



How Dealer Tire gave it's outdated paper expense reporting process the boot.

Dealer Tire, a leading global tire distributor in the auto industry, cut both time and effort in half by fully integrating their U.S. Bank One Card with Emburse Chrome River EXPENSE. The integration, combined with several best practices, means Dealer Tire associates have more time to focus on value-add activities instead of endless paperwork.



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Background

Family owned since 1918, Cleveland, Ohio-based Dealer Tire manages replacement tire and parts programs for more than 20 automotive OEMs (original equipment manufacturers) in the U.S. and China. It serves more than 10,000 automotive dealerships from nearly 40 distribution centers across the U.S.

Dealer Tire has been a U.S. Bank customer since 2012. In 2015, Mary Hayat, Dealer Tire's director of accounting operations, began to look for ways to shift from a burdensome paper process for T&E expenses to an automated version that would better align with the rest of the Dealer Tire business systems. The solution needed to support expense reporting and reconciliation, providing end-users with a simple and efficient process while supporting management's need to expand into global markets with enhanced visibility and control. Moreover, Dealer Tire needed the reassurance that the card program would support domestic and international travel needs as well as B2B repair and maintenance expenses incurred in the field and at distribution centers.





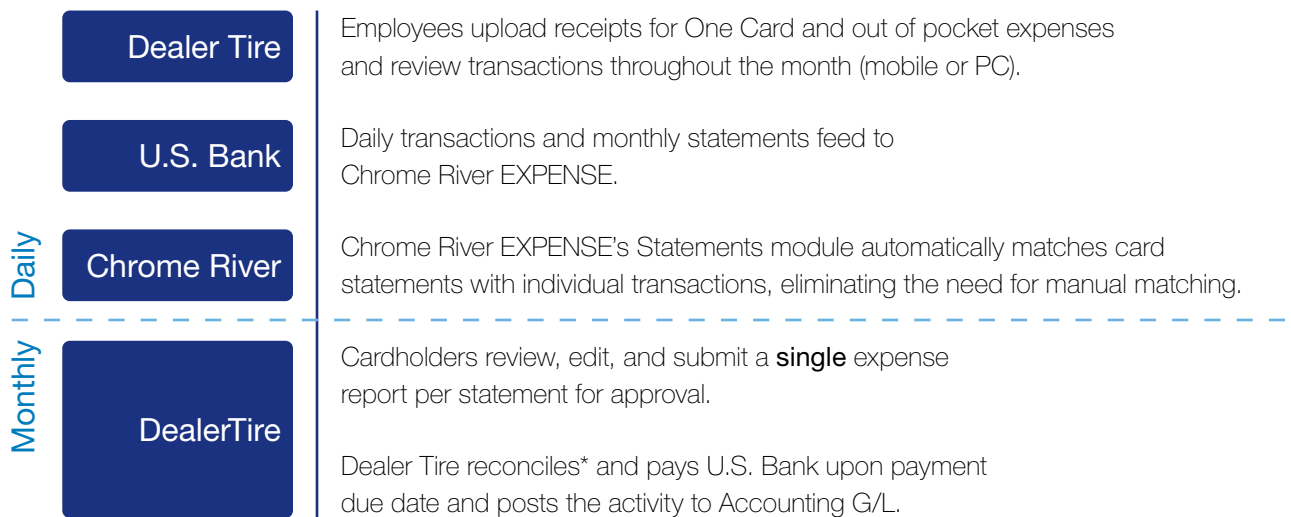
The solution: an unexpected and rewarding partnership

Dealer Tire's search initially focused on expense reporting capabilities. The Chrome River team was particularly knowledgeable and responsive in discussing Dealer Tire's pain points then successfully providing a solution that addressed card payment needs and interfaced with travel booking and travel management systems. Dealer Tire was in the process of an RFP for its card program when it learned about the partnership between U.S. Bank and Chrome River. This sealed the deal, as the partnership provided a competitive advantage over other potential partners. The two key deciding factors that clinched the U.S. Bank nod were:

1. Capabilities – Extensive card features and services geared toward executive and global travelers plus the ability to support departmental and distribution center B2B spend on a single card; comprehensive functionality and data insights with Access® Online, supporting current needs and allowing for virtual payments in the future; full transaction data integration with Chrome River EXPENSE, packing a powerful combo of management reporting, data analytics, AND fully automated expense reporting.

2. Textbook partnership – Dealer Tire's standing bank relationship, now bolstered with a sound U.S. Bank-Chrome River partnership and tight integration supports the organization's automation goals.

How the integrated solutions works:



* Dealer Tire leverages an ad hoc report from Chrome River EXPENSE to reconcile then pays U.S. Bank upon payment due date and posts the activity to Accounting G/L.

The three-party arrangement provides automation and mobility along the entire expense report process, including a U.S. Bank exclusive “STATEMENTS match” feature that groups transactions based on the cycle date, eliminating cardholder guess work. This major upgrade significantly reduces the time Dealer Tire spends on the expense process every month and shifts work to end users without burdening them, freeing up management to focus on spend analytics to grow the business. Mary Hayat points out, **“At last we have a streamlined process that works for all of us, from end-users to approvers to the CFO; the process is easy and delivers so much more control and visibility. This, coupled with a card program that can span across all our purchasing needs, gives us the insights and confidence we require to expand the program with our business.”**



“I have focused on payables for many years and it comes down to automation — adding efficiency to the process so our staff is elevated to more strategic roles. If you can spend less time with increased volume and convert valuable analytics into business decisions and action, that to me is success.”

— Mary Hayat,
Dealer Tire



Implementing the program

Dealer Tire made some very forward-thinking decisions as it implemented the program.

- Given the magnitude of the changes, Dealer Tire first migrated to the U.S. Bank card program, then introduced Chrome River online expense reporting. According to Mary Hayat, **“We needed to take baby steps with the existing manual process and both partners accommodated us.”**
- Dealer Tire launched a pilot on Chrome River EXPENSE several months before launch. A true cross-section of cardholders was identified — both early adopters and those who would struggle with the change — in order to detect and resolve issues before the full launch.
- Dealer Tire spent time with Chrome River to set up all required expense types including an alternate allocation scheme. The pilot group discovered a need to properly identify larger promotional purchases and break them out across several OEMs. Natalie Barkacs, implementation project manager at Chrome River noted, **“The process followed by Dealer Tire is best in class when it comes to being engaged and thinking broadly to cover all expense types. This made it easy to design the allocation to meet all their requirements for both card and out-of-pocket expenses and then provide the automated feed directly into Dealer Tire’s financial system.”** Mary Hayat at Dealer Tire adds, **“Chrome River takes all of your allocation inputs and does the heavy lifting to automate the process.”**
- As part of the initial setup, default expense categories were automatically assigned to transactions based on the MCC (Merchant Category Code) allowing users to edit and augment prior to submission. This made it easy and fast for users to review transactions, updating only those requiring a modification. Further, management can now more accurately predict G/L expense totals based on the pre-assignments.
- An ad hoc reconciliation report was defined out of Chrome River EXPENSE to provide Dealer Tire a way to balance every month and recognize any transactions not yet submitted for approval, freeing up accounting staff time for value-add work.

A look at “then and now” reveals dramatic results and best practices

Comparing then and now, the cumbersome process is replaced with a streamlined flow. Says Mary Hayat of Dealer Tire; “**We are saving lots of time, paper, and tape by ditching the old “Arts & Crafts”** process of submitting taped receipts in exchange for automation, insights, control, and happy associates.” End users can complete their work on the go with greater accuracy while management and administration can make more informed decisions.



Then: manual paper

Cardholders

- Paper receipts – attach to a single sheet of paper-time*paper*tape
- Separate monthly expense reports for card and cash
 - Cash **keyed manually** to a spreadsheet. Print and attach receipts
 - Card activity accessed online with key-in expense entry. Then print report and attach receipts
- Send expense reports **via Fed Ex** first to one or more office locations for approval then to the corporate office for final approval and filing

Administration

- Staff **manually tracks** expense report compliance, reconcile card statements, chase users for details (is this an “R” or a “P”?)



Now: U.S. Bank and Chrome River

Cardholders

- Receipt capture and upload via mobile/electronic. **Automatic transaction matching** using optical character recognition (OCR) based on 5 different fields
- Single online expense report
 - Chrome River **STATEMENTS match-up feature*** eliminates the need to add transactions manually
 - Pre-assigned allocation (editable)
 - Easy **online template** for cash transactions
- Fully automated electronic workflow with alerts

Administration

- Reconciliation report provides spend and compliance visibility
 - IDs **un-submitted** expenses with twice weekly alerts
 - **Audit** approval process
 - Early **fraud detection** (non-business expenses)
- Automated final review and G/L feed
- Leverage data analytics and insights across the business

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The migration to a frictionless process has provided Dealer Tire several positive results and surfaced some very notable best practices.

Results & benefits

- Freed up 50% time spent per month on expense reports for value add activities; less keying – more data insights
- Eliminated costly Fed-Ex expenses to route paper expense reports for approval (plus time, paper and tape!)
- Data integration and automation led to increased control and compliance for management; accuracy, efficiency and mobility for users
- Offers holistic view to better understand all spend activity; data analytics for strategic planning and decisions
- Significantly improved cardholder experience
- Achieved a best in class employee to card ratio (>90%) with almost 70% usage rate

Best practices

- Phase the implementation and include a pilot to ensure the program meets end-user needs
- Employ alerts and management “audit” report to identify outstanding expenses, approvals and even fraudulent activity
- Limit expense requirements to a single report per statement cycle for card and cash spanning across trips
- Provide detailed and frequent training and communications during the launch and with ongoing updates
- Incorporate a strategy to maximize spend on cards across travel and indirect B2B spend
- Leverage experienced supplier negotiating skills now and in the future as more AP spend is considered

Looking ahead

The immediate next steps are to continue to expand the current card program with a focus on travel and distribution centers, however, Dealer Tire is not losing sight of the potential to reduce checks and increase automation across Accounts Payable, creating a streamlined end-to-end process. **“We will be addressing this next challenge in the same thorough way we have with our travel expenses,” says Mary Hayat, “making sure we consider all stakeholders in the process and leveraging automation tools provided by our innovative partners.”**

