Vistex® | Now it all adds up®

© 2023 Vistex, Inc. All rights reserved.

Case Study

FBM
Foundation Building Materials

Now it all adds up for Foundation Building Materials

Leading distributor trims operational expenses and prevents revenue leakage. Scalable cloud platform manages complex buy- and sell-side rebate programs.

Overview

FBM sought an enterprise software solution that would trim operational expenses, deliver better and faster scalability and feature low capital requirements while remaining innovative. With a focus on achieving significant growth and geographic reach, FBM was faced with increasingly complex calculations on ever-changing rebate programs that involved netting and determining the best base between PO receipts and invoices. The company realized that manually processing buy- and sell-side rebates in spreadsheets was extremely time-consuming, involving multiple headcounts.

In addition to operational inefficiencies and a lack of accuracy in rebate calculations, the company had limited visibility as to how rebates impacted the bottom line and could not validate backup data or determine business value from rebate calculations.

4-5%

of revenue leakage

was prevented for supplier and customer rebates. This drastically reduced the time needed to complete FBM's month-end close.

© 2023 Vistex, Inc. All rights reserved.

Solution

FBM wanted to reduce hardware and headcount costs, using a partner with the expertise and ability to support and automate all their complex buy- and sell-side rebate programs. FBM selected the Vistex Go-to-Market Suite® (GTMS®) cloud platform after identifying that the solution would effectively manage vendor and customer rebates and reconcile vendor rebates with incoming payments. The solution also needed to integrate with Infor Distribution SX.e for sales, purchasing and finance, and Informatica for outbound feeds. Security, reliability, disaster r ecovery, business continuity and customer support were also crucial factors of consideration that led FBM to select the Vistex GTMS cloud platform.

FBM worked with Vistex to address the inability to effectively:

- Corroborate backup data or evidence for calculated rebates
- Reconcile payments received from vendors (submitted at different levels) with the calculated accruals
- Simulate and project rebate dollars over a period of time

© 2023 Vistex, Inc. All rights reserved.

Vistex® | Now it all adds up®

Results

In selecting GTMS, the company dramatically shortened deployment times and gained quick ROI, reducing operational expenses. FBM acquired a highly-efficient cloud enterprise solution that prevented revenue leakage. The solution also introduced flexibility and scalability for managing the varied and constantly evolving rebate programs while integrating with its financials to provide a detailed sub-ledger for rebate calculations.

As a result, **4-5% of revenue leakage** was prevented for supplier and customer rebates, and the company consistently closed its books on time each month.

Other critical benefits realized:

- On-time calculations and closure of financial periods with speed and consistency
- Complete obliteration of manual dependency
- Accuracy in calculations accompanied by audit traceability and backup data helps address vendor disputes
- Reporting for capital reserve management to better estimate how much rebates are tied to existing inventory
- Flexibility and functionality to support complex buy- and sell-side rebate programs with many variations
- Ability to scale up and grow in line with business needs
- Intuitive solution and ease of system navigation, which allows for greater acceptance by the user community

© 2023 Vistex, Inc. All rights reserved.

Headquarters: Santa Ana, CA

Industry: Wholesale Distribution

Products: (30,000+ SKUs) Specialty building materials

Revenue: $5 billion ($400 million+ in earned rebates)

Locations: 300+ branches across North America

Employees: 4,500

Vistex solutions implemented:
Vistex Go-to-Market Suite® (GTMS®) cloud platform

Let's Connect

About
Foundation Building Materials, Inc.

Foundation Building Materials, Inc. (FBM®) is a leading specialty building product distributor of wallboard, suspended ceiling systems, metal framing and other products for residential and commercial projects throughout North America. Based in Santa Ana, CA, FBM operates more than 300 branches across the U.S. and Canada and works with 3,750 trusted vendor suppliers.

The company's mission is to be the most trusted supplier partner to the construction trades in North America, delivering on safety, service, innovation and value for their customers while creating opportunity and growth for the FBM Family.

Vistex®, Go-to-Market Suite®, and other Vistex, Inc. graphics, logos, and service names are trademarks, registered trademarks or trade dress of Vistex, Inc. in the United States and/or other countries. No part of this publication may be reproduced or transmitted in any form or for any purpose without the expressed written permission of Vistex, Inc. The information contained herein may be changed without prior notice.

© 2023 Vistex, Inc. All rights reserved.

Vistex® | Now it all adds up®