

# Case Study

Home-Tech



## SERVICE COMPANY CAPITALIZES ON MODERN PAYMENT SOLUTIONS WITH EDENRED PAY SUITE OF PRODUCTS



### Background

Home-Tech is a regional service company with a fleet of 75+ service vehicles. The company initially sought a fuel card solution to better manage fuel spending, but also immediately recognized the benefits of Edenred Pay's full suite of no-cost payment solutions and launched global-fleet, Edenred Pay for accounts payable, and Edenred Pay's corporate P-card.

### Business Problem

Home-Tech was using American Express plastic cards before adopting Edenred Pay's electronic accounts payable solution. "These cards work well for us and allow us to earn gift card rewards, which are useful to give as employee rewards or other 'thank you' gifts," said Sonya Sawyer, CFO for Home-Tech. "But when paying vendors through the plastic cards, it's a manual process where we provide the card number over the phone."

Edenred Pay's fuel cards enable the company to save on fuel costs for its fleet of 75+ service vehicles. "Before Edenred Pay, I had no idea how much more expensive fuel was in certain areas around us and how big of a difference in price five miles could make," said Chelsea Skaff, who oversees the fuel program for Home-Tech.

### Business Results

Home-Tech initially moved 50% of its payables over to Edenred Pay's Payment Automation Platform and utilized their virtual cards, gaining efficiencies through automation and reducing costs by eliminating paper checks. Sawyer added, "Writing checks is archaic. This is a new way to make payments that's easy and allows us to earn 1% cash back."

Edenred Pay's Payment Automation Platform also allows for easy reconciliation, with a unique card number generated for each vendor payment. "The reporting is fantastic," said Sawyer.

Home-Tech reduced the number of checks written by 40% within the first six months. The company plans to continue expanding its use of virtual card payments throughout its business, including its corporate giving program.

For those vendors that continue to require manual payment at the time of purchase, Home-Tech relies on Edenred Pay's plastic credit card which provides the same opportunity to earn cash back rewards based on spend volume. Skaff, who oversees the fleet fuel program, also recognizes significant benefits and cost savings from the global-fleet fuel card program.

The real-time reporting has helped the company better manage fuel usage, and the free Smart Buy application provides the ability to locate the lowest priced fuel options in their local area. "The Edenred Pay staff has been so helpful and very prompt to answer any questions I may have. I would definitely recommend Edenred Pay's Fleet fuel program to any company looking for a modern, reliable fleet company."

### Lessons Learned

One of the transitions that required a shift in thinking on Home-Tech's part was the need to fund payments immediately. "With the virtual card program, we didn't have the ability to wait 30-40 days to cover the payments like we had been accustomed to," recalls Sawyer. "Once we became familiar with the program, we adapted and the cash flow difference has been more than compensated by the rebate we receive through the program. The 1% back is a no brainer."

### Cost Savings Calculation

Spend volume captured (4 months)	\$301,005
New revenue generated through rebate	\$3,010
Savings from eliminated checks*	\$432
Total 4 month program return	\$3,442
<b>ESTIMATED ANNUAL RETURN</b>	<b>\$10,325</b>

\*Savings calculated by Edenred Pay at \$10/check based on \$4-\$20 estimate in WSJ, March 10, 2014, US Companies Cling to Writing Paper Checks

Reduced the number of checks written by 40%

Saved on fuel costs for its fleet of 75+ service vehicles

Allowed Home-Tech to earn 1% cash back