

Global Tech Company Breaks Down Compliance Bottlenecks to Scale for Growth

High-Growth Global Software Company

Based in the United States, this multinational, Fortune 500® technology company provides a wide range of electronics, software and internet-related services for consumers and businesses. It operates across multiple e-commerce channels, serving millions of customers around the globe and generates annual revenues of more than \$100 billion.

The company uses cloud computing infrastructure—such as hard-drives, workstations, processors, server racks and cooling towers — at its data centers to provide online services. Recently, they began offering innovative consumer electronics for personal productivity, communication and entertainment.

With these initiatives vital to the company's growth, the ability to move various types of technology hardware around the world quickly and efficiently became a top priority.

Compliance Bottlenecks Hinder Growth

As global demand for their data processing services grew, it became mission-critical to quickly set up data centers in many markets around the world. Yet there were complex trade compliance questions around exporting and importing that the company needed to answer — plus customs filings to prepare and submit — for each transaction. Many of the company's products are subject

to stringent U.S. Export Administration Regulations (EAR) with particularly complex licensing and documentation requirements. In addition, when exporting, they must screen against restricted parties in order to meet sanctions requirements from the U.S. Office of Foreign Assets Control (OFAC). When importing, the company must ensure they meet the entry requirements and have all necessary trade documents ready for each existing country of operation and each new market.

The company consolidated much of this required data when they exported goods, but because compliance personnel did not have a single system to work from, they had to assemble the same data a second time for import filings. They already had a process to perform export compliance checks; however, the process was manual and slow. With rapidly increasing demand, it would lead to customs delays. The company realized an entirely different set of capabilities was needed for the next stage of growth.

With these objectives in mind, a group was set up within the company specifically to handle compliance responsibilities globally. Their first step was to identify the best way to automate import and export processes to reduce bottlenecks and enable the new growth opportunities. The new system would have to automate both the compliance screenings and the export and import filings as much as possible. For efficiency as well as data reliability, it was essential that all these steps take place on a single platform.

Why e2open®?

The company recognized this was a strategic decision that would impact the speed-to-market of new products. Their expectations were high, and the successful partner had to showcase wide-ranging experience in successfully serving the world's largest and most complex technology companies. They also wanted a partner that would align with the company's vision and values, such as a commitment to the highest forms of data protection.

The company's legal team had used compliance software from e2open for many years to address regulatory questions on a case-by-case basis. However, due to the need for much broader capabilities, the company launched a competitive request for proposal (RFP) that required solution providers to work through use cases, demonstrate significant automation capabilities and provide positive feedback from existing clients. E2open was selected for two reasons.

First, e2open was the only vendor capable of automating compliance screenings for tens-of-thousands of products and over 120,000 import and export transactions annually — across every target market. Secondly, because all e2open's applications operate on a single platform, the company could seamlessly use its export data to quickly prepare all required import documentation. No other vendor could offer this depth and breadth of compliance risk management, nor the high levels of automation required to continuously reach growth targets.

The Move to a Single Platform

Before the rollout, e2open's professional services team worked closely with the company's engineers to ensure that all requirements for world-class data protection, security and rigorous, industry-specific compliance standards were met. This thorough vetting would enable the company to integrate and run the applications directly from their global cloud platform.

E2open Applications

The company chose to leverage the following applications from e2open's Global Trade suite of applications:

- e2open Export Management
- e2open Import Management
- e2open Global Knowledge®

Close Coordination and a Steady Rollout

They decided on a modular rollout, starting with the export management capabilities. The system was set up to enable the technology company to use a highly configurable set of validation rules to compare their transaction data against e2open's comprehensive, proprietary and ever-expanding database of global trade rules found in e2open Global Knowledge. E2open Global Knowledge houses the export and import regulations of more than 230 countries, including each of the more than 40 countries the company was targeting. The export system automatically makes necessary changes and alerts users to specific issues that need further resolution, effectively empowering them to manage by exception and save a significant amount of time.

The company is now rolling out the import management capabilities to adhere to import regulations, automate the management of trade documents, gain process efficiencies and drastically reduce errors caused by manually rekeying data. Since export and import happen on the same platform, it will be straightforward and automatic to reuse export data with minimal manual effort. The system will collect essential product, transactional and supply chain partner data and validate them for compliance purposes. Discrepancies, such as differences in harmonized tariff schedule (HS) codes or new import licensing requirements, will be quickly identified and addressed. Not only will the company ensure import compliance automatically, it also will be able to check profit margins by seeing total landed costs within the system. Once cleansed, the consolidated data will be compiled into a pre-broker entry package, ready for electronic submission to the freight forwarder. Electronically generated forms, trade documents, license certificates and other supporting documents will be sent alongside it.



With Bottlenecks Eliminated, a Free Path to Growth

The company now automatically reviews every transaction, screening for any potential sanctions violations and seamlessly determining import and export license and trade document requirements. Deep trade automation capabilities allow them to remove nearly all manual compliance steps. For example, the system handles most steps to manage licenses, collaborate with freight forwarders and brokers, as well as self-generate customs and shipping documents for the company to file with government agencies. This has led to notable efficiency gains and time-savings due to a reduction in manual tasks.

However, the most significant gains are yet to come as they begin using the system to manage imports. Transforming already-confirmed export data into valid import entry data is expected to be a game-changer for efficiency and faster border clearance. The company soon expects to collect and validate data, prepare documents for filing and disperse them to brokers — all automatically. The combination of powerful compliance risk management and scalability through automation will empower the technology company to improve margins and meet its aggressive growth targets.

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About e2open

E2open is the connected supply chain software platform that enables the world's largest companies to transform the way they make, move, and sell goods and services. With the broadest cloud-native global platform purpose-built for modern supply chains, e2open connects more than 480,000 manufacturing, logistics, channel, and distribution partners as one multi-enterprise network tracking over 15 billion transactions annually. Our SaaS platform anticipates disruptions and opportunities to help companies improve efficiency, reduce waste, and operate sustainably. Moving as one.™

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