

# Navigate Billbacks with Auto Pay

Minimize manual effort and cut down on costly errors using your TPM's auto pay functionality.

## WHAT IS AUTO PAY?

Auto pay refers to automatic creation of billbacks, which represent the dollars earned by the distributor for the specified programs within the trade promotion application.

If you're in search of outstanding payments, anything with the words "auto pay" in it seems like a great idea. In the foodservice world, auto pay is directly connected to billbacks, the dollars earned by the distributor for particular programs within the trade promotion application. Auto pay functionality, a standard capability of best-in-class TPM (trade promotion

management) applications, allows trade spend professionals to easily find pay data based on specified metrics, or to quickly research and track pay data without manual effort.

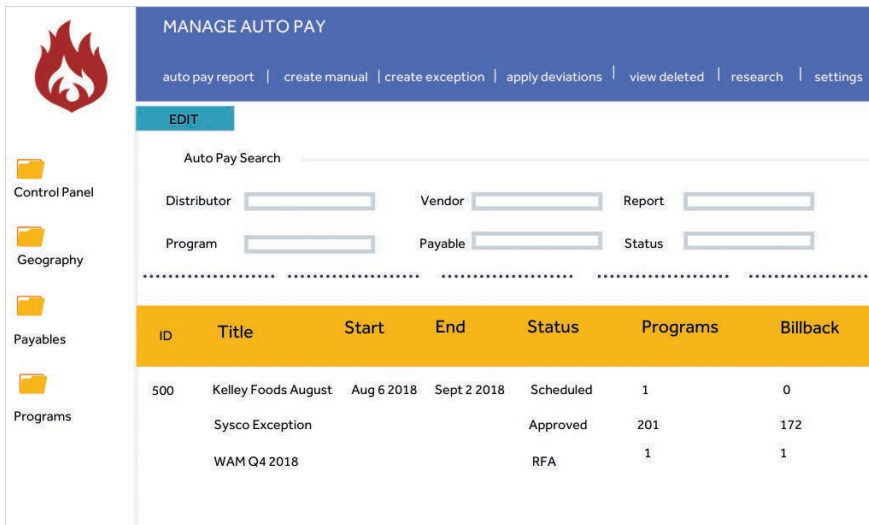
Aleksandra Babinska, Blacksmith Applications Project Manager, says, "The auto pay process is often used by our foodservice customers to support processing of monthly, quarterly and annual reimbursement of Corporate Shelter, Buying Group Rebates and local distributor rate-based offers based on the program rates (or details of the offer) and sales velocity from invoice data."

In Blacksmith's TPM, "The specific set of tools creates a transaction record and secures users' approval for release of the payment. It also gives a range of options for communicating the specific backup details to the distributor," Aleksandra adds.

"We've talked to our customers about what's important when it comes to auto pay functionality, and we're proud to have capabilities available that support their creation of transactional records, monthly reimbursements, and ability to provide backup reports to individual recipients," says Aleksandra.

## SEARCH BY NECESSITY

One thing is certain, search functionality is a must for auto pay



**AUTOPAY MANAGEMENT** The auto pay tool lets users search using keywords or specific fields. The tool filters down the results based on what auto pay reports contain that keyword.

to be effective. Using Blacksmith’s TPM, you can search based on various fields; for example, to look up your auto pay data with a specific distributor, simply type their name in the text box and the results will populate. You can also search on program number, vendor name or ID, payable or billback number or title, status, date, or specific keywords contained in the auto pay title.

According to Aleksandra, “We’ve found that many customers give specific descriptions when creating reports, so now they can easily search for and review that auto pay report.” Each period, clients will execute hundreds of payment reports

using auto pay functionality. At this volume, having the ability to search quickly is crucial for managing credits and checks effectively. The search functionality allows users to do exactly that.

### TRACKING & RESEARCH

Blacksmith’s TPM includes three tracking and research document options to help users to know where their dollars are going and become more profitable. The tracking and research option has links that show the billbacks associated with the auto pay reports.

1 Program pacing allows users to search for a specific program, and

up to 12 months of auto pay dollars executed against it.

2 Monthly pacing allows users to compare monthly totals across auto pay reports by net amount, recapture (otherwise known as clawback), volume and the number of programs.

3 Open pay periods allows users to see a list of programs that have auto pay claim mechanic and have not been included in an auto pay report within specific periods.

### ESTABLISH ROI

When distributors deduct and manufacturers run auto pay jobs to verify whether or not those deductions were in line with the distributor’s contracts and discounts, a TPM application with auto pay is a lifesaver.

If the distributor deducted too much money, the customer can attempt to claim money back by providing proof of what was owed to the distributor under the terms of the contract with standardized PDF and Excel data serving as backup.

Since auto pay provides an automated process for calculating and processing payments to the distributors and brokers, the customer can now do away with the manual spreadsheets. This enables the customer to house both contracts and all the payments issued for those contracts in one system, leaving less room for error and helping ensure no payments are missed. 🔥



“THE AUTO PAY PROCESS IS OFTEN USED BY OUR FOODSERVICE CUSTOMERS TO GENERATE CHECK AND CREDIT PAYMENTS TO DISTRIBUTION CUSTOMERS SUCH AS BUYING GROUPS, CORPORATE CUSTOMERS AND LOCAL DISTRIBUTORS, BASED ON THE PROGRAM RATES (OR DETAILS OF THE OFFER) AND SALES VELOCITY FROM INVOICE DATA.”

—ALEKSANDRA BABINSKA, PROJECT MANAGER, BLACKSMITH APPLICATIONS