



Billing for Supplies

How dealerships are managing freight costs

Compiled by: Elizabeth Marvel, Office Technology Magazine

Following are two related questions submitted by a dealer member as part of BTA's Dealers Helping Dealers resource and many of the answers received. These answers and others can be found in the members-only section of the BTA website. Visit www.bta.org/DealersHelpingDealers. You will need your username and password to access this member resource.



Are any dealers billing freight for contracted supplies? If so, do they manage this transactionally and add the freight costs to their individual zero-dollar sales orders, or do they aggregate supplies shipments and add the total cost of freight to the customer's contract invoices?

"We add a line item to the customer's contract invoice for this and base it off a percentage of its invoice to cover shipping. We switched to a delivery-person strategy for supplies delivery a couple of years ago rather than pay a ton to UPS or whoever. Clients love it and we get a lot of good information back from them about things, as well as get excess supplies back."

Ron Hulett, president

U.S. Business Systems Inc., Elkhart, Indiana

"[We] add the total cost of freight to the customer's contract invoices."

Jose Hernandez, owner

JCM Copiers, Miami, Florida

"[It is] added to the monthly contract as a processing charge, both for fuel and freight."

Anthony Donnellon, vice president of operations

Donnellon McCarthy Enterprises Inc., Cincinnati, Ohio

"We bill and use CEO Juice's alert to add a flat fee to a customer's monthly contract invoice."

Sheryl Gregory, accounting analyst

TTS Group Inc., Hanover Park, Illinois

"Yes. We bill freight for contracted supplies using a tiered system. Freight charges are applied based on predefined tiers rather than individual transactional costs. This approach

simplifies billing, ensures consistency and makes freight costs predictable for both the dealership and the customer."

Tony Sanchez, president

C3 Tech, Santa Ana, California

"No, but we try to deliver when we are in the same area to engage with the customer and make sure the supplies get to the correct machine."

Michael Hicks, president

Electronic Business Machines (EBM), Lexington, Kentucky

"Freight is charged to customers as transactional charges."

Mike Boyle, president

Base Technologies, Bethel, Connecticut

"Yes. \$9.95 per shipment."

Chip Miceli, CEO

Pulse Technology, Schaumburg, Illinois

"We bill \$9.95 a month on the lease that GreatAmerica bills for us."

Chap Breard, owner

MOEbiz, Monroe, Louisiana

"No, but we may have to with the increased cost of freight."

Scott Grace, president

EDGE Office Products, Longview, Texas

"We are looking at doing this. I know many dealers already are. CEO Juice offers the aggregate option, but I have heard customers are wary of a varying amount on the invoice each month. We are looking at adding a specified amount to each contract invoice that goes out."

Jeffrey Taylor, president

Kingsport Imaging Systems Inc., Kingsport, Tennessee

"We bill a \$5-per-month supply freight fee per machine under contract."

Brian Olson, vice president

Kopy Kat Copier, Aurora, Illinois ■

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