

House of Cheatham

Unlocks Efficiency, Visibility, and Control with MineralTree

Overview

Founded in 1924, House of Cheatham is one of the oldest continuing manufacturers of personal and beauty care products in America. From products sold in the early 1900s to popular 21st century brands, House of Cheatham products have become household names in the U.S. and abroad.

House of Cheatham's retail partners trust its ethics, dependability, and strength of its brands, while consumers rely on high quality products combining valuable benefits with affordable pricing.



The need for better financial controls

House of Cheatham has extremely high standards for its finance processes and accounting data. This commitment to excellence starts with the general ledger but continues to all subledgers and departments, including accounts receivable (AR) and accounts payable (AP).

Yet, as a company with just one AP staff member, House of Cheatham used to rely on a manual AP process that involved a high number of paper invoices and checks. While this approach served its purpose, it took too much time and effort. It also couldn't provide the real-time visibility and control the accounting team needed related to invoices, approvals, and payment status.

David Carter, House of Cheatham's staff accountant, joined the company recently and quickly became determined to find a better option. "I realized we needed an AP automation solution to keep up with our growing volume of invoices and payments," he recalled. "Our previous process was getting the job done, but I was concerned the high volume would become overwhelming and could lead to mistakes or even missed payments. As a manufacturer that relies on the raw materials our suppliers provide, we just couldn't risk any possible bumps in the road with those relationships."

Many options, but just one choice: MineralTree

Carter had experience with AP automation solutions in previous roles, so he approached House of Cheatham's controller to recommend that they start looking for one. Together, they evaluated a half dozen AP automation vendors. House of Cheatham is a medium-sized business, which meant it needed robust functionality and support, offerings vendors catering to small businesses couldn't provide.

Carter also required that the new AP automation solution integrate seamlessly with the company's Microsoft Great Plains ERP system to make accounting practices faster and easier, while keeping everything in sync.

"At the end of the search, it was clear that only one vendor could provide what we needed," said Carter. "And that was MineralTree."

Improving past AP processes

Carter was confident that MineralTree could overcome the company's past AP challenges, starting with less paper. In the past, House of Cheatham received invoices in a variety of ways, including by mail, by email, and by downloading them from suppliers' websites. The company didn't have a shared AP email inbox, which made things challenging if other team members needed information.

The company's accounting coding processes were difficult, too. The AP staff member had to rely on cheat sheets with various GL codes or even her own memory. When all else failed, she had to email various managers to ask for the right code for a particular invoice.

“

In total, MineralTree is saving us about 20 hours a week. We've been able to use this time to focus on making other processes better and more effective.

- **David Carter**
Staff Accountant

”

It turned out that House of Cheatham relied on email for another important step in the AP process: invoice approvals. "Our AP staff member emailed various department heads to get them to approve invoices," explained Carter. "But this didn't give us the full visibility the business needed. For example, other than asking to look through her sent folder, we didn't know where things stood or how to keep things moving in a timely manner."

This past process also led to a lot of paper. House of Cheatham processed payments once a week and made copies of everything, including invoices, remittance information, and ACH or wire statements. This mountain of paper had to be filed in onsite filing cabinets – a step that took even more precious time – and then, once a year, these files were moved to offsite storage.

"This part was tough," said Carter. "It wasn't just inefficient, but it also subjected us to extra business risk, especially in the case of audits. If a particular audit was looking for a specific invoice and we couldn't find it, it could lead to potential issues. This kind of thing just can't happen."

Finally, their old way of doing things didn't provide the visibility the finance team needed. With invoices in so many different forms, they didn't have an effective way of tracking them until they were in the system, which meant they had a hard time seeing the full AP balance at any given time. "We couldn't always see where there could be possible obstacles," Carter explained. "For example, why would some invoices take longer to get approved than others? Which invoices were at risk of not getting paid? We needed to be able to answer these questions and address any underlying issues they represented."

Fast time to value leads to significant business results

Once the decision was made, the implementation was fast, easy, and successful. According to Carter, the initial sync between MineralTree and Great Plains took "less than an hour," and didn't require IT support afterwards. Carter carefully tested and monitored MineralTree for a short evaluation period – an important step to gain confidence – before officially flipping the switch.

House of Cheatham created a dedicated AP email address so it could receive the bulk of invoices by email, and trigger MineralTree's automatic capture and coding process. MineralTree also helped the company create clearly defined approval workflows. "We can easily create a group of invoices and route them directly to the approver," said Carter. "Users can see the details they need and approve invoices, and our suppliers get paid in a timely manner." As an added benefit, once the invoiced is approved, the data automatically syncs to Great Plains.

All of this has improved vital AP processes, but Carter also credits MineralTree for helping the entire business in many ways. “MineralTree makes all invoice details very visible and saves a lot of time. Where our previous payment process took at least six hours a week, our payment runs in MineralTree now take all of five minutes.”

Carter estimates that the time savings have translated into larger productivity enhancements for the entire accounting department. “In total, MineralTree is saving us about 20 hours a week. We’ve been able to use this time to focus on making other processes better and more effective. We’ve also been able to give our AP manager new responsibilities, which helps our department even more while also increasing her morale.”

All of this has delivered an important edge when it comes to managing cash flow and taking advantage of early-pay discounts. The MineralTree solution gives the AP team full visibility into all the invoices House of Cheatham must pay, which in turn, gives it more control. For example, Carter’s team can choose to schedule invoices to be paid before a deadline or to capture discounts received for purchasing raw materials. “MineralTree gives us the insight and control we need to use AP to our maximum advantage,” said Carter.

SilverPay: a payment option that pays back

House of Cheatham also benefited from its use of SilverPay, MineralTree’s virtual card payment method that delivers significant rebates. “I love SilverPay,” said Carter. “Not only do virtual cards provide valuable functionality and security, but we’ve been able to collect significant rebates.”

House of Cheatham recently hit a milestone where virtual card rebates have fully funded the cost of the MineralTree solution. This advantage will only become more appealing as MineralTree continues to actively enroll new suppliers to increase the virtual card spend. “As this revenue stream increases, we plan on using it to offset ACH and check fees,” said Carter. “I’m confident SilverPay will help us reach a full break-even very soon, which is a real advantage.”

“ I love SilverPay. We recently hit a milestone where virtual card rebates have fully funded the cost of the MineralTree solution. ”

- **David Carter**
Staff Accountant

The right choice now and for the future

As Carter looks to the future, he sees a lot of potential, especially with a planned migration from Great Plains to Microsoft Dynamics 365 Business Central – a migration House of Cheatham is confident MineralTree can support. Carter also realizes his company has already achieved many valuable benefits. “It’s helped us save time, improve control, identify inefficiencies, and discover new ways to run our business. We owe all of this to MineralTree.”

Take the Next Step

See how MineralTree TotalAP & SilverPay can help your business streamline the payment process.

Contact us at (617) 299-3399
OR info@mineraltree.com



HOCSS - (041322)