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February E-Credit News

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Webinar: 25 Credit & Collection Management Tools, Tips, and Techniques

February 15 at 9:00 AM CT

As the name suggests, in this program, we will examine and discuss the top 25 credit and collection management tools, tips, and techniques that will help credit and collections professionals, irrespective of their experience, to be more effective, and more efficient.

The program will help credit professionals work smarter, not harder -- and to focus on situations, issues, and problems that matter to them and to senior management



New Contacts & Members

New Association Contacts:

- Kim Pokladowski ~ Design Air
- Karla Wagner ~ Badger Liquor Company Inc
- Lynn Bayer ~ Wildeck Inc
- Rachelle Wagner ~ Bou-Matic

New Credit Group Contacts:

- Plumbing & Heating Industry Credit Group
- Kim Pokladowski ~ Design Air

Construction Industry Credit Group

- Kim Pokladowski ~ Design Air

Food Service Supply Hospitality Industry Credit Group

- Karla Wagner ~ Badger Liquor Company Inc

If you have something you would like us to announce please send an



For 29 years we have had the privilege of working with Ed Elkert, Manager of Credit and Collections at Wildeck, Inc, but it is now time for him to pass the baton

In addition to his 29 years at Wildeck, He was at Lucas-Milhaupt for almost 17 years. It has been a joy and pleasure to

Why Someday Every Business Will Have a Digital Lockbox

By: Mitchell Rose, Senior Vice President & General Manager,
Corporate Segment, Billtrust

How AR and AP professionals prefer to make and receive payments is shifting alongside the colossal growth of the B2B payments market. When the market was worth a fraction of what it is now, check was by far the preferred payment method. Now that roughly **\$120T in B2B payments** are processed annually, demand for quick, easy and efficient digital payments experiences are becoming a necessity to ensure efficient financial operations. A natural evolution of this has been the introduction of digital lockboxes, an electronic address businesses use to receive payments via ACH, credit card or wire transfer.

I believe, someday soon, every business will have one because, just as physical lockboxes automate check processing, digital lockboxes automate electronic payments where remittances are typically received by email or via a portal. Given the volume of payments changing hands in the B2B space today – as well as the challenges threatening to slow down the movement of cash – it is imperative that AR and AP professionals are able to quickly and easily send and receive payments.

With that in mind, here's why digital lockboxes will soon become commonplace across the B2B landscape.

The Need to Address Mail Delays

Before B2B's massive digital transformation took place – and indeed before COVID-19 and its ensuing economic turmoil upended businesses, organizations sent and received payments primarily via mail. They had relented to the reality that one check cost roughly 50 cents (often even more) to mail, and once they sent it, there was a three-to-five-day lag before it reached its destination.

It was perhaps only when the USPS struggles started to make headlines during the early stages of the pandemic that finance professionals realized the urgency in shifting away from inefficient processes which were contributing to slower settlements. With AR teams already under pressure to maintain their organizations' financial health, they found themselves in a challenging situation where the receipt of paper checks threatened to reverse their receivables as mail delays significantly increased float cost.

Meanwhile, AP and AR professionals who attempted to switch to automated clearing house (ACH) also realized it created more manual work with the person sending the payment needing to call up their receivables counterpart to ask for bank account and routing data. While this is not much of an issue when you are only dealing with a few payments per month, it is a massive problem for organizations sending and receiving thousands of payments. Like mailing checks, it just adds to organizations' outstanding balances and threatens their financial security. For these reasons, digital lockboxes are emerging as a popular solution to B2B's mail float and cash flow problems.

The Rise of Accounts Payable Portals

It is ironic that digital payments can create manual work for AR teams. But as buyers

shift to AP platforms such as Ariba, Coupa, Taulia, etc., the AR department must learn how to deliver invoices to these systems, collect payments in new formats and manage the disputes that are communicated from them.

Simply put, an AR team's ability to accept digital payments requires modern processes. In fact, recent research shows that 40% of AR teams do not have the self-service capabilities their customers want, and over 50% lack real-time integrations with their ERP systems or automated integration with their customers' AP portals. All of this slows productivity and cash flow and creates a poor customer experience. To truly succeed digitally while maximizing cash flow requires a commitment to automation. This is just another reason why digital lockboxes are so valuable. They ensure that buyers' payments preferences are honored and that AR teams' expectations for speed and ease are met.

Finding Easier Ways to Pay and Get Paid

The rise of digital lockboxes is in direct response to the challenges outlined above, but it is also yet another example of how the consumerization of B2B payments has pushed payments professionals to seek the same ease they enjoy in their personal lives in their business lives.

Similar to how Venmo enables consumers to send money instantly to peers, digital lockboxes offer B2B organizations a faster, cheaper and more secure method of processing payments and invoices. They do this by capturing the payment instruction when an invoice is approved to pay and moves the money to the supplier based on its payment preferences. It obtains the remittance, posts it, and presents it in a format compatible with the company's AR process. For the B2B space, this is truly game changing, holding the potential to rid the industry of the frustrating inefficiencies that have interfered with organizations' access to capital for decades.

What digital lockboxes growth showcases is how the challenges of the past two years have inspired AR teams to accelerate the adoption of new platforms that make their lives easier. As a result, the time has come for all digital payments to be streamlined, with suppliers getting paid faster, with fewer exceptions and less labor. Digital lockboxes are key to this transformation, unlocking a more modern, cost-effective and simplified way of doing business.

About the Author

Mitchell Rose is Senior Vice President and General Manager, Corporate Segment at Billtrust. He has worked with hundreds of businesses to help them automate their order-to-cash process. Before Billtrust, he held senior-level marketing positions with Coca-Cola, Mattel and Warner Lambert. Mitch holds an MBA from Columbia University in Marketing and a BS in Applied Economics from Cornell University.



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Let The Association be your “go-to” for your credit reporting needs! Contact Gail or Chrys for additional information by emailing us at creditreports@wcacredit.org.

Upcoming Webinars



**March 15, 2023
9:00 – 10:00 AM CDT**

**Learn
More**

“Cash is King” Order to Cash Process

The 11 Step Process for Effective & Efficient “Sales-to-Cash Success”

Many people are surprised that Order to Cash is the “True” collection process for most companies. It is!!!! You will learn the eleven step process of the Order to Cash showing you how each step done correctly will have a positive impact on your over dues. I.e. on the third step “contract payment terms and conditions”. Do you know, if the legal department signs a contract for 60 day payment terms vs. the company’s policy of net 30 days? Or the ninth step “Cash Application”. Often companies don’t apply payments timely or not at all, force the customer not to pay until cash application on their account is up to date. Neither of these two step examples are not necessarily under your direct control and this webinar shows how to control them.

[Text Link](#)

In the age of globalization, information and nano-technology, one cannot help it but be bombarded or even paralyzed by information noise and clutter. What can credit professionals and companies do to succeed? Simply, seek the fundamentals—the universal approach that will lead them through the maze to help sell and grow revenue and profit.

This session will be useful for credit professionals and businesses of any size looking to evaluate new ways to increase sales and bring value to their companies. Participants will be presented with specific ideas to evaluate their business environment and develop an action plan checklist.

We all need to understand the value of credit and its economic impact.



THE FINE ART OF CREDIT MANAGEMENT

April 19, 2023
9:00 – 10:00 AM CDT

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Credit Professional Alliance

[Credit Management Association](#)
[The Business Credit Management Association Wisconsin](#)
[Business Credit Intelligence](#)
[Mountain States Commercial](#)
[NACS Credit Services, Inc.](#)

UPCOMING INDUSTRY CREDIT GROUP MEETINGS

February 8, 2023
Regional Paper & Packaging Industry Credit Group



February 17, 2023
IL Fine Paper Industry Credit Group Teleconference Call

Book of Reports
Plumbing & Heating Industry Credit Group
Teleconference Call

February 9, 2023
Electrical Suppliers Industry Credit Group
Book of Reports

February 14, 2023
Fine Paper/Graphic Arts Industry Credit Group
Book of Reports

February 15, 2023
Minnesota Electrical Suppliers
Credit Group
Brooklyn, MN
Food Service Supply Hospitality Industry
Credit Group
Delafield, WI

February 16, 2023
Construction Industries Credit Group
Appleton, WI

February 20, 2023
Western Electrical Suppliers Industry
Credit Group
Madison, WI

February 21, 2023
Building & Construction Materials Credit
Group
Milwaukee, WI

**March Industry Credit Group
Meeting**

March 8, 2023
Iowa Plumbing Heating Electrical &
Construction Industry Credit Group
Teleconference Call

March, 2023
Metals & Industrial Suppliers Credit Group
Teleconference Call
Minnesota Fine Paper Credit Group
Teleconference Call

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