

Case Study

Maine Drilling & Blasting

A rapidly growing, employee-owned specialty contractor uplevels its credit card programs and takes advantage of rebates to support growth.





CASE STUDY



Client Profile

Maine Drilling & Blasting (MD&B) began as a family-owned business in 1966 and is now majority employee-owned through an ESOP (Employee Stock Ownership Plan). It has since grown to over twelve locations along the East Coast, and is poised for further growth as road, warehouse, and housing construction booms.

The company was already using Corpay Virtual Card to pay some of their vendors, earning roughly \$4,000 in monthly cash rebates. However, their general purpose credit card and fuel card programs from other vendors weren't supporting growth and profitability.

Challenges

MD&B's workforce is mostly mobile — they go where the work is. For convenience on the road, they had a credit card program to pay for hotels, meals, permits, fees, and materials. They had yet another card program for vehicle and equipment fuel. Neither program paid rebates, and the credit card program required manual data entry and re-entry.

With an accounts payable (AP) staff of two, it took such a disproportionate amount of resources to administer the card program on the back end that only director-level managers and above utilized general use credit cards. For supervisors and field workers, MD&B maintained direct bill accounts at hotels, charge accounts at general suppliers

Industry: Construction

Employees: 500+

Vertical: Drilling & Blasting

ERP: Sage

such as Home Depot and Lowes, and open accounts at specialty suppliers of things like hoses and drill bits.

- The general purpose credit card system required managers to manually key in GL codes for their expenditures on their laptops — a time-consuming, error-prone process.
- AP spent up to three days per month rekeying the data from all the managers into their Sage ERP system, and additional time reminding managers to do their data entry. That often meant overtime work.
- Employees often needed to “borrow” their managers' credit cards. This slowed projects down, complicated data entry, and introduced more control issues.
- Neither credit card program offered rebates.

Solution

Since MD&B was already paying some of their vendors with Corpay Virtual Card, consolidating their credit card and fuel card programs was a logical next step.

- Corpay's mobile app allows managers to take a picture of their credit card receipts and enter the GL codes in the field.
- Data drops directly into the Sage ERP where AP can review and approve it.
- Consolidated reporting now goes to all managers, letting them track spend. This tightens controls and reduces opportunities for fraud.

Results

- AP now has a scalable way to add additional cardholders as the company grows.
- Most managers and field supervisors now have credit cards, and there are plans to grow the program.
- Rebates have increased from \$4,000 per month to \$14,000–\$25,000 per month.
- Managers save up to eight hours of data entry time monthly.
- On-demand data tracking reduces risk and overspend.
- AP's data entry load has been decreased, saving two to three days per month.
- MD&B has reduced store charge accounts and open accounts, eliminating sources of fraud risk.
- Streamlined, digitized reporting has created cost visibility beyond the purchasing department.
- The cost savings is returned to employees through an increased value in the ESOP (Employee Stock Ownership Program), creating a point of pride and increase of ownership.

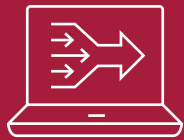
“We are 51% employee-owned. Part of our strategic plan is to invest money back in our employees’ pockets at the end of the year. If we can save money by working more efficiently, and get rebates on things we’re already buying, that’s a big win.”

Amy Rexroth

Administrative Services Manager

About Corpay

Corpay is a global leader in business payments, helping companies of all sizes better track, manage, and pay their expenses. Corpay provides customers with a comprehensive suite of online payment solutions including Bill Payment, AP Automation, Cross-Border Payments, Currency Risk Management, and Commercial Card Programs. As the #1 B2B commercial Mastercard® issuer in North America, Corpay handles over a billion transactions each year. Corpay is part of the FLEETCOR (NYSE: FLT) portfolio of brands. To learn more visit www.corpay.com.



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