

EPAYMANAGER.COM

# THE EVOLUTION OF EPAY MANAGER

The first web-based  
application designed to  
modernize a Broker's  
Back-Office

**#1** Lowering a Broker's  
Hard Costs

**#2** Lowering a Broker's  
Processing Costs



**#3** Lowering a Broker's  
Direct Carrier Costs



Epay Manager

# HOW DO YOU MODERNIZE A BACK OFFICE?

## Ahead of the Curve

In 2004, Level One Technologies used an “outside of the box” strategy to develop Epay Manager, as the **transportation industry’s first, fully electronic, invoicing and payment system**. The system was designed to reduce the time and cost a broker spends, auditing and paying freight invoices. However, following Epay’s release **in 2009, early adopters expressed the need for more functionality**.

Level One responded to these requests, by adding two new modules.

- The **first was a fully integrated document imaging system**, that gave brokers the ability to classify and store individual pages of documents submitted by carriers. Following the module’s release, Level One **added OCR technology** to further assist brokers, by automatically identifying various document types.
- The **second module automated the creation and delivery of invoices to a broker’s customers**. This module included functionality that allowed brokers to adjust customer billing amounts, when unexpected charges occurred. After its introduction, Level One expanded the module’s functionality, by giving brokers the flexibility they needed to create and send customer invoices in multiple file formats, at any status of the carrier’s invoice, using a variety of delivery methods.

When these modules were complete, **Epay grew from a carrier payable system, into a complete back-office solution**, capable of changing a broker’s back-office from a cost center, into a profit center.

## Epay’s Flexible Design Makes Automation and Real Savings Possible

Level One **designed Epay to automate the audit, approval and payment activities of brokers**. The initial goal was to give brokers the tools they needed to pay their carriers more efficiently and in a timely manner. To meet these objectives, Epay’s development team decided to give brokers three databases, to store their business rules.

As it turned out, **smaller brokers limited their use of the databases, by adopting a “one size fits all policy”**. These brokers based their approval and payment decisions on their standard business rules, which they stored in their primary, or “Member” database. Alternatively, **larger brokers used all three databases to record their rules**. This included using the two secondary databases built into the system, to store the rules needed to manage transactions, that were subject to alternative rules, contained in special contractual agreements, between the broker and one or more of its customers and carriers.





Once the databases are populated, ***the system uses artificial intelligence to ensure that each applicable rule is followed***, and the workflow they create is automated to the greatest possible extent.

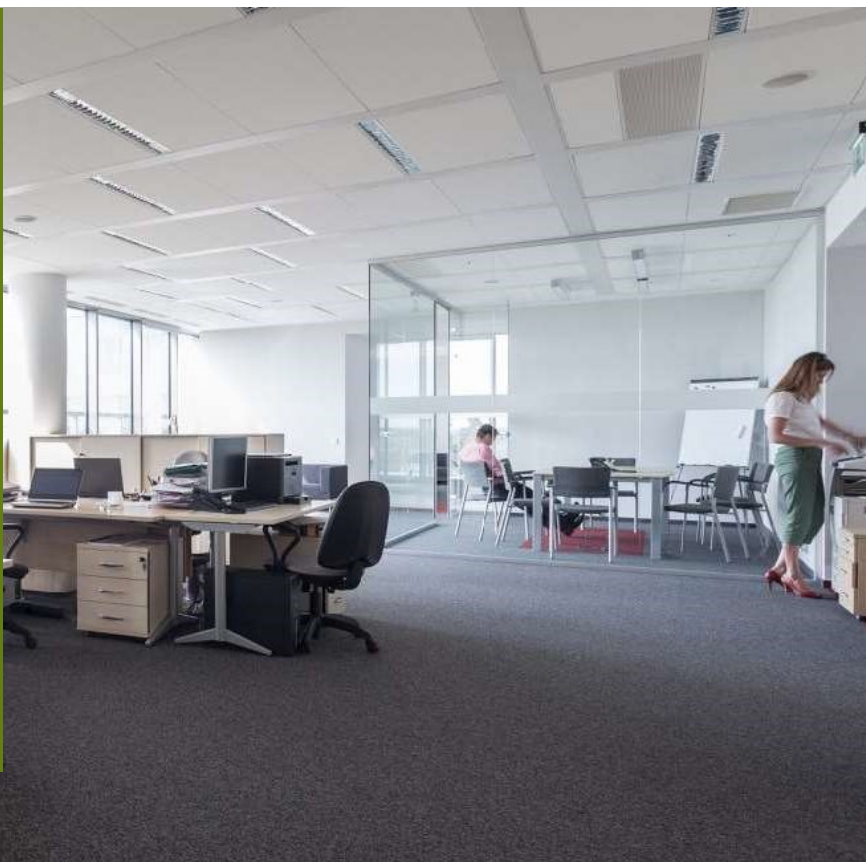
Over time, ***the automation achieved by these workflows, proved that Epay could save brokers both time and money***. However, in spite of these achievements, a new industry trend threatened to eliminate some of the efficiencies these workflows achieved. The trend took the form of a new demand placed on brokers, by some of their customers and carriers, to replace existing data transfer methods, favored by the broker, with new methods favored by the customers and carriers.

Level One responded to this change, ***by adding multiple new data transfer methods to Epay***, in the form of custom APIs, each of which was made available to existing Epay brokers who were faced with similar requests.

Today, ***each of these solutions is stored in Level One's library of custom code***, and is available free of charge, to all current Epay brokers, whenever similar requests are made of them.

## TURNING THE BACK-OFFICE INTO A PROFIT CENTER?

One of Level One's primary objectives in developing Epay, was to ***reduce the time and cost of exchanging invoices and payments with carriers, that were previously made through the U.S. mail***. To achieve the intended efficiencies and cost reductions, Epay was designed to replace all carrier billing and broker activities with their electronic equivalents.



# THE BACK-OFFICE PROFIT CENTER PLAYBOOK

**Level One was able to lower 3 categories of cost, that over time have proven their ability to increase a broker's bottom line.**



**LOWER  
HARD COSTS**

**1**

Hard costs savings are typically overlooked, because they're a collection of smaller costs that most brokers consider to be irrelevant. They include the cost of purchasing check stock, envelopes and stamps, to mail checks to carriers. They also include similar costs that brokers incur to create and send invoices to their customers.

But they also include another cost that most brokers fail to consider; and that's the cost of copying, scanning, transferring and storing invoices and delivery documents, within the broker's management system, to create a permanent record of the transaction.

For the average broker, **removing these costs will save \$2 to \$3 per transaction.** These are important savings, because they happen to be the **same cost most brokers pay to process transactions in Epay.**

Although these savings are substantially less than the process or direct cost savings we'll soon discuss, a comparison between the two should illustrate that, **brokers who use Epay, are able to retain all of the system's remaining benefits, without having to incur any new or additional cost.**



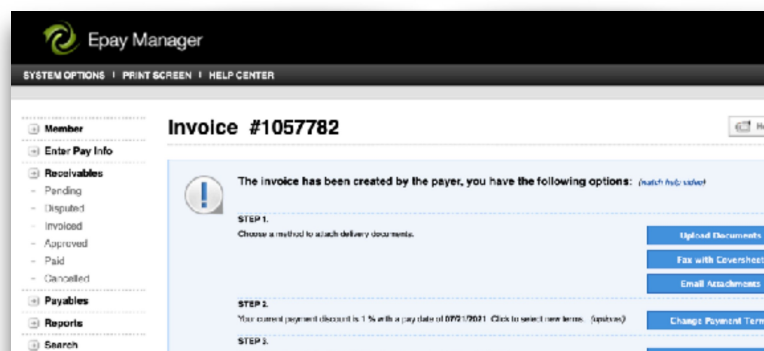
**LOWER  
PROCESSING COSTS**

**2**

Epay was designed to remove a high percentage of the audit and payment activity performed by the broker's staff. Level One's success in removing a large percentage of this activity, can be demonstrated by the fact that a typical **Epay user can process up to 5 times the number of transactions**, compared to their performance using traditional methods.

For most brokers, this means that **Epay will reduce or eliminate up to 75% of the time and cost they're currently spending**, to process and pay their carriers' invoices.

Even more impressive, is the fact that brokers who use Epay's Document Management and A/R modules, **can reduce, or eliminate up to 99% of the time and cost they're currently spending** creating and sending invoices to their customers.





## LOWER DIRECT CARRIER COSTS

# 3

Epay brokers are also able to reduce their direct carrier spend, by using Epay's unique early payment module to offer early payment options to their carriers.

In most cases, Epay brokers offer multiple early payment options to their carriers, in exchange for discounts that are modeled around the widely accepted discount standard of 2/10 Net 30. As part of Epay's "carrier friendly" design, carriers are allowed to select any one of these options, on an invoice-by-invoice basis.

Experience has shown that brokers who offer discounts to their entire carrier base, can **reduce their direct carrier spend, by up to 1%.**

## EPAY MANAGER GREW FROM A CARRIER PAYABLE SYSTEM, INTO A COMPLETE BACK-OFFICE SOLUTION

## Lower Costs Lead to Higher Profits and Greater Enterprise Values

When all the savings are combined, *brokers who process both carrier payments and customer bills in Epay, can expect to lower their average costs by \$10 to \$20, for every transaction* they process in the system.

To demonstrate the impact of saving \$20 per transaction, a broker who processes 300 transactions per week, will be able to **increase its annual bottom line by \$312,000**. At a typical sales multiple of six, these savings will **add \$1.87 Million to the company's value**.

## Epay's Carrier Friendly Design Leads to Greater Carrier Loyalty and Satisfaction

Although Epay's ability to reduce cost is an important reason to become an Epay broker, the system offers brokers other benefits, some of which can **lead to a more bonded relationship between a broker and its carriers**.

- One of these benefits is Epay's automated payment processes, that **gives carriers payment date certainty** on all invoices that are processed through the system.
- Another benefit is created by Epay's dual view interface, that **gives carriers complete access to information regarding their invoices, throughout the broker's audit and payment process**. This access eliminates the need for carriers to call brokers seeking information regarding the payment status of their invoices.

Experience has shown that these features contribute to the belief that Epay brokers are more "carrier friendly" than their counterparts. Because of this, Epay brokers find it easier to retain and attract carriers, especially during periods when an imbalance of carriers makes it difficult to cover loads.



# FOUR REASONS EPAY IS BETTER THAN ITS COMPETITION

**1**

## **Epay's Electronic Processes Eliminate the Expensive and Time-Consuming Practice of Exchanging Paper Invoices and Checks Through the U.S. Mail**

Epay is an electronic, self-invoicing application, that uses the web to "proactively" create and exchange highly accurate invoices, documents and payments between brokers and their carriers. To extend these efficiencies across the broker's entire back-office, functionality was later added so that the system could automatically create and send invoices to a broker's customers, with attached documentation.

**2**

## **Epay's Use of Self-Invoicing Principles Virtually Eliminates the Need for Brokers to Conduct Financial Analysis**

Compared to traditional systems, where brokers must audit 100% of their carriers' invoices, Epay brokers are only required to perform financial audits on disputed invoices, which in many cases is on 1% or less, of the invoices brokers process in the system.

**3**

## **Epay Imports Rate Agreement Data from the Broker's Management System to Create Highly Accurate Invoices that are Rarely Disputed**

Epay begins the invoicing process with an import of highly accurate transaction data from the broker's management system. Once received, the system repurposes this data, to "proactively" create and send carrier invoices, that because of their accuracy are rarely disputed and are virtually audit proof.

**4**

## **Epay Achieves Automation By Using Artificial Intelligence to Apply a Broker's Business Rules Stored in the System**

Epay's unique back-end design, permits brokers to store their business rules in up to three profiles. The system then uses built-in artificial intelligence to apply these rules, to automate all of the broker's back-office audit, payment and customer invoicing processes.



## LEVEL ONE PROTECTS EPAY BROKER'S CASH

To build on our reputation as a valued business partner, in 2020 **Level One introduced a new early funding program**, to give Epay brokers the liquidity they need to offer early payments to their carriers.

When a broker joins this program, all of its carriers become eligible to select second day payment, on any invoice that's processed and paid through the system.

## Join Epay and Build Your Reputation as a Trusted and Reliable Broker

Experience has shown that brokers who use Epay, are ***viewed by their carriers as being not only "carrier friendly", but they're also considered to be among the most Trusted and Reliable brokers in the industry.***

If your company wants to lower its costs, but at the same time enhance its reputation with carriers, we ask that you ***call and schedule a demonstration*** of the transportation industry's most comprehensive back-office solution.



# Epay Manager

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