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Deductions**Xchange**™



# Make your deductions and chargebacks disappear!

We'll show you how.

July 19, 2018 - Seattle



# Agenda



1. The purpose of iNymbus
  2. Why Deductions and Chargebacks will get worse, not better
  3. What can you do?
  4. What is Cloud Robotics?
  5. Automation (Algorithms)
  6. DeductionsXchange
  7. Discussion
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# Presenters



**Rohit Patel**

Credit & Collections  
Consultant

Credit & Collections  
expert, former VP WW  
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**Sreedhar Narahari**

CEO & Founder  
iNimbus

Credit & collections expert,  
founder and member of the  
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# The Purpose of iNymbus

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# The purpose of iNymbus.

iNymbus exists to solve only one problem:  
retailers & shippers deductions and chargebacks.

Why? Because we can't stand ...

- Our customers wasted manpower and brainpower copying transactions back and forth between complex and ever changing retailer & shipper systems,
- Outsourcing either onshore or offshore to attempt to solve these problems,
- Giving one more dime than required to Amazon, Walmart, FedEx, UPS and the like for chargebacks/deductions.



# Your history is our history.



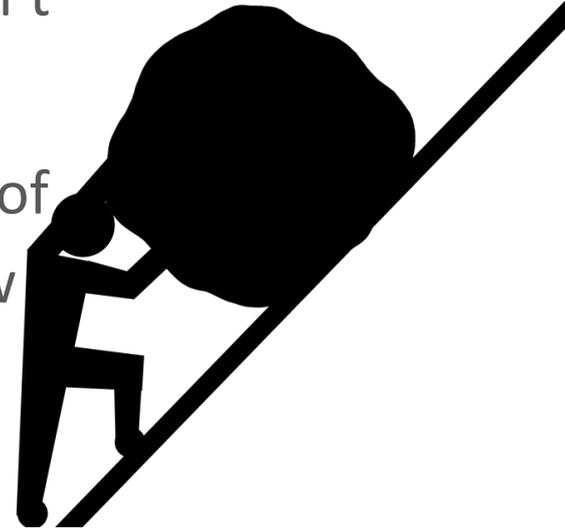
The history of Credit and Customer Operations Departments attempting to solve the problem of Retailer & Shipper Deductions and Chargebacks follows a familiar pattern ...



# Why can't you get ahead?

## Why don't chargebacks get better?

1. Outsourcing just gives your deductions & chargeback problem to someone else, doesn't improve the process.
2. Software packages simply make some parts of the process more organized and creates new issues, and gains are small.



# Sound Familiar?

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# Will these solutions ever work?

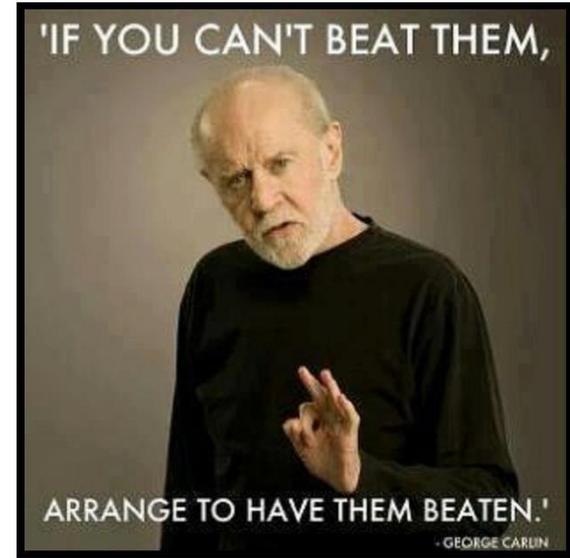
- **NO!** We realized that chargebacks and deductions were unbeatable with existing solutions.
- The retailers and shippers, due to their size and technology investment, will always outpace our clients.
- They use automation and a ruthless ability to take every single chargeback and deduction possible.



# iNymbus: is not just a bigger stick.

iNymbus, simply put, is a totally different way of dealing with deductions and chargebacks.

It allows you to fight fire with fire, and bring your chargebacks & deductions down to zero, and keep them there consistently.



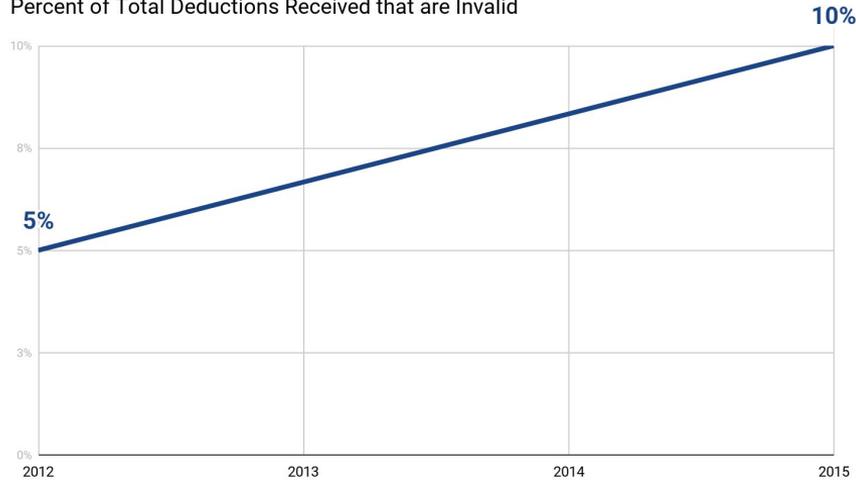
**But let us explain.**

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# Trend: Chargebacks Increasing and Recoveries Decreasing

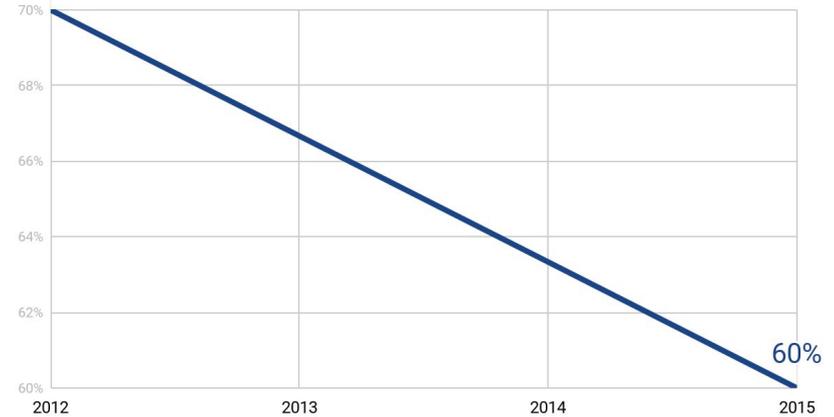


Percent of Total Deductions Received that are Invalid



Average % invalid chargebacks received: 2012 - 5%, 2015 - 10%

Percentage Invalid Deductions Recovered



Average % invalid chargebacks recovered: 2012 - 70%, 2015 - 60%

# WHY?

Retailer & Shipper automation & sophistication is increasing at a faster rate than their vendors & sellers.

Investment in technology by them is HUGE and relentless.



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**How bad are deductions &  
chargebacks really?**

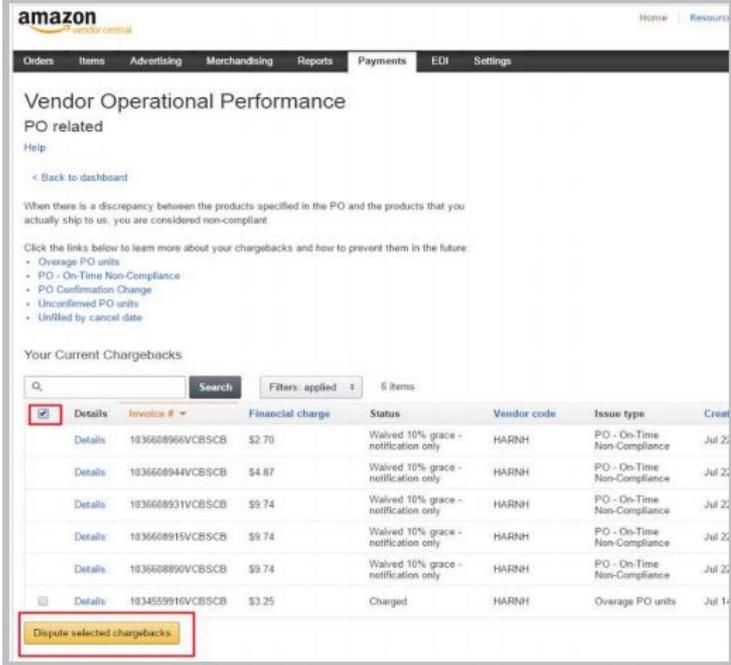
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# Example: Amazon chargeback portal constantly changes

*“From packaging problems to technical errors in transmitting Electronic Data Interchange (EDI), Amazon will charge vendors for almost anything they can.” [CPC Strategy 2015](#)*

*“As expected Amazon has recently added to their list of chargebacks and are now clamping down on those Vendors that are excessively putting orders on to backorder.” [Ecommerce nurse 2016](#)*

*“Amazon leads large top retailers in tightening their EDI vendor compliance requirements with several EDI updates and added chargebacks in summer 2017.” [1edisource 2017](#)*



The screenshot shows the Amazon Vendor Central interface. The main heading is 'Vendor Operational Performance' with a sub-heading 'PO related'. Below this, there is a 'Help' section and a 'Back to dashboard' link. A message states: 'When there is a discrepancy between the products specified in the PO and the products that you actually ship to us, you are considered non-compliant.' Below this, there are links to learn more about chargebacks and how to prevent them in the future, including: 'Overage PO units', 'PO - On-Time Non-Compliance', 'PO Confirmation Change', 'Unconfirmed PO units', and 'Unfilled by cancel date'.

The 'Your Current Chargebacks' section features a search bar, a 'Search' button, and a 'Filters: applied' dropdown. Below this is a table with the following columns: 'Details', 'Invoice #', 'Financial charge', 'Status', 'Vendor code', 'Issue type', and 'Created'. The table contains six rows of data. The first five rows have a status of 'Waived 10% grace - notification only' and an issue type of 'PO - On-Time Non-Compliance'. The sixth row has a status of 'Charged' and an issue type of 'Overage PO units'. A red box highlights the 'Dispute selected chargebacks' button at the bottom of the table.

Details	Invoice #	Financial charge	Status	Vendor code	Issue type	Created
Details	1036608966VCBSCB	\$2.70	Waived 10% grace - notification only	HARNH	PO - On-Time Non-Compliance	Jul 2,
Details	1036608944VCBSCB	\$4.87	Waived 10% grace - notification only	HARNH	PO - On-Time Non-Compliance	Jul 2,
Details	1036608931VCBSCB	\$9.74	Waived 10% grace - notification only	HARNH	PO - On-Time Non-Compliance	Jul 2,
Details	1036608915VCBSCB	\$9.74	Waived 10% grace - notification only	HARNH	PO - On-Time Non-Compliance	Jul 2,
Details	1036608909VCBSCB	\$9.74	Waived 10% grace - notification only	HARNH	PO - On-Time Non-Compliance	Jul 2,
Details	1034559916VCBSCB	\$3.25	Charged	HARNH	Overage PO units	Jul 1,

# What are the costs?

- **Expense**

- Processing chargebacks takes manpower to identify, research, validate, resolve and dispute chargebacks and deductions.
- One headcount can process only about ~1500 chargebacks a month, at ~26 minutes per chargeback

- **Revenue**

- The volume of claims combined with errors in claims means write-offs increase
- Not unusual for claims to be 10% of sales
- Retailers specify time periods within which chargebacks need to be filed
- Getting behind in processing increases write offs tremendously.



# What are the costs? continued

- **Cash Flow**
  - Retailers like Amazon and Walmart don't reimburse quickly, any delays in filing claims delays cash
- **Employee Morale**
  - Finance Departments can face mountains of paperwork in processing chargebacks
  - Prevents management from the important analytic work of process improvement
  - Processing chargebacks is mind numbing work, very low on the employee satisfaction scale and unacceptable to millennials



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**What can you do?**

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# Options

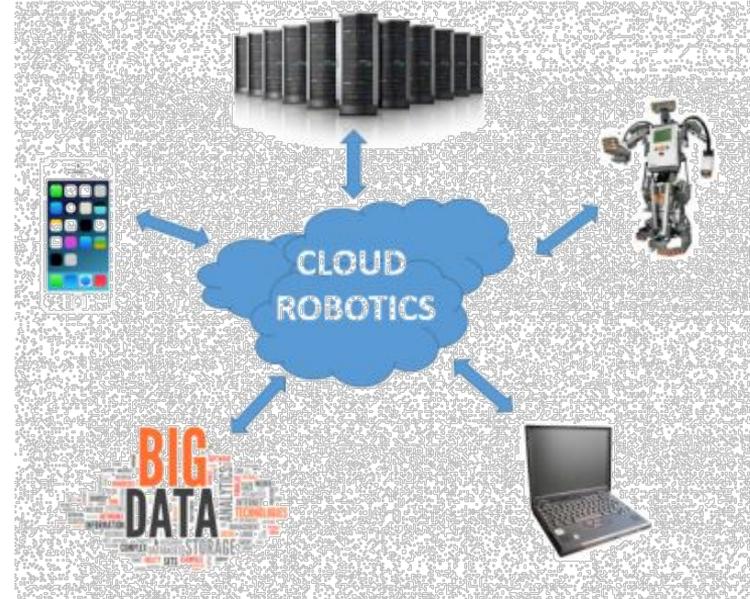
	Solutions	Strategic Implication
1	Staff Augmentation - more people to process deductions	Not scalable, unsatisfying work.
2	Outsourcing deductions processing function	Transfers the problem to someone else, but still a problem, just a little cheaper.
3	Latest and greatest deductions mgmt software	Improves management of the problem, but doesn't reduce deductions.
4	Cloud Robotic Automation- <i>Also known as RPA (Robotic Process Automation), But better</i>	Stays current with vendor portals, scales up and down as business changes with no incremental cost.

# Fight tech with tech

## Cloud Robotic Automation

Businesses need to arm themselves with the same kind of technology that FedEx, Amazon and Walmart are using.

**Fight technology with technology,  
and win!**



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# What is Cloud Ro-bot-ics?

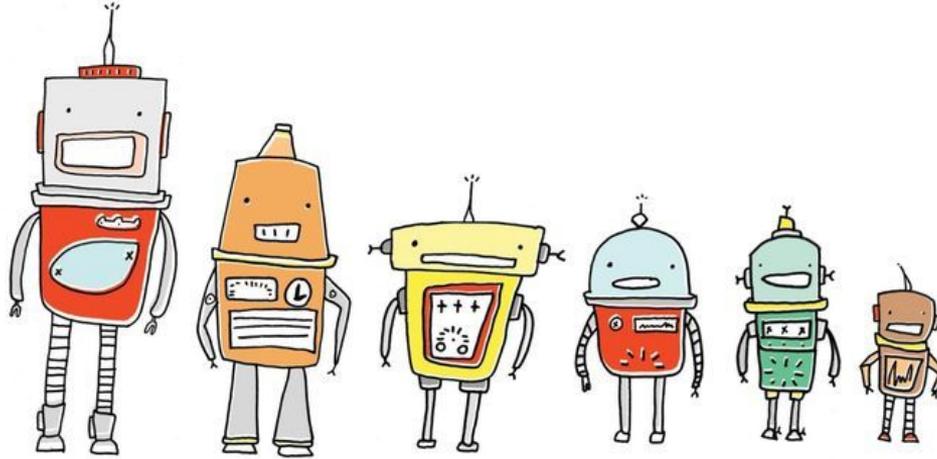
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# Cloud is infinite ...

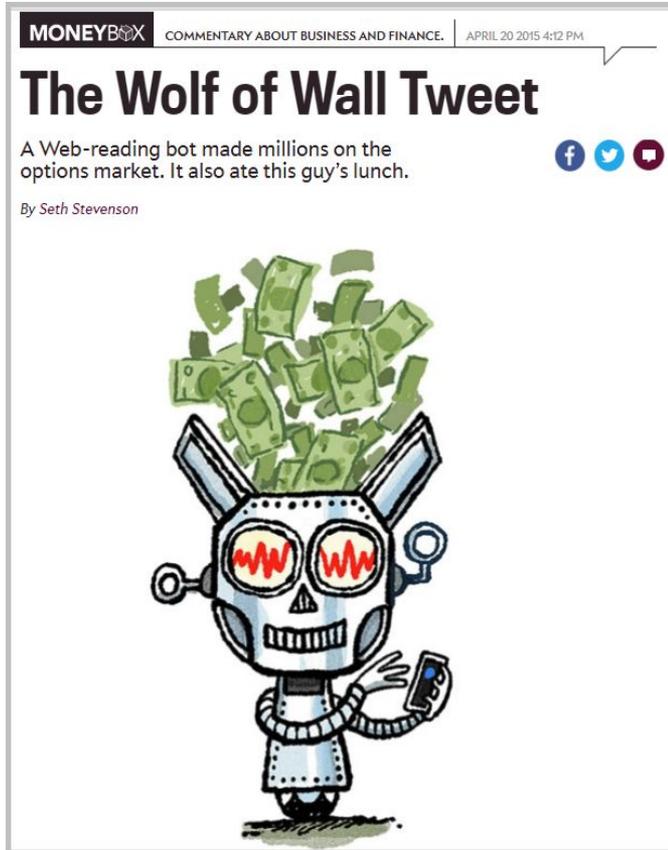
Because of super-large and super-cheap data storage enabled by “the cloud”, business processes and computing are no longer constrained by the size of a data center and data storage devices.



# What is a bot?



# Bots are everywhere...



90% of Wall Street stock trading are made by bots.

[CNBC.com](http://CNBC.com)

[Slate.com](http://Slate.com)

# Bots are everywhere...



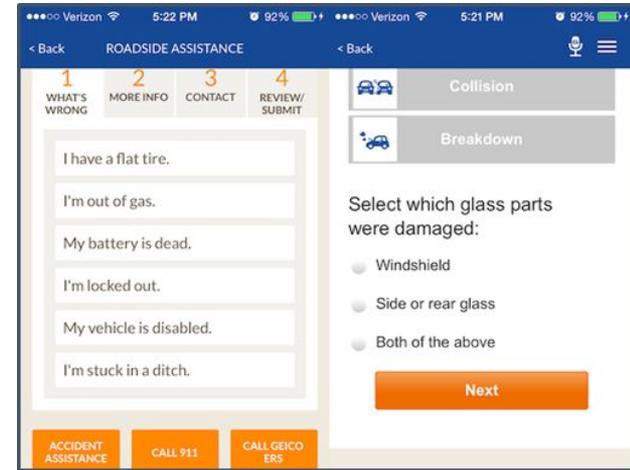
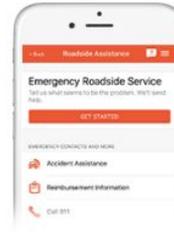
# GEICO®

## Roadside Assistance In GEICO Mobile

Flat tires and breakdowns never happen at a convenient time or place. Sometimes, you're on a dark interstate with no signs in sight. With GEICO Mobile, you can request roadside help in just three easy steps, and use the interactive map to see where you are. The app will even send your exact location to the dispatcher and estimate when help will arrive.

**Getting roadside help has never been so easy.**

GEICO Mobile instantly connects you with people who can either put you back on the road or take you to a place where repairs can be made. When you request roadside assistance in our app, you'll even be able to customize the type of help you need.



**Extremely traditional structured business and old industry is embracing the cloud and robotic automation.**

[Geico.com](https://www.geico.com)

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# Automation (Algorithms)

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# Chargeback Data for Bots Automation



- Bot automation accepts data from any kind of source and stores it in the cloud
  - Claims Data From Retailers
  - POD data from carriers' ...
  - etc.
- Bot Disputes claims in vendor portals
  - Dispute Claims in Vendor/Carrier Portals
  - Upload Claim packages to Vendor Portals

*Bot disputes the Chargeback and attaches the routing email to dispute*

The screenshot shows an email from `billingonline@fedex.com` with a subject line "Dispute Processed". The email body contains a table with the following data:

Bill To Account #:	Dispute #:	Tracking ID/ Transaction ID:	Dispute Resolution Description:	Date Requested:
XXXXX328	0006353276	XXX920109085	Denied	05/31/2016
XXXXX328	0006353191	XXX625896154	Denied	05/31/2016
XXXXX328	0006353284	XXX625896187	Denied	05/31/2016
XXXXX328	0006353187	XXX920109854	Denied	05/31/2016
XXXXX328	0006353185	XXX625895846	Denied	05/31/2016

At the bottom of the email, there is a link: "To view your dispute in greater detail, log in to FedEx® Billing Online and select..."

# Advantages of Cloud Robotic Automation



1. **30X speed** in processing deductions and chargebacks increases exponentially which enables ability to collect
2. Costs reductions are enormous (typically **80%+ reduction**)
3. Silently **scales up and down** with business volume seamlessly, with no intervention
4. **Eliminate outsourcing** labor in the deductions and chargeback processing function
5. Collections Team can actually **work on exceptions** and resolve real business process issues, rather than managing paperwork



# FedEx Claims Process Before



[The content of this slide is extremely blurry and illegible. It appears to be a list of steps or a flowchart related to the FedEx claims process, but the text cannot be transcribed.]



# DeductionsXchange Process

Green = Data  
Blue = Algorithms  
Black = Programming



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# DeductionsXchange

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# Product Demo



- Demo – Vendor Portals
  - DX Portal / Dashboard
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# Cloud Robotic Automation Reports



# Why is iNymbus different?

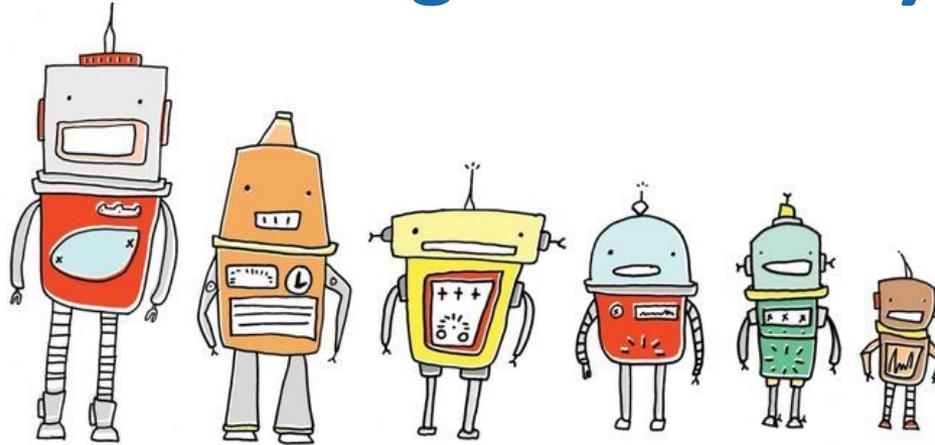


## Ten Reasons

1. First person knowledge of Credit and Collections space.
2. Cloud based solution scales with you, no growth challenges.
3. Bot building capabilities in-house.
4. Artificial intelligence capabilities in-house.
5. Processes which keep up with shipper and retailer portals and pivot quickly.
6. Systems Architecture is best in class.
7. Implementation speed is weeks and not months.
8. Pricing is a software as a service (SaaS) model.
9. Customer has a direct line into iNymbus for issues.
10. No cost trial: Use the service for 30 days prior to payment.



# DeductionsXchange disputes and resolves chargebacks for you.



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**Discussion?**

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iNymbus

**The future is now.  
Thank you!**

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