Auchan Holding operates in 16 countries, has 337,800 employees, and as of December 31, 2014 had generated consolidated revenue excluding tax of €53.4 billion.

Project origin

In 2010, Auchan Group decided to establish its cash management center in Belgium. Banking communications with its five French banks, which up to that point had been carried out through the local Etebac protocol, needed to shift to an international protocol. Auchan selected the Syntesys service bureau to communicate with its banks via Swiftnet, in addition to the Swaps software program.

Once this project was implemented, changes in the cash management solution had to be addressed. The publisher of the old cash management solution licensed by Auchan had stated that it would no longer offer maintenance for the software. Change was therefore inevitable, since the solution in place no longer met the group's expectations. Auchan needed a flexible cash management system which could be easily shared with users throughout the Group via Internet. Kyriba's SaaS solution was chosen to address these needs.

Why Kyriba?

Kyriba's solution was selected in large part because its 100% SaaS model met Auchan's specific requirements. It had high expectations in terms of

independence from internal IT departments, simplicity and update transparency (particularly of banking formats and communication protocols); as well as the ease of deploying the solution across a number of countries. In addition, Kyriba's teams demonstrated all the mechanisms in place to ensure that its clients enjoy the highest degree of security, which made a strong impression on Auchan's technical teams.

The Kyriba solution also offered the advantage of a comprehensive and integrated approach. To benefit from this integration and streamline its IT system, Auchan shifted all of its banking communications from the SunGard independent service bureau to Kyriba's integrated service bureau. The project, which included configuration and testing, took place over a 6 month period. The banks gradually shifted from one system to the other, while Kyriba demonstrated a high degree of responsiveness through this period, constantly making the necessary adjustments to bank formats. The project also provided the opportunity to simplify exchanges between the group's IT systems and the cash management and banking communication platform, eliminating the VPN (Virtual Private Network) which had previously been implemented. In short, Auchan now has a fully integrated solution with a single point of contact: Kyriba.

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The Payment Factory project

In addition to the expected improvements in terms of automation, productivity and security, Auchan was able to offer certain subsidiaries a payment solution, gradually assembling a Payment Factory. This supplemental project was built around the Kyriba Payment module, which replaced the Swaps solution within the Auchan IT system. Several countries now take part in this Payment Factory: France, Belgium, Hungary, Luxembourg, along with Poland, Romania and Portugal through the Supply Chain Finance module.

Auchan used Kyriba's Supply Chain Finance module to build a reverse factoring program, where suppliers have the ability to "sell" receivables at a small discount at any time after approval from their customer and upload it to a platform. At maturity, buyer pays the owner of the payable, (now a Payment Obligation) which is either the funder (if sold by supplier) or the supplier. For the payment part of the supply chain finance process, Auchan used Kyriba's embedded Payment module.

Auchan delivers turnkey projects to its foreign subsidiaries that wish to use a reliable payment solution to independently manage some or all of their third party payments. In addition to the solution's easy deployment, the subsidiaries especially value the flexible validation workflow configurations available through Kyriba Enterprise. Workflows adapt to each entity's specific circumstances and integrate the electronic signature through the 3Skeys key. Security demands play an overarching role in Auchan's decision making process.

By choosing to work with Kyriba, Auchan has gained an effective tool capable of evolving over time, to meet the needs of the many users located in a wide range of countries.

Each day, Auchan uses cash management, third party payment and Supply Chain Finance modules, as well as banking communication with the integrated service bureau. While Auchan's teams sometimes miss their direct link to the service bureau – a role fully handled by Kyriba teams - and would like even more transparent bank communications invoicing (a project currently underway), they are fully satisfied with their decision to choose Kyriba.

About Kyriba Enterprise

Kyriba's flagship product, Kyriba Enterprise, is the most adopted Software-as-a-Service treasury management solution in the global market. Fully in the cloud, Kyriba Enterprise offers the most breadth of any treasury management solution, solving the cash, treasury, and risk management needs of all sizes of treasury and finance organizations.