

TREASURY & RISK
THE FUTURE OF FINANCE TODAY

PRESENTS THE 16TH ANNUAL

ALEXANDER HAMILTON BEST PRACTICES SUMMIT & AWARDS

● ● ● **OCTOBER 25-26, 2011** | NEW YORK MARRIOTT DOWNTOWN



Best Green Strategy

Going Green is GR-R-REAT!

**How Kellogg Improved
Treasury Performance Using Green Practices**

**Presented by
Deirdre M. Stokes, CTP- Manager, Treasury
Kellogg Company**

Too Much Paper!



The Paper Problem

In Treasury:

- Monthly paper bank account statements (6 to 10 pages each)
- Monthly paper account analysis statements (20 to 100 pages)
- Daily paper commercial paper confirmations (6 dealers)
- Paper foreign exchange trade Confirmations (~ 90/month)
- Paper invoice billings (10 to 15 invoices/month)

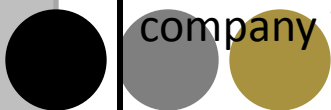
In Accounts Receivables:

- Paper Check Payments, Remittance and Charge Back Details
- Manual deposit of Checks sent directly to Company Vs Lockbox



Green Solutions Implemented

<u>Issue</u>	<u>Green Solution</u>
Paper Bank Account Statements	<p>-- Converted to online electronic statements</p> <p>-- Reconcilers, reviewers, approvers, third-party providers can retrieve statements online</p>
Paper Account Analysis Statement	<p>-- Transmitted as EDI file from each bank to Kellogg SAP. Converted to Excel file in-house</p>
Paper CP, Foreign Exchange Trade Confirmations and Invoice Billings	<p>-- Required providers to send these items electronically instead of via US mail or faxes</p>
Paper Check Payments and Remittance plus charge back details	<p>-- Check images and charge back details captured in Receivables Edge at lockbox site</p> <p><i>(JP Morgan Chase)</i></p>
Manual deposit of checks sent to company instead of Lockbox	<p>-- Implemented electronic remote check deposit</p> <p><i>(Fifth Third Bank)</i></p>



Check Images of Customer Payments

Receivables Edge sm - Transaction Detail - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Back Search Favorites

J.P.Morgan Receivables Edge sm

[Log Out](#) | [Help](#) | [My Settings](#) | [Change Password](#)

June 11, 2009 Home Search Alerts Upload Files Reports Admin Service

Allison Briglio
WIZARD ELECTRONICS

Home > Transaction Search > Transaction Search Results > Transaction Details

Transaction Details

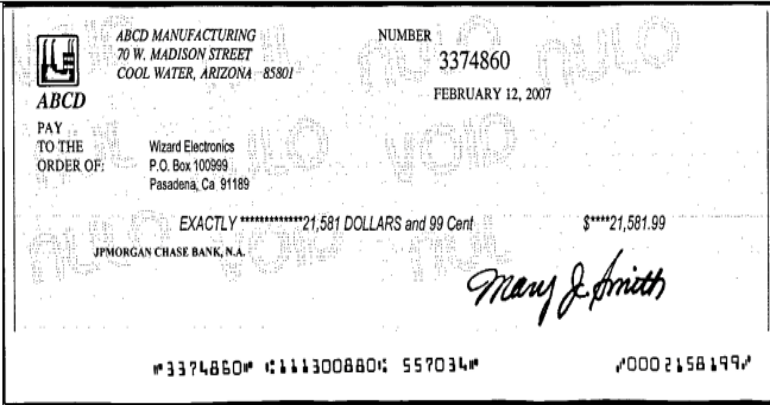
Transaction Results		Hide Transaction			Previous Transaction: 16 of 198 Next				
Type	Transaction Total	Credit Date	Process Date	Lockbox	Site	Batch	Item	Group	Pages
LBX	\$21,581.99	2/19/09	2/17/09	100999	Pasadena	622	1	2	3

Payment Number	Amount	Remitter	Remitter RT	Remitter DDA
3374860	\$21,581.99	ABCD MANUFACTURING	111300880	557034

+ Workflow/Notes:

- Reference Details: [Download to CSV](#)

INVOICE NUMBER	INVOICE AMOUNT
27962345	\$12221.67
27962346	\$4409.76
27962347	\$2430.89
27962348	\$2519.68



ABCD MANUFACTURING
 70 W. MADISON STREET
 COOL WATER, ARIZONA 85801
 NUMBER 3374860
 FEBRUARY 12, 2007
 PAY TO THE ORDER OF: Wizard Electronics
 P.O. Box 100999
 Pasadena, Ca 91189
 EXACTLY *****21,581 DOLLARS and 99 Cent ***** \$*****21,581.99
 JPMORGAN CHASE BANK, N.A.
 Mary J. Smith
 ⑆3374860⑆ ⑆111300880⑆ 557034⑆ ⑆0002158199⑆



Customer Remittance Details

Receivables Edge sm - Image Viewer - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Back Forward Stop Refresh Home Search Favorites Links

Return to Transaction Details | New Search | Download Images | Refresh

Page: 2

Fit Width 197%

DOCUMENT CONTROL NO. 3374860

VENDOR NO.	DATE	CHECK NO.
394394	2/12/07	3374860

DATE	INVOICE REFERENCE	INVOICE AMOUNT	DISC.	NET AMOUNT
1/19/07	INVOICE NUMBER-27962345	12,345.12	123.45	12,221.67
1/25/07	INVOICE NUMBER-27962346	4,454.30	44.54	4,409.76
1/27/07	INVOICE NUMBER-27962347	2,455.44	24.55	2,430.89
1/29/07	INVOICE NUMBER-27962348	2,545.13	25.45	2,519.68
	CHECK TOTAL:	21,799.99	218.00	21,581.99

ABCD MANUFACTURING

Page 2 of 3



Solution Benefits and Results

- **Electronic Remote Check Deposit**
 - Benefit: Cash is available quicker by two to three days and armored truck pick-up cost has been eliminated
- **Electronic Account Analysis Statement Delivery**
 - Benefit: Delivery of EDI Statement to Kellogg SAP eliminated receiving over 3,000 pages month in paper



Solution Benefits and Results

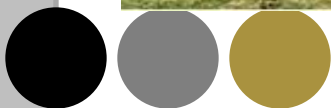
- **Electronic Bank Account Statements**
 - Benefit: Eliminated need for mailing and couriers duplicate paper copies
- **Receivables Edge**
 - Benefit: A/R lockbox payments and detailed customer remittance available within 24-hours of receipt by bank, allowing cash to be applied faster, resulting in reduced Days Payable Outstanding (DPO)
 - Benefit: Elimination of storage fees for the A/R lockbox check remittance detail



What happens when we cut down
too many trees?



The Suffering Extends Far and Wide...



Questions?

