



AP automation

Solve payment challenges with an invoice-to-pay solution

September 2020

U.S. Bank Global Treasury Management

Today's presenters

Robert Laughlin



Senior Product Manager
AP Automation Services
U.S. Bank

Bryan Schneider



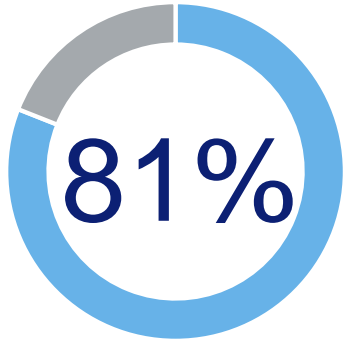
Working Capital
Consultant
U.S. Bank

Dan Rosenfeld

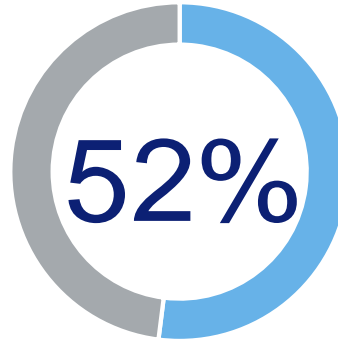


Senior Product Manager
Emerging Markets and
Strategy
U.S. Bank

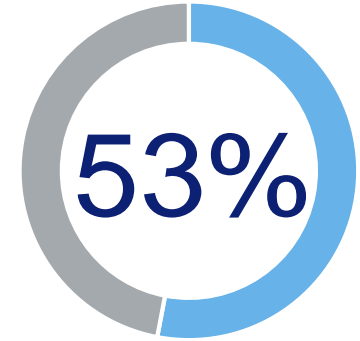
What are current challenges businesses face?



report being targets of a payments fraud attack

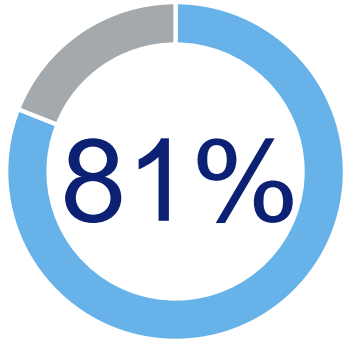


of fraud is committed by internal actors

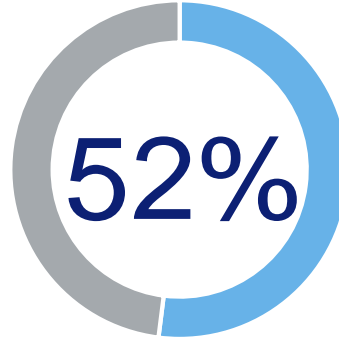


of victims recover nothing and 32% recover partial

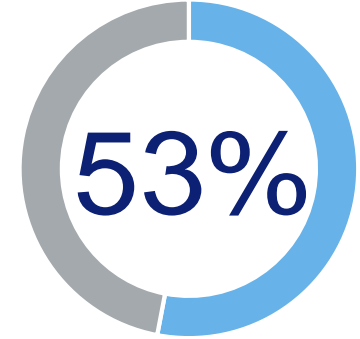
What are current challenges businesses face?



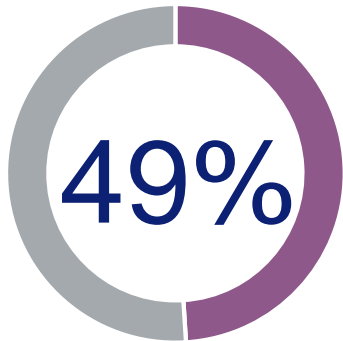
report being targets of a payments fraud attack



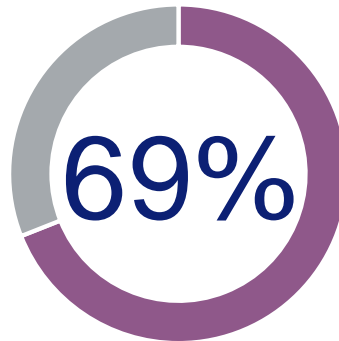
of fraud is committed by internal actors



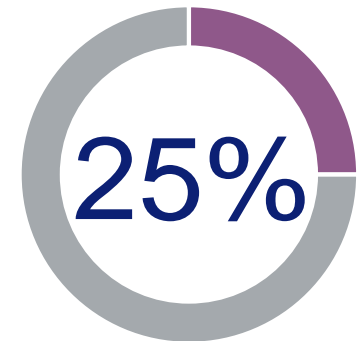
of victims recover nothing and 32% recover partial



say payments by paper check is still their most common method



of controllers cite improved financial visibility as their top A/P priority



of A/P departments describe their invoice processes as being highly automated

Additional challenges impacting AP processes



ERP and accounting system integration

Remote and reduced workforce

Supplier payment and onboarding

Defining AP automation



Automation best practices and benefits



Eliminate

paper invoices and manual processes



Automation best practices and benefits



Eliminate

paper invoices and manual processes

Accelerate

and simplify approval workflows

Automation best practices and benefits



Eliminate

paper invoices and manual processes

Accelerate

and simplify approval workflows

Automate

matching, coding and exceptions

Automation best practices and benefits



Eliminate

paper invoices and manual processes

Accelerate

and simplify approval workflows

Automate

matching, coding and exceptions

Reduce

costs, errors and risk

Automation best practices and benefits



Eliminate

paper invoices and manual processes

Accelerate

and simplify approval workflows

Automate

matching, coding and exceptions

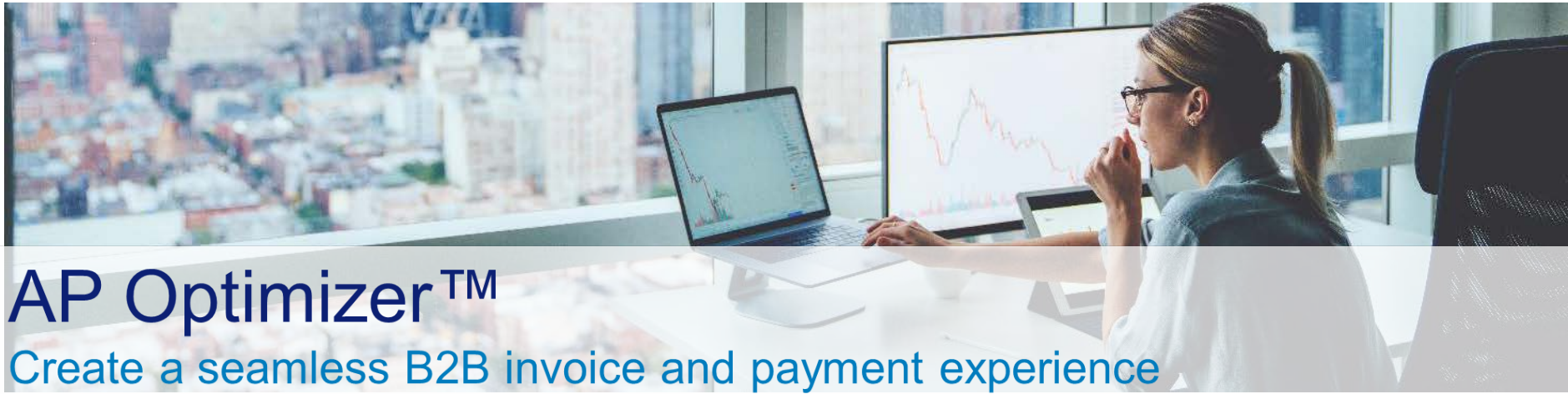
Reduce

costs, errors and risk

Improve

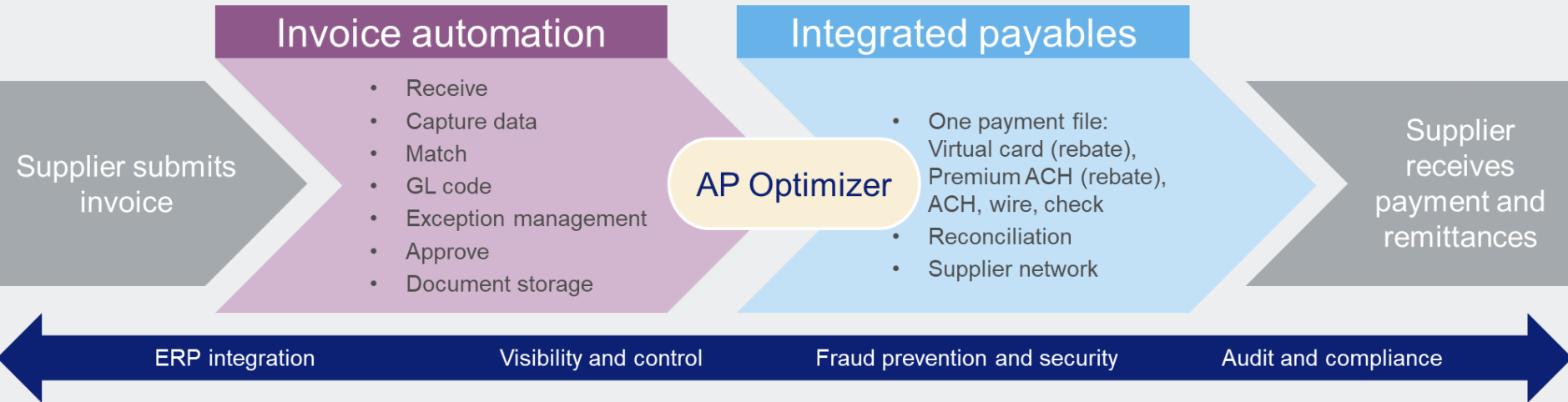
visibility and control

Positioned for your business success



AP Optimizer™

Create a seamless B2B invoice and payment experience



Paper invoicing costs: by the numbers

12B-14B

number of U.S. business invoices issued annually

\$4-\$8

estimated savings per invoice with electronic invoicing

75%

share of all U.S. invoices that are paper-based

\$45B-\$150B

total estimated cost savings per year with eInvoicing

200 tons

amount of paper that eInvoicing could save annually

360 tons

Estimated annual reduction in greenhouse gas emissions with eInvoicing

AP Optimizer benefit analysis

Payment automation conversion

	Vendors	Transactions	Spend
Spend File Totals	1291	11,715	\$125MM
Vendor Campaign Targets	842	9,457	\$94MM
Projected Conversion	581	6,620	\$63MM
Converted Campaign Targets	69%	70%	67%

Virtual Card Conversion	Converted Spend	\$7MM
	Converted Transactions	1388
	Converted Vendors	82

Premium ACH Conversion	Converted Spend	\$5MM
	Converted Transactions	1519
	Converted Vendors	59

Basic ACH Conversion	Converted Spend	\$51MM
	Converted Transactions	3713
	Converted Vendors	440

Spend and ROI analysis example



Payment Type	Rebate*	+	Cost Savings**	+	Working Capital Benefit	-	Recurring Fees	=	Annual Net Benefit	One-Time Costs***
Virtual Card	\$107K	+	\$4K	+	\$1K	-	\$14K	=	\$98K	\$0K
Premium ACH	\$25K	+	\$5K	+	\$0K	-	\$0K	=	\$30K	\$0K
Basic ACH	\$0K	+	\$17K	+	\$0K	-	\$2K	=	\$15K	\$6K
Outsourced Checks	\$0K	+	\$14K	+	\$0K	-	\$3K	=	\$10K	\$0K
Invoice Automation	\$0K	+	\$180K	+	\$0K	-	\$23K	=	\$158K	\$0K
General										\$5K
Totals	\$132K	+	\$220K	+	\$1K	-	\$42K	=	\$311K	\$11K

*Virtual card rebate based on industry standard rebate percentage

**Based on general current check costs and future transaction cost assumptions

***Basic ACH one-time costs to be realized over time and at client discretion, as Basic ACH vendors are added to the network. See end disclosures.

Spend and ROI analysis example

Payment Type	Rebate*	+	Cost Savings**	+	Working Capital Benefit	-	Recurring Fees	=	Annual Net Benefit	One-Time Costs***
Virtual Card	\$107K	+	\$4K	+	\$1K	-	\$14K	=	\$98K	\$0K
Premium ACH	\$25K	+	\$5K	+	\$0K	-	\$0K	=	\$30K	\$0K
Basic ACH	\$0K	+	\$17K	+	\$0K	-	\$2K	=	\$15K	\$6K
Outsourced Checks	\$0K	+	\$14K	+	\$0K	-	\$3K	=	\$10K	\$0K
Invoice Automation	\$0K	+	\$180K	+	\$0K	-	\$23K	=	\$158K	\$0K
General										\$5K
Totals	\$132K	+	\$220K	+	\$1K	-	\$42K	=	\$311K	\$11K

*Virtual card rebate based on industry standard rebate percentage

**Based on general current check costs and future transaction cost assumptions

***Basic ACH one-time costs to be realized over time and at client discretion, as Basic ACH vendors are added to the network. See end disclosures.

What can you do next?

Contact your U.S. Bank partner

Review your business AP
processes

Explore and prioritize
opportunities



Join us for next month's webinar




Online security for better business banking

October 29, 2020

11 a.m. PT, noon MT
1 p.m. CT, 2 p.m. ET

 Learn more at Financial IQ:
<https://financialiq.usbank.com/index.html>

 Follow us on LinkedIn:
<https://www.linkedin.com/showcase/corporate-and-commercial-banking/about/>

Disclosures

U.S. Bank AP Optimizer is powered by Paymode-X. Bottomline Technologies and Paymode-X are trademarks of Bottomline Technologies, Inc and may be registered in certain jurisdictions.

Eligibility requirements, other conditions and fees may apply. Services mentioned may be subject to credit approval. Member FDIC. ©2020 U.S. Bank.