

CORPORATE PAYMENT SOLUTIONS

Wright Express Accounts Payable Direct Program

A Straightforward, Easy-to-Use Tool That Delivers Savings

Animal Health International, Inc., (AHI) realized – after continuously cutting more than 3,000 checks per month to more than 50 vendors – that there had to be a smarter and more efficient Accounts Payable (AP) solution.

AHI is a distributor of animal health products, pharmaceuticals, vaccines, equipment, and supplies in the U.S. and Canada. Its customer base includes cattle ranches and feedlots, large dairies and companion animal veterinarians, poultry and swine production facilities, and dealers ranging from local farm stores to large discount retailers. With \$700 million in annual sales, they own 56 divisions with two major distribution centers in Tennessee and California.

The Problem

AHI partners with roughly 1,000 active, eligible vendors, the top 50 of which account for 80% of the company's AP spend. With hundreds of checks written every week, the company was relying on 13 team members to handle and oversee the movement of money out of the company, which often included lengthy dispute processes with vendors. AHI Treasurer Jeff Hyde became increasingly concerned with this slow and often problematic process and began looking for a solution.

The Goal

Simply put: AHI needed a way to streamline its AP payment process. For Jeff, the objectives were simple:

- Increase cash flow
- Increase Days Payables Outstanding (DPO)
- Provide an electronic and more secure payment method
- Provide electronic remittance
- Reduce operating costs (including checks and supplies)
- Do not alienate vendors

For more information, email Wright Express today to learn how you can benefit from our accounts payable solution: epayables@wrightexpress.com.

Finding the Right Partner

AHI chose Wright Express's MasterCard AP Direct product in part because of the company's familiarity with Wright Express's outstanding service and support. The straightforwardness of the AP Direct website, the program's vendor database accuracy, its ease of use and ability to identify and respond to payment issues faster were also key differentiators. According to Jeff, "The functions and online program management tools available from Wright Express's AP Direct program were superior to others we reviewed."

Solution at Work

AHI's next objective is to grow its AP Direct program, which has resulted in significant savings and a boost in operational efficiencies. In the time AHI has partnered with Wright Express, the company has:

- **Increased Days Payables Outstanding by 30 days on \$16,000,000 annual spend during initial enrollment program**
- **Improved dispute resolution timeliness through auto-remittance and payment visibility**
- **Did not alienate vendors – easily enrolled over 100 vendors**
- **Reduced processing costs by \$3,000 - \$4,000**
- **Reduced checks per month by a fifth**

A strong vendor enrollment program is key to success, and Wright Express's AP Direct program promises that it will take care of the hard work. As Jeff describes, "We are very familiar with Wright Express's service and support, so we were confident in how much attention we could get in implementing their automated AP product. The support from Wright Express in contacting, establishing and maintaining our vendor relationships for AP Direct is a key differentiator." And everything works with your existing purchase order, invoicing and payables system. Wright Express just makes the process easier by eliminating the costly, day-to-day check management and settlement process.



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