

How to get your invoice paid on time?

By moving to Tungsten Network, a global third party e-Invoicing service provider formally known as OB10, invoices are received immediately in the Philips system, which avoids delays of paper invoices being lost / sent to the incorrect place etc. Tungsten will automatically validate invoices; however, if the format is incorrect and does not contain the legal and fiscal requirements of the country, the invoice will be rejected. Below are some tips on how you as a Supplier can ensure you are paid on time by providing correct invoice information.

No. 1 – Select the correct Philips entity to send your invoice to

The correct Philips entity and the associated Tungsten Account Number can be found in the list of Philips accounts by checking the combination of name, invoice address and VAT registration you normally used for paper invoicing) or that is referenced on the Purchase Order (unless the invoice address is a P.O. Box address). The PO most likely also references either a 4 position code or a 6 digit number that can help you identify the correct Philips entity (see example PO layout).

No. 2 – Know your Purchase Order number

Most purchases require a PO, which is sent to your Sales Department or can be directly accessed via the Tungsten Portal. (If you have not received a PO, please contact your Buyer in Philips). A PO number is required for Philips to process your invoice, therefore please make sure that the number you provide:

- relates to the purchase that you are invoicing
- is in the correct format (10 digits, not preceded by other code, not followed by PO Line Item number, note that the check is exact)

The Purchase Order number can be provided on invoice header level if the invoice refers to only one Purchase Order, or on line level if the invoice refers to multiple Purchase Order numbers. For suppliers working with the Integrated Solution, this is a choice to make in the implementation process.

No. 3 – Add PO Line Item number to each invoice line

The PO can have more than one line. Adding both the PO and the Line Item number - and this in the correct format as specified on the PO - for each invoice line in the invoice enables the invoice to be posted automatically.

Below is a table showing the difference between an invoice being processed straight through vs. one that needs manual intervention (and hence has a delayed processing) due to incorrect PO information:

Delayed processing	Straight through processing
950047001558 (more than 10 digits)	9500470015 (exactly 10 digits)
Y19 - 9500470015 (purchasing organization code added)	9500470015 (exactly 10 digits)
9500470015 / 10 (PO line item added)	9500470015 (PO line item 10 in separate field)

No. 4 – Check Purchase Order information (unit of measurement, currency, material number)

If the PO is issued in kilograms, use kilograms as the unit of measurement in the invoice. Using tonnes will create unnecessary discrepancies and the invoice will require manual intervention prior to being released for payment. Please also make sure the currency of the invoice matches the PO and Philips material number (if applicable) is provided for each material type.

No. 5 – Provide the same additional information as on the paper invoices before using Tungsten Network

Additional references such delivery dates, destinations, project reference numbers (often information you used to provide on the paper invoices) help to get the invoice approved for payment.

No. 6 – Stop sending paper invoices

Once you move to e-Invoicing, Tungsten creates the legal Invoice on behalf (and with authorization) of the Suppliers. The e-Invoice replaces the paper invoice, which has no legal validity anymore. Sending both documents results in delays in invoice processing (duplicate documents etc.).

No. 7 – Provide mandatory information for non-PO invoices

For some purchases you will not receive a PO number from Philips; however your contact person will provide you with a cost center number instead. For non-PO invoices, please make sure the following information is provided on invoice:

- contact person name
- contact e-mail address

Delayed processing	Straight through processing
Contact person name (no entry)	John Smith
Contact person email address (any other text)	john.smith@philips.com

No. 8 – Submit your invoice on Tungsten Network at invoice creation

Any delay in invoice submission or postdating of invoices reduces the time for processing (time between collection date and due date) and might jeopardize on time payment.

No. 9 – Do not forget bank details

In order for the invoice to be paid to the correct account, please ensure you inform us of any changes to your bank details. If this information is not provided, the payment will be sent to the bank account set as default in our vendor master record.

No. 10 – Let us know about any changes in your company's name, address or VAT number

If the VAT-relevant data stated on invoice does not match our vendor master data records, the invoice will be put on hold for investigation. Therefore if your company's name, address or VAT registration number change, please send us written confirmation of the change in an unchangeable format i.e. PDF, so that we can update our database before invoices reach their due date.

No. 11 – Include the name of the person responsible for (issuing) the invoice

That way Philips can easily contact you in case of any queries regarding booking or payment in order not to jeopardize on time payment.

Standard Philips PO layout:

For your information, below is an example of a standard Philips PO:

Purchase Order



PHILIPS S.P.A. DIV. LIGHT, LAMPS MONZA

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Order to: 12345678		Dealt with by / contact person:							
SUPPLIER NAME 4 position code		TSSC IT01 NOM LILA							
Supplier name Supplier street 5 Supplier city		Tel.: 12345678911	Fax: 12345678911						
Goods to be delivered: CSU Italy Lamps PHILIPS Div. Lamps IT01 6 digit number Sir / Madame Name Via Casati 23 20052 Monza (MI) Italy		Invoice to be sent : PHILIPS S.p.A. Div. LAMPS 520607 Invoice address VIA CASATI, 23 20052 MONZA MI							
VAT reference nr. IT00123456789		Purchase Order Y19 - 9500470015 PO number To be quoted on ALL documents and packages pertaining to this order							
Transport instructions:		Terms of delivery:							
Price conditions:		Terms of payment: 60 days end of month							
For attention of:		Deliver to location:							
Item	Classification	Our article no. (12 NC)	Quantity	Unit	Delivery date	Currency	Price	Tax	Discount
10		description	1	PCE	22 Nov 2013	EUR	1,123.45	1	0.00
20		description	1	PCE	22 Nov 2013	EUR	2,234.55	1	0.00
PO line item number		Unit of measure		Currency					
Total net value excl. tax							3,358.00		
Please return the order confirmation stamped and signed, stating date, number of confirmation and conditions if any by e-mail [e-mail/fax no.] in case of query related to the payment, please contact..... [e-mail/fax no.]									
This order is subject to your cooperation in informing Philips whether or not this product is US controlled and/or controlled under the export laws of your country. If controlled please indicate the classification number (CCCN).					PHILIPS S.P.A. DIV. LIGHT, LAMPS MONZA				
Please provide your products with CE-mark (label) if applicable. Please attach a packing list to the outside of the packaging and state the above mentioned order reference on your invoice and packing list.					10 Nov 2013				
The most recent version of Philips General Conditions of Purchase of the country in which the ordering Philips legal entity has its (registered) seat are applicable to and form an integral part of all Purchase Orders issued by Philips: http://www.philips.com/about/company/businesses/supplier/generalconditions/purchase Any deviating terms and conditions or clauses shall only apply if these are explicitly agreed upon in writing in a contract between Philips and Supplier. Any (standard) terms and conditions of Supplier are herewith explicitly rejected.									
[legally required information, e.g. capital value, or board of management, can be added here]									

AAA701722233	PHILIPS ELECTRONICS SINGAPORE PTE LTD. (SG00/830143)	RTT	1997-05989-C	SINGAPORE	COMM ORG - PH. LGT.	620A Lorong 1 Toa Payoh	Singapore
AAA235634102	PHILIPS FRANCE (FR01/381907)	Live	FR02402805527	FRANCE	ACTIVITE PHILIPS LIGHTING - Suresnes	33 rue de Verdun BP313	Suresnes Cedex
AAA193609294	PHILIPS S.p.A. (IT01/520607)	RTT	IT00856750153	ITALY	DIV. LAMPS	23 VIA CASATI	Monza
AAA541694121	PHILIPS LIGHTING B.V. (AM01/676560)	Live	NL009076992B01	NETHERLANDS	LCC DC BRABANT	2000 Flight Forum	Eindhoven
AAA434414298	PHILIPS LIGHTING B.V. (TN01/670483)	Live	NL009076992B01	NETHERLANDS	STARTERS	25 Mr. F.J. Haarmanweg	Terneuzen
AAA555920677	Philips Medizin Systeme Boblingen GmbH (DE9A/318412)	Live	DE813038381	GERMANY	Factory	2 HEWLETT-PACKARD-STRASSE	Boeblingen