

BevPRO Group

Misconceptions Addressed

Overview

Insiders know that membership in a well-run buying group increases the profitability and value of their businesses. Understandably, those with no previous exposure to BevPRO Group will have some questions and concerns. Let's address some of the most common ones.

Is there a risk that a Member pays the Buying Group for an invoice, but the Buying Group doesn't pay the Supplier?

No. Audits and sound processes eliminate this risk.

Beverage Processors Group Inc., maintains a separate bank account designated only to receive and disperse funds relating to Member payments, like a trust account. The transfer and withdrawal of funds from this account requires two Board qualified and authorized signing officers and is subject to audit on a regular basis to ensure accuracy.

BevPRO's systems also ensure that Suppliers receive payment to terms weekly and without fail. Any irregularity in this process and the Members would be the first to know. This built-in safeguard ensures that the risk of non-payment to Suppliers is all but eliminated.

Will other Members or Suppliers see my business' information and pricing?

Absolutely not!

None of your confidential information (prices, purchases, rebates, etc.) will ever be shared with another Member, Suppliers themselves will only ever see the information required to conduct business with your company and the BevPRO Group. Protection of an individual Member's confidential information is something we take **very seriously**. **Your business is strictly your business!**

Will my accounting department be burdened with extra work?

No! Some change, but no extra work.

When used correctly, BevPRO's system saves your accounting department time and money. They can go about their day-to-day tasks without the clutter of physical invoices which are easily lost, damaged or misplaced. All the information they need is in one easy-to-access online location. In some cases, the process can even be linked to your internal software and can be completely automated.

Why does the group need to pull supplier payments directly from my bank?

Security, Convenience and Efficiency.

Simply put, the BevPRO Group uses ACH or EFT (electronic debit) because it is the most reliable, fraud proof, efficient and low-cost method to collect and pay for Member purchases. Cost savings from ACH/EFT allow us to secure best-in-class rebate programs from each Supplier. It does this by creating a single, seamless payment flow that dramatically reduces a suppliers' own processing costs.

Members are still in complete control of the amount being pulled from their account and know well in advance of planned payments. BevPRO's easy to use Document Portal allows Members to review invoices, see upcoming scheduled payments, and get final confirmation of which invoices are being paid before the funds are ever collected.

I already get the best pricing; how can the buying group do more for me?

Rebates!

As a Member, you have access to various rebates (volume, growth, etc.) that you couldn't get as a stand-alone business. At the same time, the frictionless process by which the Group negotiates rebates allows you to deal with your personal sales representative/account manager the way you always did.

Your local prices will not increase, and your supplier relationship will not sour. Here's why:

Supplier rebates are primarily a recognition of two things; Reduced sales and marketing costs and administrative cost savings inherent in dealing with one entity (the Group) as opposed to many individual businesses. Buying groups are proven to help suppliers streamline support and delivery, help to reduce administrative, sales and marketing costs, increase customer base and to help suppliers achieve more consistent results.

So, not only do you get to keep your current, local pricing, but you get to take advantage of the savings experienced by suppliers who deal directly with buying groups.

Properly managed buying groups are **collaborative** and serve to **strengthen the bond** between your company and the Group's Suppliers. This system ensures **everyone** benefits from the relationship.



Beverage Processors Group

www.BevPROgroup.com