

CASE STUDY



DONOHOE HOSPITALITY WINS TWICE WITH CSI PAYSYSTEMS: MORE SAVINGS AND NEW REBATE REVENUE

BACKGROUND

Donohoe Hospitality is a leading hotel management company with a portfolio of premium hotels operating under the Marriott, Hilton, and Intercontinental Hotels Group brands. In an industry that requires continued innovation to deliver an exemplary experience to guests, senior VP and CFO Jack Fritsche recognized the need to also modernize the company's financial systems, namely its payables.

"Prior to CSI Payscale systems we were processing payments through paper checks and ACH. The paper trail was costly in many ways, and I couldn't effectively track my vendor payments with ACH." In an effort to replace paper checks with a more efficient electronic payment system, Fritsche chose CSI Payscale systems.

THE SOLUTION

Donohoe Hospitality was using the M3 Accounting + Analytics platform, which integrated with CSI Payscale systems. After initial training by the CSI team, Fritsche says it was a smooth transition. "Getting in and using CSI's platform was easy. The process is very similar to how I set up my recurring ACH payments within M3." Fritsche cites two primary benefits that the company experienced almost immediately:

1. Eliminating paper checks also eliminates the costs that go with it, such as printing, check stock, manual processing, and postage. "Every check that I don't cut saves us significant dollars and time."
2. Receiving a rebate every month based on card spend is new revenue to the company. "Between the cost savings and the rebate revenue, I feel like I'm winning twice!"

The payment system rollout was not completely flawless, but the experience shows the importance of having a collaborative partner like CSI that you can trust to resolve issues that arise. The first hurdle was vendor enrollment. CSI's vendor enrollment team achieves extraordinary results through a proven communications campaign, but Fritsche had concerns that this campaign was not the best approach for Donohoe. "Our company is very relationship driven. CSI responded very well to my concerns and

adapted their communication plan. We still have many opportunities ahead, but together we've made some great progress in converting our vendors to CSI Payscale systems."

"Before CSI Payscale systems, the paper trail was costly in many ways, and I couldn't effectively track my vendor payments with ACH."

- Jack Fritsche, SVP and CFO, Donohoe Hospitality Services

The second issue has been tracking down payments that hadn't been processed by the vendor. "We're working on improving the reconciliation on the back end when outstanding cards linger. The CSI team is quick to help and is always there to answer any questions we have."

RESULTS

Would CFO Jack Fritsche recommend CSI Payscale systems to other financial executives? "I would certainly encourage anybody to use CSI Payscale systems. I'm happy because I push a button and I know my debts are paid, and I'm also getting a rebate. You will gain a competitive advantage by working with CSI."

2014 FINANCIAL IMPACT SUMMARY	
Spend volume captured	\$5,600,000
Savings from eliminated checks	\$70,000*
Rebate earned	\$55,600
TOTAL ANNUAL RETURN	\$125,600

*Annual estimates based on first nine months of data

**645 at \$5.14 per cheque estimated by The Accounts Payable Network

Total Annual Return is
\$125,600 back to Donohoe

The CSI team is quick to help
and is always there

CSI's vendor enrollment team
achieves extraordinary results