

VERSAPAY

CARTER
Lumber

How Carter Lumber centralized 100% of their Invoice-to-Cash operations with straight through processing





"Implementing Versapay was a win-win for us. Our peak days have been **reduced from 2 1/2 days to less than a day**. We were able to continue with our growth plans, improve our efficiency, and provide better customer service with no additions to our staff."

Jeff Seder

Senior Vice President,
Carter Lumber

Carter Lumber

Carter Lumber is growing fast. But when their accounts receivable (AR) operations capability wasn't scaling with their company growth, they knew they couldn't simply hire more AR professionals to manage the influx of receivables.

After adopting Versapay's mobile check deposit and advanced cash application functions (previously known as DadePay) Carter Lumber was able to scale their business while reducing staff dedicated to AR. As a result, they saved money, while at the same time improving customer experience.

Carter Lumber is the 10th largest lumber and building materials supplier in the US, headquartered in Kent, Ohio. This privately held, family-owned company was founded in 1932 and has 146 locations across 12 states in the Midwest, Mid-Atlantic and the Southeast. Carter Lumber currently employs over 3,100 people.

More than just a lumberyard, the Carter Lumber family of companies is dedicated to providing professional builders and do-it-yourselfers with a broad range of quality building materials and exceptional customer service.

With sales surpassing \$1.1 billion, Carter Lumber is continuing with their expansion plans. Jeff Seder, Senior Vice President at Carter Lumber, knew their growth into new markets was straining their account receivable operations.

"Throwing more people at this problem wasn't the answer, as we had to regain control of our cash application processing while continuing our growth into new markets," said Jeff.

The challenge

Carter Lumber has had a 70% growth rate over the past several years. The company prides itself on a strong reputation of providing excellent service, which includes giving customers immediate credit for checks that salespeople pick up in the field.

But providing immediate credit was difficult given Carter Lumber's operations were expanding outside their footprint of Ohio. The company modified their cash application processing by establishing new processes for posting these payments to their Epicor Eclipse™ enterprise resource planning (ERP) system. But, these processes were very manual.

The company was also forced to open accounts at local banks to process the high volume of checks they were receiving. This caused them to decentralize their cash application processing to regional locations.

"When we started expanding several years ago, we were able to manage by modifying our process to have the salespeople report their deposits at the local banks and call or fax the remittance information to our office," said Jeff. But as the company continued expanding, the cash concentration reporting became unmanageable as they continued to open more accounts at local banks in markets their primary bank did not serve.

The company used their bank's remote deposit capture to collect checks in the field, but it lacked the functionality to fully automate the process. "This reduced our time in some markets by making the deposit, but it was costly both in terms of the hardware required and the back office and field effort to process the remittance information to maintain our high standard of customer service," said Jeff.

The solution

Carter Lumber selected Versapay's mobile check deposit and advanced cash application solutions (previously known as DadePay) to fully automate their invoice-to-cash application process.

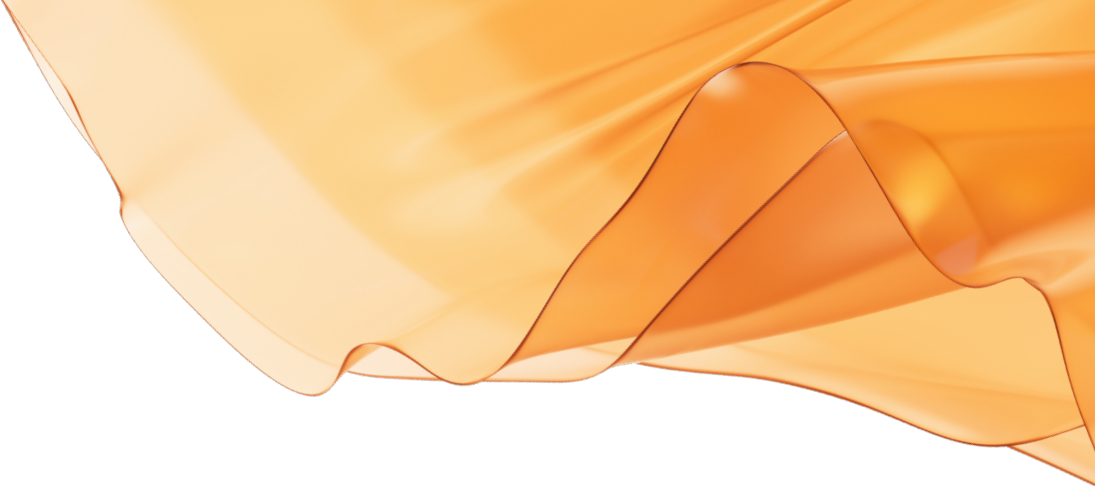
Jeff was able to quickly implement the solution and flagged this project with his Information Technology as a top priority to get completed. "The implementation process moved along quickly and our bigger challenge was to re-engineer all the manual processes we had in place," said Jeff.

Jeff also knew that deploying Versapay's mobile AR capabilities to its large national sales force would make significant improvements in their efficiency. Versapay's mobile check deposit feature allows Carter Lumber to capture payments and remittance documents from the field and:

- Automatically match payments to open invoices
- Post the payments in their ERP, and
- Deposit the payment as part of one integrated, straight-through process

"Our salespeople were liberated from the administrative burden of running checks to the bank and faxing remittance copies to the office. This freed their time to spend with customers and make sure we could deliver the exceptional level of customer service we have depended on over the past 84 years," remarked Jeff.





The results

By running all their cash application operations out of one platform, Carter Lumber was able to centralize 100% of their invoice-to-cash operations back to their headquarters.

Prior to using Versapay, half of Carter Lumber's AR processing was done in regional offices, which also handled daily reconciliation of the deposits. Thanks to AR automation, the company was able to reduce the amount of AR staff required for payment processing and reconciliation by over 50%. Those employees were reassigned to credit management and collections, where they help maintain the service level for their customers.

Carter Lumber's cash concentration reporting is also much simpler, as Versapay can handle all the deposit processing regardless of where the check, ACH, wire, or credit card payment is received.

Carter Lumber's staff of over 400 field personnel use Versapay's mobile AR function. The field team can now download the app to their smart phone or tablet from their respective marketplace store (Apple App Store and Google Marketplace) and begin servicing customers immediately.

The solution takes a photo of the check(s) and remittance copies and processes the transaction just as the AR staff receiving the payment at the office would. The app can even handle collecting cash and credit card transactions from customers.

VERSAPAY

Learn more about how we help finance teams automate cash application and provide their customers with self-service payment options.

[Learn more at versapay.com](https://versapay.com)