

Spring 05



Commercial Card

Solutions

An Exclusive Publication for Commerce Bank Commercial Cardholders

Commercial Payment Cards Streamline Cash Management

According to Visa's Cash Management Survey, companies that use payment cards when purchasing find they improve their cash flow and enjoy the benefits of easier reporting. More than half of the financial executives who responded plan to reduce their company's reliance on checks as a form of commercial payment.

In addition, 40% intend to increase use of commercial payment cards. Senior executives responsible for the financial, treasury and cash management of mid- to large-size companies spanning 20 industries were included in the survey.

The survey also shows that respondents' overall satisfaction with commercial payment cards is increasing. Those who use card programs for collections and disbursements report a 70% satisfaction rate, up from 55% the previous year.

More than a third of the financial executives use commercial payment cards, making an average of 22% of their total commercial payments that way. The respondents use their cards for the following cash management procedures: disbursements; collection and applications; short-term money management; and cash positioning and forecasting. (See chart.)

Improve Efficiency

Survey findings suggest that CFOs, treasurers and controllers intend to take a three-pronged approach to overcoming challenges with cash management: change company policies, implement new technologies and turn to commercial card programs to increase efficiency. Visa has anticipated these trends with commercial payment cards that help companies resolve challenges. Commercial payment cards integrate new technologies and data reporting tools that make complying with corporate policy easier. They increase visibility into commercial payments, offer online access to payment and invoice-related data, and provide automated reporting and back-end integration.

To learn more about how commercial card payment solutions can improve the efficiency of your cash management process, contact the Commerce Bank Client Care Center at **1-800-892-7104**.

Respondents who consider commercial payment cards relevant for:

	2003	2004
Cash Positioning & Forecasting	49%	48%
Short-Term Money Management	48%	52%
Collection & Application	48%	54%
Disbursements	60%	62%

Source: Visa

See page 4 for questions and answers regarding details of the survey.



Manuals Take the Guesswork out of Cardholder Benefits

Keeping employees informed is key to avoiding costly mistakes and boosting companywide efficiency. Most businesses have a number of policies and procedures set to ensure smooth operations, including rules and benefits for commercial card programs.

Because a commercial card program includes so many details, many companies find it easier to package them in one handy reference. Therefore, it may be helpful for your company to issue a manual that outlines benefits, illustrates important issues and answers frequently asked questions.

Cardholder Manuals Lead to Efficiency

A cardholder manual can be designed to provide the information your employees need in easy-to-understand terms without burying it in pages upon pages of jargon. A simple, instructional format can help cardholders better understand the program before beginning use of the card. In addition, the number of questions cardholders raise about the card program may be reduced if they are issued a manual to find answers on their own.

By using a cardholder manual, you may eliminate steps for managers of the card program and cardholders, leading to greater efficiency. It may also improve the consistency of your program by standardizing the rules and benefits within one primary source. If there is one reliable source for cardholders to get information, there may be less confusion and fewer errors or oversights that lead to company costs.

Get Started with Commerce Bank

Commerce Bank can help you streamline management of your card program by providing a cardholder manual template. The template is available free of charge and can be easily customized by your company. Topics covered include:

- Card security
- Guidelines for usage
- Keeping records
- Resolving errors

There is a helpful listing of common questions cardholders may have along with possible answers. Program managers can plug in their company name, due dates, amounts and other information to the template. This template can be a great starting point for any business looking to manage its card program with clearer, more effective communication to cardholders.

A manual based on Commerce Bank's template or one you design independently can help your employees better understand the cardholder program by providing step-by-step instructions on the use of the card. For more information, contact the Client Care Center.



A manual can improve your card program's efficiency by compiling rates and benefits within one handy source.

Requests for Employee Information

The Office of Foreign Asset Control (OFAC) administers a number of laws imposing economic sanctions against certain targeted countries, organizations and individuals suspected of terrorism or drug trafficking.

The OFAC publishes and regularly updates a list of blocked countries, organizations and specially designated individuals. Commerce Bank is required to compare this list to individuals and entities with whom we do business.

If the comparison identifies one of your employees as a possible match to the OFAC list, a relationship representative will contact you. Because information gathered by the bank on commercial card authorized users is very limited, the bank will need further identifying information on the cardholder to prove that your employee is not a match.

The OFAC list may contain identifying information including the person's full name (with middle initial), date of birth, Social Security number and last known residential address. When this information is requested by your relationship representative, it is important that you respond in a timely manner to ensure that there is no interruption in the employee's card service.

Commerce Bank appreciates your assistance.



NAPCP 16th Annual Conference, April 10-13

Learn P-Card Innovations and Solutions from the Best in the Industry

The 2005 National Association of Purchasing Card Professionals Annual Conference, to be held at the Portofino Bay Hotel in Orlando, Fla., is the year's foremost opportunity to sharpen your acumen as a p-card professional. Learn about industry growth, the status and evolution of data, competing solutions, industry consolidation and more – directly from the top.

Whether from a public, private, educational or government organization, and whatever the experience level, you're sure to benefit. The conference includes presentations, discussions, demonstrations and breakout sessions, plus a keynote address by Kathleen J. DeBoer. This veteran sports administrator and nationally known motivational speaker will captivate you with her message, "How Competition and Gender Play into Patterns of Communication."

For more information, log on to www.napcp.org – you can register right online! And if you're not already a member, be sure to peruse the Web site to discover all that NAPCP can offer you as a purchasing card professional.



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Q & A

The following is a more in-depth view of the effectiveness of cash management as determined by Visa's Cash Management Survey. The survey results reflect a broad representation of companies and organizations.

Q. What do companies regard as the greatest challenges to their cash management processes that commercial card programs could help address?

A. Respondents replied that the greatest challenges were labor-intensive administrative work and a lack of streamlined operational processes. Also mentioned were inadequate information, poor visibility into their cash position, sluggish cash flow management, difficulty managing their cash position and imprecision in moving cash.

Q. According to the survey, what issues will affect the cash management process in the near future?

A. Over the next 12-18 months, changes in the following arenas were identified as having the greatest impact: technology (26% of respondents), economic and political concerns (25%), company policy (19%), corporate governance (16%) and tax laws (6%).

To determine how your card program can be adjusted to address your unique needs and challenges, please contact our Client Care Center.



Q. How will payment card data help improve the cash management process?

A. According to survey respondents, payment card data and technology will allow for online access to payment and invoice-related data (77%), visibility into payables and receivables (75%) and automated reporting and back-end integration (70%).



System Upgrade to Serve You Better

Over the weekend of March 25-27, we upgraded our computer system. You should not have experienced any interruption in service. The conversion will allow us to serve you and other customers more efficiently. It will also provide greater flexibility, while making way for the addition of more products and features.


Commercial Card Client Care Center

We offer personalized service through our in-house customer service department 24 hours a day, seven days a week.
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Commercial.cards@commercebank.com

Please note our new physical location:
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Write to us at:
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Printed on recycled paper 10% post-consumer waste. 

We're here to assist you with all your commercial card needs. For faster service, please have your account number ready when you call the Commercial Card Client Care Center.