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Customer Spotlight

ORYX MIDSTREAM SERVICES

Midstream oil pipeline operator supports massive growth with AvidXchange and Sage Intacct

Operating out of Midland, Texas, Oryx Midstream Services is the largest private oil gathering and transportation business in the Delaware Basin.

Oryx currently operates 500 miles of oil transportation and gathering pipelines and 1.17 million barrels of oil storage capacity, and aims to add an additional 680 miles of pipeline and 910,000 barrels of storage capacity this year.

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> *- Karen Russell, CAO and Vice President of Accounting*

Challenge - Exhausting AP process

Despite its rapid growth, Oryx depended on time and labor intensive manual processes for its accounts payable (AP) and purchase orders (PO). It collected, coded and processed from multiple vendors, requiring scores of unique codes. Accruals and invoice tracking were difficult and inefficient.

"It's really hard to find good AP staff in a small town in West Texas," said Karen Russell, CAO and Vice President of Accounting for Oryx. "Once people got here and realized they had to track everything manually, they wouldn't stay long. No one wants to spend a lot of time tracking and processing manually."

Knowing she needed automation to help increase efficiencies and modernize her business, Russell turned to Sage Intacct, her accounting system provider. The company did not have a solution robust enough to fit her needs, but instead referred her to AvidXchange, the leading provider of automated AP and payment solutions.

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Solution - Streamlined approval process with AvidInvoice and AvidBuy

In 2016, Oryx automated its AP and PO processes by implementing AvidXchange's comprehensive, web-based invoice management software, AvidInvoice, as well as the purchase order application, AvidBuy.

The solutions automatically code, assign to the appropriate workflow, and electronically route each invoice and PO for approval. Once approvals are secured, they seamlessly integrate with Intacct for payment processing.

After implementations with other solutions at previous jobs, Russell feared a potentially painful implementation process, and worried that the company's management wouldn't approve the purchase.

"In the oil and gas industry, management doesn't like to spend a ton of money on software because it's important to keep overhead low," said Russell. "But, we are a construction-driven company—building pipelines—and having our POs stored electronically and easily accessible is something management instantly embraced— even those who are not the least bit tech savvy."

Oryx managers can now approve invoices whenever and wherever, and can pull historical data to reference prior pricing or contracts.

"The benefits are overwhelming, a win-win for all around," said Russell.

Results - Processing 6X more work

Earlier this year, Oryx sold to private equity firms for $3.6 billion. The company's invoice volume has quadrupled to approximately 12,000 invoices per year.

"Our company has doubled in size and we haven't missed a deadline," said Russell. "The adoption of AvidXchange has streamlined our payables, cash management and accrual process immensely. We would never have been able to support the volume of work if we hadn't become more efficient through automation."

She estimates that her team is now handing 6X their previous workload with only one additional hire. Her time is freed for higher level work, including more efficient financial reporting.

If you're hesitant to start automating your AP processes, Russell has advice: "Don't wait! You will be so relieved. Automation will save you so much time and increase your accuracy and productivity, immediately."