



CORCENTRIC MANAGED AR

Daimler Trucks North America drives *growth* with Managed AR



DAIMLER

Solutions:
Managed AR

Company:
Daimler Trucks North America is the leading heavy-duty truck manufacturer in North America. Daimler Trucks North America produces and markets commercial vehicles under the Freightliner, Western Star and Thomas Built buses nameplates.

Headquarters:
Portland, Oregon

Size:
\$48 billion in revenue in 2019

Industry:
Automotive

The Business

As the leading commercial vehicle manufacturer in North America, Daimler Trucks North America manufactures, sells, and services several renowned commercial vehicle brands including Freightliner, Western Star, Detroit, and Thomas Built Buses nameplates. To manage this set of distinctive brands that serve a multitude of industries and commercial vehicle applications, Daimler established a National Accounts parts division focused on delivering billing and support services for its small, regional, and national fleets.

The Experience

A growing business, Daimler's National Accounts parts division was managing an expanding fleet parts business of hundreds of dealer operators that supported more than 15,000 customer locations nationwide. Recognizing a higher level of billing and technology expertise was needed, Daimler looked to Corcentric's Managed AR solution, a technology enabled managed service that guarantees payments for receivables.

Working with Corcentric, Daimler was focused on refining their billing and support services across their vast dealer network by outsourcing the billing and collections process while enabling electronic invoices to dealer customers using the Corcentric Platform.

“Once the technology went live, it enabled more than 17,000 unique connections between Daimler dealers and buyer ERP and point of sale systems.”

Corcentric's Managed AR solution enabled more than 17,000 unique connections between Daimler dealers and buyer ERP and point of sale (PoS) systems by normalizing hundreds of types of data formats across the business network and turning that data into a digital format. Corcentric's Managed AR transformed Daimler's billing processes and customer support network, so they could focus on improving cash flow and sales growth while improving customer experience. “After the successful implementation, Daimler was able to move forward and provide their customers a new level of billing accuracy and visibility that translated into significant reduction in disputes,” notes Corcentric Chairman and CEO Doug Clark.

As part of the Managed AR solution, Corcentric also assumes the credit risk of Daimler's customers, by taking on the receivables and accelerating payment to Daimler dealers. Through the accelerated payment offering, Corcentric also eliminated the need for Daimler dealer locations to seek



payment from delinquent purchasers. Clark notes, "Based on our ability to facilitate accelerated payments for Daimler's dealer locations, Corcentric was able to decrease average Days Sales Outstanding (DSO) from 37 to 15 days."

The Future

Corcentric's Managed AR solution has contributed to a significant increase in annual revenue for Daimler's parts and service program and has also added to customer acquisition and retention. Daimler reports that the platform enabled them to sign new customers that otherwise would not have been possible. It also enabled Daimler to re-engage several major accounts that had previously been inactive but were willing to participate in a new, industry-leading dealer billing program. Less than two years after the Corcentric

solution was implemented, Daimler saw a substantial increase in invoices processed, a double digit growth in revenues realized, and an 86 percent decrease in disputes with no additional overhead needed to accommodate its increased parts business.

"Visibility to identify customer trends, forecast spend, and develop strategic initiatives that actually improve our working capital."

"Partnering with Corcentric to manage our billing has consistently enabled us to achieve significant processing efficiencies," says Richard Simons, General Manager of Parts Sales and Marketing for Daimler Trucks North America. "It's also given us the visibility to identify customer trends, forecast spend, and develop strategic initiatives that actually improve our working capital."



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ABOUT CORCENTRIC

Corcentric is a leading global provider of best-in-class procurement and finance solutions. We offer a unique combination of technology and payment solutions complemented by robust advisory and managed services. Corcentric reduces stress and increases savings for procurement and finance business leaders by forming a strategic partnership to diagnose pain points and deliver tailor-made solutions for their unique challenges. For more than two decades, we've been a trusted partner who delivers proven results. To learn more, please visit www.corcentric.com.