

# TORRCO Reduced Merchant Service Expenses by more than \$180,000/ year.

Waterbury, Ct- Torrco, A wholesale distributor of plumbing, piping, HVAC parts and supplies. Torrco operates 6 showrooms, 11 trade branch locations and two distribution centers.

## Key Challenges

Most leading distribution companies focus on complex, expensive and time consuming operational excellence initiatives and due to bandwidth issues, often overlook sources of waste such as overspending on business services.

- Client was paying hundreds of thousands per year on their merchant service fees.
- Invoice validation was almost impossible due to the inability to read and understand the complex statement.
- ERP limitations and multiple locations added to the difficulty of managing their account fees.

## Results and Achievements

- Re-structured credit card pricing with current vendors.
- Increased transparency of credit card fee rate structure.
- Enacted interchange optimization strategies to reduce merchant account fees.
- Accomplished all objectives without changing any merchant account vendors.

## Solutions

- Lost & Found, Inc. conducted in-depth reviews of Torrco's credit card processing fees. Because the client relied heavily on credit card payments to sell its products, credit card processing fees were of specific interest.
- L&F quickly identified hidden sources of overspending, including arbitrary interchange 'look-alike' fees. These fees had previously gone unquestioned by the client.
- Switched to a more transparent pricing structure with current vendor.

## Conclusion

Accomplished \$180,000 in annual savings, cutting fees by over 19%, without requiring a change in vendor, no upfront fees, and requiring less than one hour of their time.

"Lost & Found Corporation not only kept their promise of a minimal time requirement on our part, but also delivered significant savings, which were realized quickly. I am pleased to say that after working with your expert auditing team, we reduced our merchant fees by 19% and we'll save around 150,000 on our annual merchant service fees." Jemery Araujo, CFO