



FTNI

Payment Processing. Accelerated.

SUCCESS STORY STREAMLINING DISTRIBUTION AR WITH INTEGRATED RECEIVABLES

Starting with Online Payments, Top-Ten U.S. Foodservice Distributor Evolves to Mobile, RDC and Straight Through Processing

Inception — What Was Needed

Thinking outside the traditional accounts receivables box, top companies across the foodservice distribution industry are looking for ways to consolidate inefficient, expensive, siloed remittance processes that often lack critical security requirements. An estimated 56% of organizations still use siloed receivables and payment processing systems, resulting in \$1 billion in added operations cost annually.

One of the nation's top-ten foodservice distributors, facing the challenge of providing an online payment portal for its customers, was taking the first step to integration. Seeking strategic partners to help solve their challenge, the distributor connected with Financial Transmission Network, Inc. (FTNI), a leading provider of integrated receivables processing solutions. In short order, it was determined that FTNI's ETran Online Payment Portal solution met the distributor's needs.

Delivered in a fully-hosted model on FTNI's PCI-compliant, cloud-based platform, the ETran Online Payment Portal was launched to meet the distributor's online payment processing needs. The portal offered flexible electronic invoice presentment and payment (EIPP) functionality and the ability for the distributor's customers to make one-time and recurring payments via ACH or Credit Card as determined within their payment terms. Customers also enjoyed the ability to schedule payments for a future date if necessary. As with all modules on the ETran platform, transaction data from the online portal is seamlessly posted into the distributor's back office accounting system. Based on unique business needs, FTNI imports and exports over 20 files to/from the distributor's back office accounting system in an automated fashion on a daily basis — greatly streamlining what was once time intensive and error-prone manual work.

"Companies are seriously looking at their AR operations as a place to become more efficient and save money, ultimately re-allocating human capital to higher value priorities," said Kurt Matis, president and CEO, FTNI. "The simple addition of an online payment portal for self-service customer payments is a key step in that direction."

Expansion — Rethinking Receivables with Advanced RDC Solutions

After implementing their new online payment portal, the distributor quickly analyzed other areas of the business where FTNI's ETran platform could provide efficiencies. It was identified that check processing was the next strategic opportunity to continue to streamline their receivables processes.

The distributor implemented ETran's enhanced remote deposit capture (RDC) module to centralize all check remittance processing at the company's corporate headquarters on the same platform (ETran) that they were already leveraging for online payments. Following a successful deployment, the distributor expanded check scanning to its remote office locations across seven regions spanning four states.

"FTNI's ETran platform has helped us tear down traditional AR and payments silos, replacing them with a single, unified platform that has allowed us to scale and streamline receivables processes significantly over the past four years," commented



“The ability to rapidly and easily add new payment types and channels to a single receivables platform has helped us decrease our DSO by over 20 percent.”

~ Sr. Enterprise Credit Manager

REALIZED BENEFITS

- Decreased DSO by over four days
- Self-service online payment portal increased customer convenience and recurring payments
- Enhanced RDC functionality streamlined check processing at multiple locations on a single platform
- Mobile payments streamlined payments accepted in the field, further decreasing DSO and increasing cash flow
- Automated payment processing and management allows for greater focus on higher-value functions such as exception management
- Straight through processing allows the distributor to accept, process, post and reconcile all payments via a single SaaS platform
- Reduced PCI risk with built in PCI DSS compliance



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the distributor's Senior Enterprise Credit Manager. "Having a payment platform that is bank and processor agnostic is a big benefit, giving us the flexibility we need as we continue to grow our business and as our customers' payment preferences evolve. The ability to rapidly and easily add new payment types and channels to a single receivables platform has helped us decrease our DSO by nearly 20 percent. From day one, our relationship with FTNI has been a collaborative partnership that has only gotten stronger over time."

A Mobile Payments Evolution

Changing their receivables paradigm, the distribution company recognized early on the power that mobile payments could bring to their representatives in the field. The distributor's recent successful company-wide roll-out of ETran Mobile within its field-based receivables processes is reducing costs and streamlining processes, transforming their everyday efficiencies, cash flow, customer experiences and business oversight.

"Adding mobile was simply the next step for us," added the distributor's Senior Enterprise Credit Manager. "There is nothing simple about our business, but FTNI steps up to each and every challenge we bring to the table. This is a great example of how a flexible, easy-to-deploy solution evolves within an organization like ours."

Over 300 of the distributor's field representatives now use a white-labeled version of the ETran Mobile receivables processing application. ETran Mobile allows reps to quickly and securely accept check payments via mobile remote deposit capture (mRDC) and easily associate payments with outstanding invoice(s) via mobile invoice presentment within the application. Within 90 days of launching the application, the distributor's monthly transaction volume via the mobile channel increased to over 20% of all check remittances and 11% of total payments.

ETran Mobile also helped the distributor further decrease days sales outstanding (DSO). "We are very growth oriented. Cash

flow is critically important. We needed to accelerate the traditional receivables process to get payments from our sales reps and customers into our bank account faster," said the firm's

Senior Enterprise Credit Manager. "ETran Mobile helped us do just that."

“Having a payment platform that is bank and processor agnostic is a big benefit for us.”

ETran Mobile is built upon FTNI's flagship integrated receivables processing platform, ETran, and is available for both Android and iOS. The application accepts and securely processes Mobile Remote Deposit Capture (mRDC), ACH, credit or debit card payments via the PCI DSS Level 1 compliant ETran platform.

"Our reps are now able to securely accept check payments on the spot and get them in the system immediately," added the firm's Senior Enterprise Credit Manager. "We no longer have to manually transport check payments, resulting in significant security and efficiency gains, and increased cash flow for our business. Now deposits can be made the same day payments are received. Our DSO decreased significantly in mere months. That's just incredible."

Perspective — What Tomorrow Holds

Companies across virtually every industry are under pressure to keep pace with customer demands for increased flexibility when it comes to the payment process. Growing business means growing transactions, and that means continually seeking new ways to streamline AR processes while integrating new, highly secure payment technology and processes along the way. For this distributor, FTNI is the long-term strategic partner that will help them not just keep pace, but lead.

"The use of online, mobile and cloud-based technology within AR processes delivers many benefits, perhaps none more important than helping enterprises achieve straight through processing and the efficiencies and cost savings that come with it," said Kurt Matis, president and CEO, FTNI. "We're excited to work closely with companies to take truly integrated receivables and straight through processing from a vision, to a reality."

About FTNI

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Financial Transmission Network, Inc. (FTNI) accelerates the way businesses accept, process, post and manage payments. Processing millions of transactions monthly, FTNI's integrated receivables hub, ETran, accepts any payment method, via any payment channel — on a single, secure, cloud-based platform. Easily and affordably implemented, ETran minimizes setup, support and maintenance costs associated with receivables management and payment processing. ETran's modular design helps you efficiently and effectively address current AR needs while delivering a seamlessly scalable solution for future growth. Offering a real-time, enterprise view of all payments activity, ETran increases receivables oversight and delivers significant cost savings by streamlining operations and automating time-consuming manual processes. For more information, visit www.ftni.com.