EO Products

Transforming Accounts Payable with Virtual Card Implementation

Company Background

Name: EO Products
Industry: Body Care Products
Accounting System: NetSuite

EO Products represents a rare phenomenon in today's globalized marketplace: an independently-owned natural body care company. What started out as a three-gallon stockpot experiment in a San Francisco garage has grown to a 45,000-square-foot facility that supplies the nation's leading distributors, such as Whole Foods Market.

While there was no roadmap in the beginning, the company has looked to its cornerstone beliefs of transparency, originality, poise, relatedness, imagination, and journey at every step. These values represent True North for EO Products, and are behind the day-to-day operations of all employees. One group of employees that have embodied these values especially well is the finance team, which has successfully transformed its accounts payable process with AP Automation.

The Challenge: Effectively Managing Working Capital

"We are focused on operating with accuracy and in an organized manner at all times," explained Senior Staff Accountant Jenny Rene. "Trying to manually manage tasks like getting invoices approved and tracking payment deadlines was making this exceptionally hard."

Previously, EO Products operated with an accounts payable process that included a lengthy series of manual tasks. Digital and print invoices would both be coded and imported into NetSuite, and then forwarded via email to the appropriate approver. This required a lot of effort to get all invoices coded accurately, as well as a tremendous level of diligence to track the approval status of every individual invoice and follow up with approvers when necessary.

The team recognized that as their company grew, their invoice volume would follow suit, making the accounts payable process even more complex. And a growing invoice volume can quickly push even the most dynamic AP team to capacity if they are working with manual processes.

"It takes money to make money, and our entire operating model as a manufacturing company relies on the accounts payable

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function to manage the company's cash flow effectively," said Controller Maria Rios. "It is our job to maintain the continuous flow of raw materials coming in from suppliers so the rest of our business can continue delivering finished goods to our distributors, and we needed to do so in a way that preserves a healthy level of working capital."

For this reason, it was essential to have flexibility built into the workflow of processing and paying invoices. However, as the invoice volume continued to grow, the freedom with which EO Products could strategically time the payment of invoices would only become more and more limited.

The Solution: MineralTree + Virtual Card

"We saw it as a win-win situation," explained Rios. "It was a direct avenue to discovering more vendors that accept a virtual card, and it was also a way to set up our accounts payable process in a way that could truly scale."

After a simple and straightforward implementation, a coordinated outreach to EO Products' vendors led to a comprehensive list of all card-accepting vendors.

"It's great to know that we were able to optimize our payments with a virtual card as much as possible, and we are now able to skip the hassle of calling each of our vendors before payment to confirm they can accept our card," said Rene. "We are also very happy with the streamlined workflows we've built through MineralTree's platform."

An accounts payable process that once required the tedious tasks of collecting invoices, uploading them into NetSuite, coding them, and matching them up with their corresponding purchase orders for side-by-side comparison now featured one centralized and streamlined workflow with minimum manual intervention required.

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- Maria Rios,
  Controller, EO Products

The Outcome: Time Savings and Optimized Working Capital

With MineralTree in place, EO Products has a simplified accounts payable process that is also built to scale alongside of its growing business.

"I'm spending 50% less time than I've previously spent getting invoices uploaded and coded into NetSuite," said Accounting Assistant Emmerson Tam. "This process used to consume eight hours of my week every week, and now it's down to four. The Automated Purchase Order Matching feature is especially helpful because it completely eliminates the need to compare invoices and POs side-by-side, and creates a lot of new efficiency."

When vendors reach out to check on the status of invoice payments, Rene and Tam now have a much simpler process in place to look up the status of the payment and provide a prompt response. "Our vendors appreciate the transparency that MineralTree creates, and we appreciate the simplified view that MineralTree provides, cutting through some of the extra information that we had to sift through in NetSuite," explained Rene.

Over the past year, EO Products has been able to put more than $1 million of their AP spend on a virtual card,

generating additional rebates that they were previously missing out on. "The added rebates are another source of support in our effort to optimize our working capital," explained Rios.

As the team at EO Products has worked with their Customer Success Manager at MineralTree, they have continued to gain new efficiency with the platform uncovering new ways to streamline everyday accounts payable. "We look forward to working with MineralTree in the future as we seek more and more ways to create even greater efficiency within our operations," said Rios.

In Summary (TLDR)

- **The EO Products team streamlined their accounts payable process and increased efficiency overall**

- **Team members spend approximately 50% less time on capturing & coding invoices**

- **EO Products expanded their virtual card use and earn maximum rebates**

- **Virtual card spend allows EO Products to optimize their working capital**

Take the Next Step

For more information about how MineralTree Invoice-to-Pay and MineralTree Virtual Cards can help your business streamline the payment process, call us today at (617) 299-3399 or email info@mineraltree.com

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