

## Freight Payables: Epay Manager vs. Outsourcing

When you consider ways to improve your accounts payable department, your company has several options. One of the most common solutions is to outsource the entire responsibility to a third party specialist.

Before deciding to use a third party, please consider the following points:

1. Outsourcing companies promote savings in three areas: The reduction in A/P staff, the cost of processing and a reduction in the number of billing errors.

**Epay Manager** offers these and additional savings that result from the elimination of paper work and the efficiency of processing and paying transactions electronically. Epay also creates savings from discounts offered by carriers in exchange for faster payment.

2. In most outsourcing relationships, shippers pre-fund disbursement accounts for a third party to draw against. The third party benefits by investing these funds before they are paid to the carrier.

**Epay Manager** allows a shipper to pay freight pay bills automatically, at a discount and when they are due, using our unique scheduling and payment system.

3. Outsourcing does not speed payment to the carrier. In many instances, payment is slowed due to an increase in auditing rules. These rules allow a third party to hold a carrier's money for the purpose of earning an investment or interest rate return. This delay or "float period" can lead to poor carrier relationships.

**Epay Manager** does not require a shipper to pre-fund a disbursement account. All disbursements are made directly from the shipper's bank account, when they are due and with discounting options that allow a shipper to more profitably allocate idle funds.

4. Third party payment agencies change the relationship between the shipper and the carrier. When payments are outsourced, the shipper's A/P department is no longer involved.

**Epay Manager** allows shippers to maintain control over this most important function and does not change the way they do business.

5. Outsourcing does not eliminate paperwork, it simply transfers the responsibility to receive, verify and store paperwork from the shipper's office to the third party's office.

**Epay Manager** replaces paper documents with electronic invoices, rate agreements and proof of deliveries. As a result, Epay eliminates the mail time associated with sending these documents through the US mail.

6. Third party reports to shippers are historical and routinely provided. As a result they are not useful as cash management or forecasting tools.

**Epay Manager** provides real time cash management and forecasting reports, when they are needed.

7. Third parties do not provide carriers cash management reporting.

**Epay Manager** provides carriers with access to their private lists of receivables. These lists provide a variety of payment information, including when a transaction has been approved, scheduled for payment and paid.

8. One of the primary functions of a third party payment agency is to audit freight bills.

Because **Epay Manager** is web based, we can integrate with the software of our members and import transactional data directly to our system. Once this data is received it cannot be changed by the carrier. As a result, Epay eliminates many auditing requirements.