

SOLUTION DRIVERS

- Automate billing based on complex, tiered pricing models
- Manage heavy transaction-billing volumes
- Provide tailored bills
- Eliminate manual processes
- Automate revenue recognition
- Ensure accuracy and auditability of revenue numbers
- Improve cash flow processes

SOFRAX BENEFITS

- New confidence in numbers and processes
- Billing process reduced from two weeks to two days
- Improved cash flows and customer satisfaction
- Spreadsheets eliminated; personnel freed from error-prone manual tasks
- Scalable in high-growth situations
- Accurate data and auditable revenue process
- More time available for reporting and analysis

COMPANY SNAPSHOT

Ownership Private
 Industry Services
 Location: Atlanta, GA

"The Softrax system generates all of our bills automatically in two days instead of two weeks

—Mike Allpass

Vice President Finance/Controller

Air2Web

Managing rapid growth, complicated pricing, and changes to their business model required this mobile messaging provider to eliminate manual accounting processes. The deployment of a Softrax solution has reduced their billing time from two weeks to two days, improved their cash flows and the accuracy of their revenue processes, freed personnel to spend time on more meaningful activities, prepared them to incorporate a new acquisition and enabled them to scale without additional personnel.

THE COMPANY

Air2Web is a leading Mobile Marketing service provider for enterprises, brands, agencies and network operators. With headquarters in Atlanta, Air2Web has connectivity into virtually all U.S. wireless operators. Air2Web is at the forefront of connecting marketers to mobile subscribers on a global scale, including such customers as The Weather Channel, Procter & Gamble, Traffic.com, AT&T and UPS.

THE CHALLENGE

Air2Web is a dynamic, high-growth company that experienced many of the challenges to their financial operations that inevitably accompany success. Describing the situation, Mike Allpass, Vice President of Finance at Air2Web says, "Our business model is complex, crossing numerous offerings and a broad spectrum of customers—some so large that a typical month could produce millions of billable transactions. Pricing is also extremely complicated, with tiered-volume discounts, promotions and minimums unique to nearly every customer or campaign."

Several factors mandated a change. "First was dynamic growth. Next was the shifting from a software model to a hosting model, making revenue recognition even more complicated. The company had recently made acquisitions and an additional one was under consideration" said Allpass. "These were watershed events for the entire company. For Finance, they meant we had to automate to manage our growth."

THE REQUIREMENTS

Air2Web had a production metering system for their messaging businesses and was standardized on a general ledger. They needed a compatible system in the middle to streamline all of their back office accounting processes. That meant finding a solution able to completely automate their complex billing and revenue recognition, ensure the accuracy and auditability of their revenue numbers and improve cash flows.

Key to all of the requirements was the need to eliminate manual processes. "It took weeks to get the bills out, often they needed rework, and delayed bills meant delayed payments. Additionally, deferred revenue and our unbilled revenue accounts were prone to error and challenging to reconcile."



"With manual processes our revenue accounts were challenging to reconcile. With Softrax there's a transparent flow of revenue from the contract to the ledger."

—Mike Allpass

Vice President Finance/Controller

"Cash flow is improved with Softrax. The bills go out faster. The checks come back more quickly with fewer questions."

—Mike Allpass

Vice President Finance/Controller

THE SOLUTION

Air2Web wanted the experience, stability and support of a commercial application built specifically to handle these revenue processes. Allpass was familiar with Softrax from another setting and brought the company in to review the Air2Web requirements. Within just a few months, the Softrax business team had systematized the hundreds of customer volume-discount tables, as well as the business rules governing invoices for each contract and the rules that govern revenue recognition. The result is a system that manages separate, automated schedules for billing and revenue consistently over time.

THE BENEFITS

"We have new confidence in our numbers and our processes. The Softrax system generates all of our bills automatically in two days instead of two weeks. It also calculates revenue recognition for every indicated line item and generates a transparent flow of revenue from the source contract to the General Ledger," said Allpass.

"Process changes, updates, additions and modifications are all simple to apply and instantly in force. We have full control of revenue account distribution and it's easy to track unbilled and invoiced revenue and receivables activity." In addition, the audit process is greatly improved: "The time it takes to produce information required for the auditors is a fraction of what it was before."

Shorter billing cycles have improved cash flows and—because the bills are accurate the first time and presented exactly the way customers want to see them—there's a corollary increase in customer satisfaction. "A number of our contracts specify particular bill presentments, which Softrax handles automatically. Applying those formats prior to Softrax was another time-consuming manual process that often differed for every customer. Now the bills go out fast, the checks come back more quickly, and there are far fewer questions."

The future in finance looks good. "Our personnel have been freed from error-prone tasks and related firefighting. All of us have more time available to spend instead on meaningful activities, such as reporting and analysis, and we have helped meet a major milestone in our company's growth: we are much better prepared to incorporate any new acquisition and to scale without additional personnel."

"Life with Softrax is good," Allpass concluded. "We are on top of the wave, riding into the future."

