

Industry: Canadian Wholesale Trade of Computer and Peripheral Equipment  
 Solution: RMS BPO Cash Application and Reconciliation Services  
 Results: Reduced Unapplied Cash/Credit Items by 97% in Just 9 Months

## Summary

RMS Canada was asked to assist this Fortune 500 company's Canadian business division in reconciling their growing backlog of unapplied payments and credit items totaling almost \$16 million. Due to their rapid expansion and growth, the company's own A/R processes had been unable to adapt and keep pace with their increasing volume of receivables. The growing backlog of unapplied payments and related items, most at least 180 days old, had created a significant, negative impact on their financial statements.

## Customer Profile



This global company, managing its Canadian business from Ontario, is among the largest retail and commercial wholesaler/retailer of computer equipment in Canada. With annual revenues for the division exceeding \$80 million, and their growth/expansion not showing signs of slowing down, they immediately recognized the need to seek out help while they revamped their own internal processes.

## RMS Solution

RMS analyzed the situation, designed a plan, received the customer's approval to proceed, and pulled together a top team of associates to get the cash application and reconciliation solutions started.

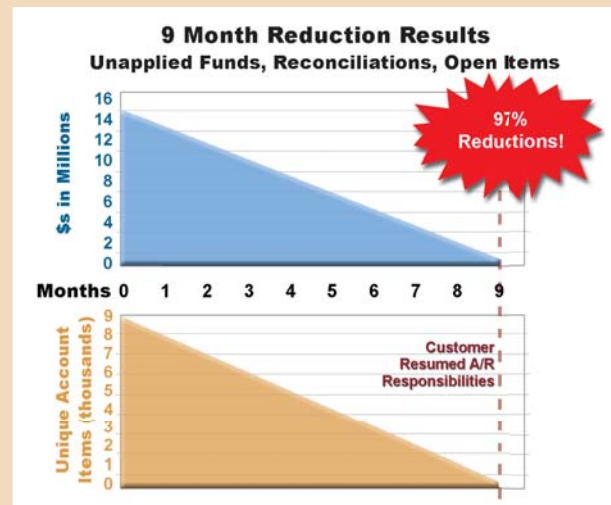
- Customer's system files were not accessible, so a process was established to exchange data files weekly so that the work could be done remotely
- Scripts were developed to standardize and guide the team in their telephone reconciliation efforts
- Reports were created to:
  - Consolidate and track the open inventory requiring reconciliation
  - Track the results of the team's efforts
  - Provide the customer's A/R team with exception data for their internal follow up

## Results

In just nine months, the RMS team exceeded the customer's expectations in terms of both accounts reconciled and dollars resolved.



- Reconciled or resolved over 8,500 unique account items
- Reduced the unapplied balance by over \$15.4 million



The customer used the time when RMS was managing the processes to rebuild their own procedures so they could resume all the activities after 9 months. Using the RMS processes as a model, they implemented the safeguards and controls necessary to ensure the backlog would not occur again.

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