

case study



CSI PAYSYSTEMS HELPS PALACE CASINO MOVE VENDORS AWAY FROM CHECKS AND ONTO MORE EFFICIENT ELECTRONIC PAYMENT PROGRAM

BACKGROUND

CSI Paysystems, CSI's proprietary payment network, provides customers with the ability to convert more of their paper-loving suppliers to electronic payment. For vendors that are unwilling to accept credit card payments, CSI's Private Network is a compelling, lower cost option with guaranteed funds that settle similar to ACH but with full accounting details behind every transaction.

For some customers, this means the ability to capture more electronic spend and grow their monthly rebate. For others like Palace Casino, the Network is another means to move the company closer to its goal of becoming paperless and converting 100% of their payables to electronic.

"For us, it's about cost savings and efficiencies," said George Conwill, CFO for Palace Casino. "We want to eliminate paper checks from our transactions. The whole flow of paper is inefficient and wrought with disaster including lost checks and manual errors. "Our goal is streamlining our accounts payable and that was the impetus that originally brought us to CSI."

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- George Conwill, CFO, Palace Casino

THE NETWORK: MAKING GOOD RESULTS EVEN BETTER

Conwill and his team have been extremely pleased with CSI Paysystems since joining in 2011. CSI's vendor enrollment team has converted 67% of the company's suppliers from paper checks to virtual credit card payments – far exceeding the industry average of only 10-15%. Yet the remaining

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33% of Palace Casino's vendors represented check spend that remained inefficient and costly to process, as well as missed rebate opportunity. For Conwill, this was no longer an option.

"The days of check payments are going to be over soon. We are taking the proactive stance that we need our suppliers to convert to electronic payment, or we will find another vendor. It's a business decision based on the efficiency of transactions."

"For our suppliers that have been resistant to card payments, they're more amenable to CSI's Private Network. It's a lower fee for them and settles much like wire transfer or ACH. Working in partnership with CSI's team, the company has begun presenting the Private Network option to the remaining 33% of vendors still receiving check payments, in an effort to convert more vendors to the electronic program. Just two months after introducing the Private Network option, Palace Casino's electronic spend has grown \$500,000 and is expected to continue growing.

"We do capture more rebate, but for us the most important thing is about getting rid of paper. We love the rebate – it's revenue that pays for the salaries of our payables department. But what I love even more is the efficiencies and ability to streamline our payments, turning our payables into a profit center."

As Conwill summarizes, "We are letting our vendors know that we're committed to this program and will move our business forward with or without you. It's a business decision. And when they look at the decision from their business perspective, it usually doesn't make sense to walk away from the revenue potential due to a minuscule fee."

CSI has converted 67% of the company's suppliers to virtual credit card payments

CSI's Private Network is a lower fee and settles like a wire transfer or ACH

Palace Casino's electronic spend has grown to \$500,000 and keeps growing