

AFP[®] Annual Conference



November 7-10, 2010 | San Antonio

ORIGINAL
ESSENTIAL
UNBIASED
INFORMATION



Accounts Receivable Process Management - What Can Be Done Differently?

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Sr. Director Financial Systems
US Foodservice

Michael Starble
Chief Operating Officer
Open Scan Technologies, Inc.

US Foodservice Profile

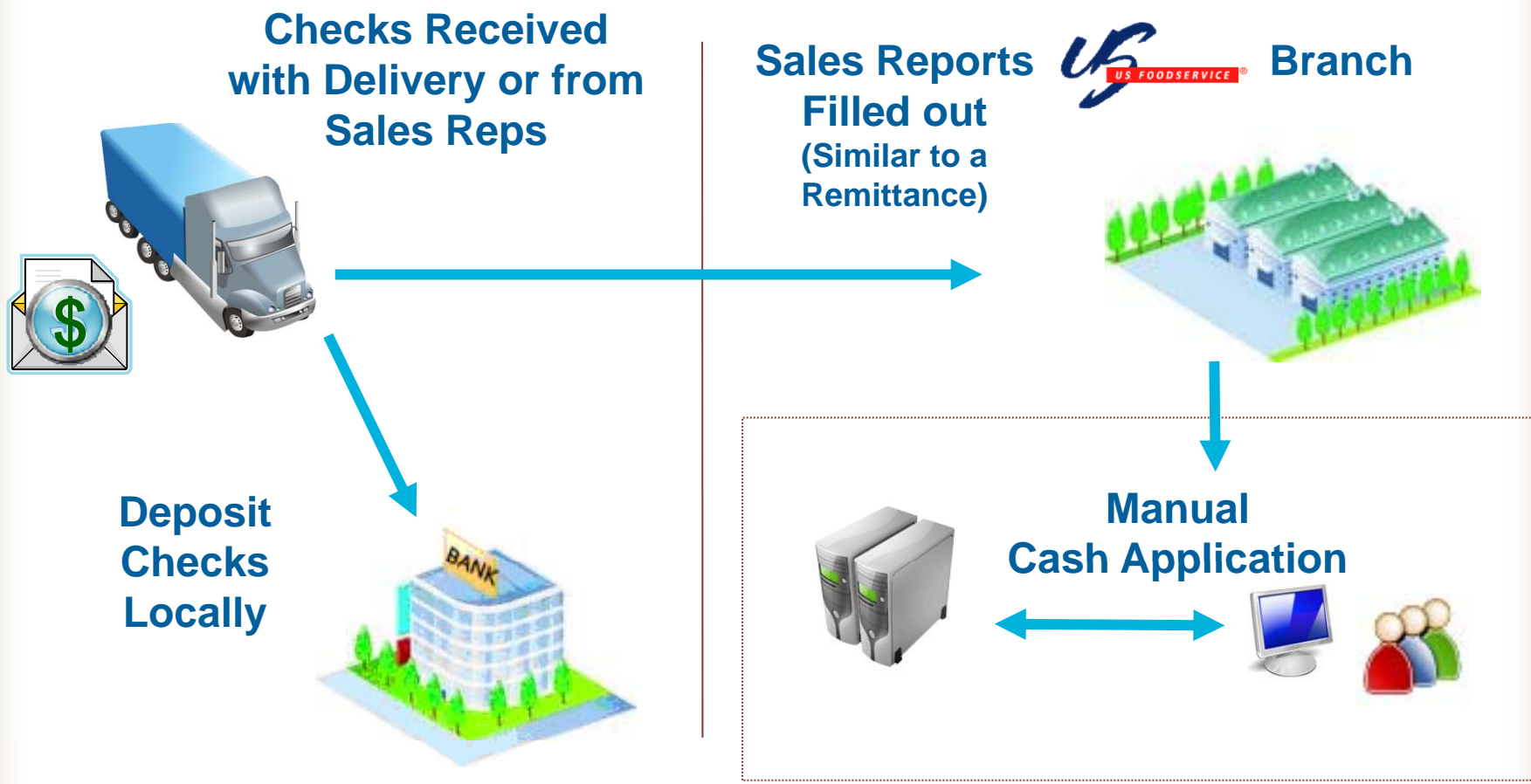


- One of America's **largest foodservice distributors**.
- Distributes food and related products to **more than 250,000 customers**, including restaurants, hospitals, hotels, schools, and governmental institutions.
- Employs **over 26,000 employees** in the best jobs in the food distribution industry.
- Operates over **60 distribution centers** strategically located across the country.
- Services customers with a **sales force of nearly 5,000 employees**.
- Offers more than **300,000 fresh, frozen, dry, and non-food products** from every national brand, plus a robust line of its own exclusive brands.
- Purchases products from **6,000 national brand and exclusive suppliers**.
- Operates and maintains **one of the largest private refrigerated transport fleets in the United States** with more than 6,000 tractor trailers.

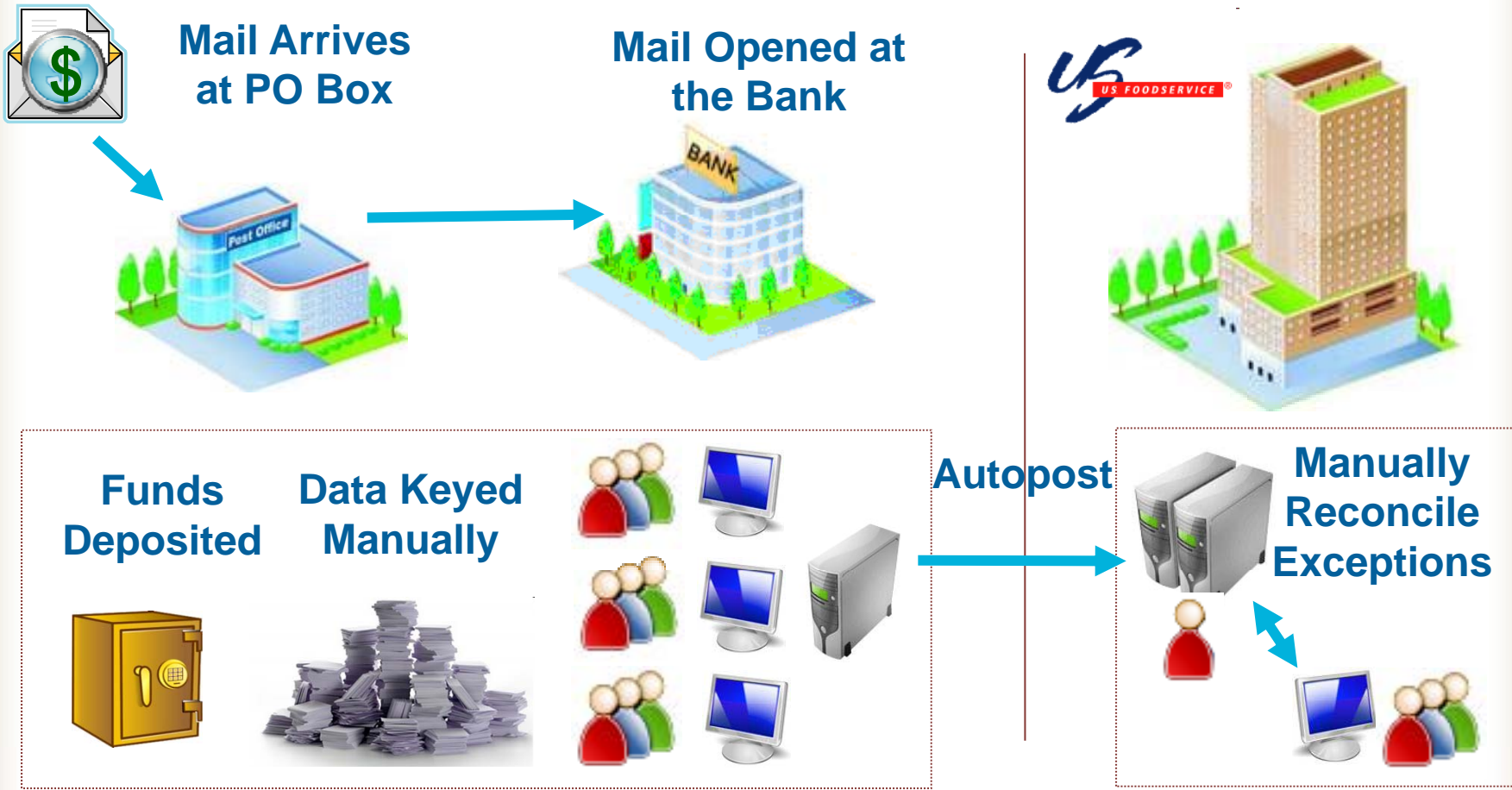
US Foodservice Before OPEN SCAN®



USF Sales Reports Before OPEN SCAN (Process for Each Branch)



US Foodservice Before OPEN SCAN (Lockbox Process)



US Foodservice Adopts OPEN SCAN

July 2008

US Foodservice With OPEN SCAN



Mail Arrives
at PO Box



Mail Opened at
the Bank



Funds
Deposited



All Documents
Scanned



Image
Transfer



Automated
Processing



USF Sales Reports With OPEN SCAN (Process for Each Branch)

Checks Received
with Delivery



Deposit
Checks
Locally at a
National
Bank



Sales Reports
Filled out Excel
Report



Branch



Sales Reports are
transmitted to the Shared
Service Center



US Foodservice Payment Model

From Compartmental



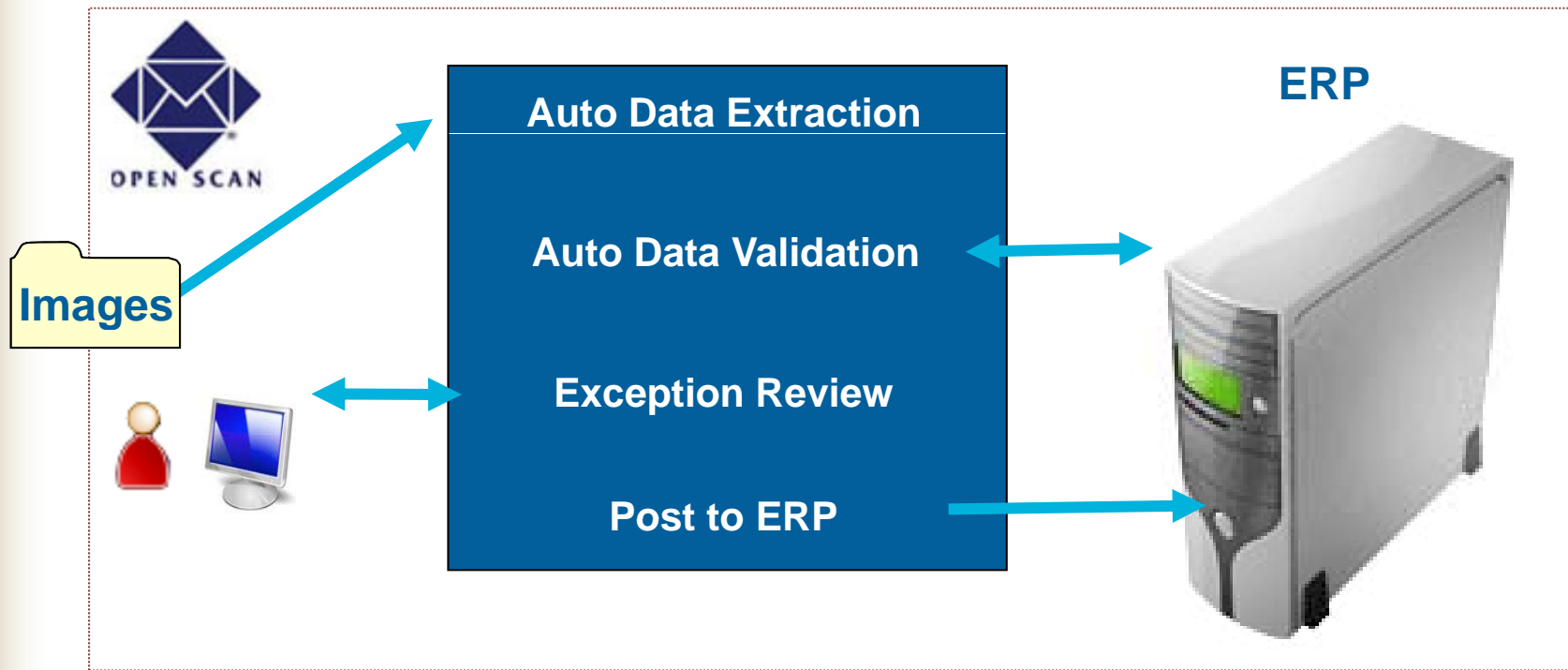
Shared Service Center



Branches

To Collaborative

OPEN SCAN System Detail



Project Implementation Schedule

- Coordinated the bank lockbox feeds.
- Created the Validation file feed to OS and setup a server environment.
- We linked in the existing batch posting on the mainframe (EDI 823).
- Our Shared Service Center business stakeholder provided overall coordination.

	Primary Responsibility		Standard Timeline											
	OPEN SICAN	Client	Month 1				Month 2				Month 3			
Signed Agreement & Initial Milestone Payment	✓	✓												
Generate Bank Files (index & images) and Open A/R Invoice File (mapping & sample)	✓	✓	4 wks											
Requirements Gathering and Create Specifications	✓	✓	4 wks											
Configure & Test Product Create System Documentation (User Guide, Training Materials)	✓						3 wks							
Inst all Product & Conduct Training	✓	✓									1 wk			
Perform UAT		✓										2 wks		
Production "Go Live"		✓												Go Live

Concerns / Goals by Role



For Treasurers

- Banking Relationship Concerns
- Save Bank Keystroke Fees
- Reducing Checks Arriving at Distribution Centers



For IT

- Ongoing Support
- Validation File Creation



For A/R and Credit & Collection

- Timely and Accurate Data
- Customer Service Issues
- Handling Cash on Account



For CFO

- Reduce cost per transaction
- Return on Investment