

pencil.

Use Case

How P10 Foods set net terms with new & existing customers to lock in the commercial relationship

AT A GLANCE

Use Case:

- P10 Foods

Business Type:

- Food Distributor

Sells to:

- Supermarkets & convenience
- Hospitality & Venues

Tech Stack:

- Cin7 Core
- Quickbooks Online
- PencilPay

Challenges:

- Growing debtor days
- Slow Payment confirmation
- Tough to reconcile
- PCI Non-Compliance

Benefits:

- Decrease ave debtor days
- Netter commercial relationships
- Next day settlement

Customer URL:

- <https://www.p10foods.com/>



CHALLENGES

Food Distributors supply to retail & hospitality on pre-paid, or a 30-day EOM account.

14-days turns into 30-days and 30-days EOM can become 90-days. This creates cashflow constraints, however the most concerning effect is the strain it places on commercial relationships.

PREVIOUS PROCESS

P10 customers wouldn't complete a credit application prior to receiving their first order and rarely paid invoices on time.

This meant that many accounts required multiple follow ups by accounts staff to collect outstanding invoices. They would then have to manually reconcile their ACH payments.

THE SOLUTION

- P10 foods use Pencil to onboard and set payment terms for new and existing customers. This limits their biggest risk exposure and improves cashflow.
- New customers start on pre-paid terms for several weeks before moving to credit terms.
- Customers can be shifted from pre-paid to 14-days under the same agreement in minutes.