



CASE STUDY

# Medical device manufacturer *goes paperless* with Corcentric Payments



*Company transforms its payment process and sees \$1.5M increase in annual net benefit*

### The Business

When a Fortune 500 medical device manufacturer completed a bank-sponsored virtual card program, the company was left in a less than ideal situation. The number of checks and amount of check spend converted to virtual card, as well as their card rebate, was significantly less than anticipated.

The company felt there was an opportunity to further reduce costs by swapping manual checks for electronic payments, but the bank was not interested in assisting them with this effort.

Following a recommendation from a fellow CFO, the company discovered Corcentric Payments, a solution that would audit the results of their initial virtual card program and provide a payment process that would optimize cash flow.

### The Experience

Once engaged, the Corcentric audit team got to work. The results were eye-opening.

### Audit Findings

- The amount of check spend converted to virtual card was overestimated by a factor of 3x.
- Because a tiered card rebate structure was used, half of the converted spend tiers were in a range where there was no chance of achieving the converted spend needed to see a larger rebate percentage.
- The bank secured only 350 of about 4,000 card-capable suppliers that they identified. Corcentric uncovered an opportunity to engage with more than 7,500 card-capable suppliers who were unaware that the company wanted to pay them electronically.

- The bank made no attempt to convert suppliers to ACH, leaving the company to initiate most of its payments by check.

*By implementing Corcentric Payments, the company was able to fulfill its requirement of a minimum 75% conversion of check payments to electronic payments in less than 90 days.*



Corcentric Payments has completely transformed the company's payments process and its relationship with suppliers. With electronic payments in place, the company has simplified payment disbursement and reduced payment errors, all while saving time and money.

### The Future

The overall results of choosing Corcentric Payments speak for themselves. By using this solution, the company has seen a 500% increase in checks converted to electronic payments, a 100% increase in spend converted to virtual card, and a \$1.5 million increase in annual net benefit.

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With its initial nightmare of a virtual card program in the past and a new seamless payments program in place, the medical device manufacturer can now enjoy the benefits of its paperless processes and focus on producing safe and effective products.



*Get peace of mind.*

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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](https://www.corcentric.com).