

Case Study: JAM Paper & Envelope

Getting JAM out of a Bind: MIBAR Delivers Invoice Automation and Marketplace Reconciliation



www.jampaper.com

Geography

Northvale, NJ

Industry

Distribution
eCommerce

Software

NetSuite and MIBAR's Online
Marketplace Fee Accounting
and Payment Reconciliation
for NetSuite

Executive Summary

Family owned and known as “The Best NYC Paper Store,” JAM Paper & Envelope has been a staple for consumers and businesses in New York City, New Jersey, and across the United States for more than a half century.

Recognizing consistent growth over its history, JAM Paper has taken their company from storing inventory in various NYC basements to running two 40,000 sq. ft. warehouses in just fifteen years. All the while, JAM took their business from bricks-and-mortar to selling on JAMPaper.com, and from JAMPaper.com to a variety of online marketplaces including Amazon, Staples, Office Depot, Wal-Mart, and Target.

However, the continued growth of JAM presented challenges for this Internet Retailer Top 1000 retailer—challenges that its former solution, MAS 90, couldn't meet. Pair this with a separate, offline product for the distribution end of the business and JAM found themselves in a bind.

KEY RESULTS

- **JAM now only needs to rely on one accounts receivable person to process payments from over 30,000 monthly invoices.**
- **Payments are processed and reconciliations are completed in hours—not months—without user intervention in NetSuite.**
- **JAM is able to process and facilitate clawbacks for unauthorized deductions. This allows JAM to recoup money they either didn't know they were losing or were unable to recover.**

Disconnected and Undersized Financial Management Presents Challenges

While the company was able to deliver consistently through their selected channels, the recordkeeping was a different story. The disconnected solutions and undersized ERP created a perfect storm for JAM, who found their reporting and analysis 45 to 90 days behind the large volume of transactions they needed to process.

Working with a variety of marketplaces, JAM was sending tens of thousands of invoices each month, entering and processing each invoice manually. Invoices turn into remittances; remittances need to be matched. For example, when a company like Amazon sends a remittance for 30,000 invoices, JAM would need to process every single invoice and track both structured and unstructured deductions for everything from storage fees to shipping fees.

This set the company back—bank reconciliations and financial reporting processes were always significantly behind schedule. With backlogs piling up, they turned to MIBAR for help.

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Working with the JAM Paper finance staff, MIBAR was able to identify the needs of this company and get to work on a two-pronged solution. First came the ERP upgrade. To handle the immense strain of disconnected and underpowered business management software, JAM made the decision to take their business further with true cloud ERP from NetSuite.

While NetSuite delivered incredible value for JAM, the company still needed more help to manage invoice reporting and reconciliation.

This is where MIBAR stepped in. First, we developed a solution that allowed JAM to automatically import invoices into the solution, saving hundreds of hours. Additionally, we built a new product to handle payments from online marketplaces.

Our product, Online Marketplace Fee Accounting and Payment Reconciliation for NetSuite, is designed to automatically apply payments from marketplaces, record both structured and unstructured fees, mark invoices as paid, and generate a deposit record in NetSuite.

Results: Automation, Accuracy, and Understanding

Thanks to this product, the company was able to increase the timeliness of their processing and give their highly paid finance staff more meaningful work—JAM now only needs to rely on one accounts receivable person to process payments from over 30,000 monthly invoices.

In turn, payments are processed and reconciliations are completed in hours—not months—without user intervention in NetSuite. If JAM receives a payment tonight, it will be recorded and ready for analysis tomorrow morning.

Even more, the data generated by **Online Marketplace Fee Accounting and Payment Reconciliation for NetSuite** isn't just processed, it's useful. Thanks to this solution, JAM is able to process and facilitate clawbacks for unauthorized deductions. This allows JAM to recoup money they either didn't know they were losing or were unable to recover.