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**News Scoop**

**Advancing Business with Blockchain:**

**SCG Suggests Partners to Adopt Time and Cost-Saving Blockchain-Based Procurement Solution**

**In the era of businesses competing on speed and optimizing cost-control measures, digital technologies have become essential tools to strengthen organization’s competitiveness. Hence, SCG has used Blockchain to increase procure-to-pay efficiency for over a year, and it has helped slash processing time by 50%. The solution also contributes to a cost reduction by 70% and enables a more streamlined operation. SCG is encouraging business partners’ adoption of blockchain-based procurement system to ensure shared benefits of the entire ecosystem.**

**Mr. Thammasak Sethaudom, Vice President-Finance and Investment & CFO of SCG, said,** “The SCG’s adoption of Blockchain technology as a digital procurement platform or Blockchain Solution for Procure-to-Pay (B2P) shared with business partners is a part of digital transformation through collaboration with knowledgeable and experienced partners like “Digital Ventures,” a leading financial innovation developer, to deliver new technologies that further increase operational efficiencies and speed.”

**Ensuring Reliable and Secure Data with Time and Cost Reduction in Procurement Process with Blockchain**

After one year of sharing B2P platform with over 240 partners for managing purchase orders of raw materials, supply, spare part and services, the performance outcome has been satisfactory to SCG and partners alike.

Mr. Thammasak continued, “Not only Blockchain technology helps ensure procure-to-pay reliability and engage involved parties to develop an efficient ecosystem with high security as data files are securely encrypted and immutable without permission of relevant authorities, but it also minimizes errors as the platform can automatically analyze activities in various areas more accurately and precisely.

The B2P platform helps shorten the overall procurement processing time by 50% or from 70 minutes previously into only about 35 minutes per cycle due to the increased speed of invoice and verification process. The solution can also contribute to a cost reduction by 70% compared to the manual process, and make a lean process possible which allow employees to add more value to organizations and stakeholders, e.g., developing digital technology skill or leveraging data to enhance business’s operations.”

**B2P Fulfilling Needs of Business Partners with Streamline Process**

Furthermore, partners can enjoy significant benefits of B2P platform with SCG as the solution is equipped with the ability to track the status of transaction in real-time and enable on-time payments. Apart from faster and more accurate verification process, the platform also allows partners to request invoice financing on B2P system with higher speed, improving business’s liquidity.

**"Currently, when SCG submitting the request of the purchase order or the complete delivery, the system will automatically and instantly notify relevant partners in the ecosystem. This helps improve system efficiency, and it can be further carried out in invoice financing process. Previously, the invoice financing request requires original invoice documents submitted to the bank and it takes two weeks for the verification. This system will speed up the process.**SCG has continuously engaged partners to promote a better knowledge and understanding and offered consultation from setup to troubleshooting to ensure streamlined operations on B2P platform for all parties across the procurement supply chain,” said Mr. Thammasak.

**SCG’s direction of blockchain implementation**

SCG is in the process of developing a new function on the B2P platform to expand a broader range of procurement categories, setting to make it available for 2,400 partners by 2020. SCG is also studying on a solution to sell products and services to customers and distributors, and in-depth customer data analysis in various areas on top of introducing new experiences to customers.

Mr. Thammasak said, "Next year we aim to increase the number of business partners using the platform. The more partners join in the system, the better efficiency it will be for business operations on both sides. We are also finding ways to use blockchain to sell SCG's products and services. The technology may be developed into a platform that can automatically analyzing data. However, for the developments of multiple systems, SCG will proceed with caution to ensure that the system is highly secured and can prevent fraud while guaranteeing data reliability and system robustness. To raise confidence of all relevant parties, the B2P platform is developed on world-class technology, R3 Corda for Enterprise.

**Encouraging Businesses at All Sizes to Adopt Digital Technology for Better Competitiveness.**

Not only the implementation of Blockchain or other technologies can enhance efficiencies in business operations, it may also contribute to increased sales as speedily process improve customer's confidence. However, organizations should carry the trials on a small scale first before going full scale to ensure effectiveness.

"Cost reduction and improved performance are essential. We are living in an era with no boundaries, resulting in an increased competition. It's true that experimenting new things can be risky. But to ensure efficiency, SCG has run trails on this technology and the results have been satisfactory. I would like to invite businesses to adopt it. Organizations that are new to these technologies should implement them with existing ecosystems, especially with partners who are familiar with such technology in order to adapt it faster and optimize budgeting. Essentially, the key is that learning and executing has to be fast. The faster the organization moves, the more benefits we can reap from rapid technological progression and changes. If any organization wish to start using new technologies like B2P platform, SCG is ready and willing to share our knowledge to interested organizations,” concluded Mr. Thammasak.

**For more details about B2P Platform, please visit** [**https://youtu.be/Xurs8oKB7RA**](https://youtu.be/Xurs8oKB7RA) **or contact** [**admin-bkchn@scg.com**](mailto:admin-bkchn@scg.com) **and Tel. 02-586-2108 or check out SCG’s latest news at** [**https://scgnewschannel.com**](https://scgnewschannel.com/) **/ Facebook:** [**scgnewschannel**](https://facebook.com/scgnewschannel) **/ Twitter:** [**@scgnewschannel**](https://twitter.com/scgnewschannel) **or Line@:** [**@scgnewschannel**](https://line.me/R/ti/p/%40scgnewschannel)**.**

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