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BUSINESS INTELLIGENCE SUITE

PSGI Manages Deductions with Centreviews Receivables Solution

AT A GLANCE

Profit Solutions Group, Inc. (PSGI), needed a solution to help their clients better organize and retrieve their key documents to help them find the information they need to fight chargebacks.

Using Centreviews Receivables Solution, PSGI was able to provide an automated solution that efficiently captures and links the sales orders with all the related documentation created in the process from order to receipt of payment.

BACKGROUND

Profit Solutions Group, Inc., a provider of receivables chargeback recovery solutions to consumer product companies that sell to retailers, needed a technology platform that would help its clients better manage their documentation workflow. When a chargeback is filed against a supplier, its accounts receivable staff must provide extensive documentation to refute invalid claims. Failure to produce the documentation to refute the chargebacks typically results in the retailer keeping the money. PSGI recommended the Centreviews Receivables Solution for one of its clients, United Legwear Company. ULC needed a system that would make it easier to access documents when a chargeback was filed against them.

COMPANY OVERVIEW

Profit Solutions Group, Inc. (PSGI), located in New York City, is a company that specializes in the recovery of chargebacks and deductions. PSGI assists many vendors in various consumer product sectors and are uniquely positioned to help those companies cope with the sheer magnitude of the various types and classifications of chargebacks. PSGI has been instrumental in decreasing the dilution rate of their clients, and thus increasing their clients' ability to grow their business through additional credit lines and working capital. In addition to the recovery solutions, Profit Solutions Group, Inc. provides a consulting service to help companies restructure their back office and help implement best practices.

PRODUCTS USED



Payables Solution



Receivables Solution



Document Management Solution

▲ CHALLENGE

PSGI is frequently called in to help businesses deal with a large number of receivable chargebacks that have been mounting over a significant period of time. Clients utilize PSGI to help reduce their dilution rate, which is the amount of money a company loses each year due to chargebacks, deductions, and other issues. If a company that generates sales revenue of \$100 million per year has a dilution rate of ten percent, that's \$10 million in losses each year that disappear from the bottom line. In helping those businesses dispute the claims, PSGI often found it difficult to access and find the documents it needed to help prove that the chargebacks were filed in error or without authorization. In some cases, the documents couldn't be located at all and even when it could, a large number of man-hours were often wasted searching for it.

With Centreviews' Receivables Solution system, PSGI is able to set up an environment where all supporting documents are captured from the systems where they are created or scanned into the system and indexed. Because every pertinent document is linked for each transaction, clients no longer have to scramble to find the documentation they need to fight chargeback claims. They are able to search on any document type by its identifier, i.e. invoice number, BOL number, etc. and get instant access to all the associated documents.

▲ SOLUTION

Once an order is received in the clients ERP system, the order is electronically sent to the Centreviews Receivable Solution. The remainder of the documentations associated with that order can be either captured electronically or scanned if it is paper based.

The Centreviews solution receives files from disparate systems, such as warehouse management systems, transportation providers systems, bank lockbox, customer portals, etc., thus ensuring all documentation is captured and linked in one place. Centreviews has the ability to store this information for many years, which means that if a customer like Kmart or Kohl's comes back years later saying there was a mistake and issues a post-audit deduction, the PSGI client now has the ability to pull the documentation necessary to negate many of the post-audit chargebacks.

Another feature in the Centreviews solution is that PSGI's clients can train their employees to send an email confirming details in writing using a Bcc email address that is tied to the Centreviews solution so that the emails are automatically linked to the associated transaction. This key provision removes the "he said, she said" possibility that a retailer customer can take advantage of. Without a copy of the email, a retailer customer can dispute a prior conversation regarding such issues as change of shipping dates, waiving of late fees, or any other problematic situations that may require approval from the retailer in writing. The retailer customer is asked to acknowledge the agreed-upon change of terms in writing and communicate it back in an email.

▲ RESULTS

Thanks to Centreviews, PSGI can now assist clients set up a receivables solution that not only helps them dispute chargebacks, but also puts protections in place to prevent future penalties and reduce dilution. This system helps PSGI's clients save significant money, thus making the firm a preferred solutions provider for the many consumer product industry companies interested in reducing the amount of money they are penalized each year for chargebacks and deductions.