

# How to reduce expense processing costs through visibility into global spending.



## Gardner Denver Statistics

**Annual Revenue**  
\$1.8 billion (2009)

**Number of Employees**  
6,500

**Number of Cardholders**  
1,500

## Products and Services Used

Visa Corporate card

Multiple corporate card programs in various countries made it difficult for Gardner Denver, Inc. to track and control T&E expenses in an efficient and timely manner. Implementing a Visa Corporate card program, issued by U.S. Bank, led to worldwide visibility, reduced processing costs and greater employee satisfaction.

## Company Profile

### Global provider of compressed air and gas, and transfer technologies

Gardner Denver, founded 150 years ago, has grown into a leading global manufacturer of highly engineered compressors, blowers, pumps and other vacuum and fluid transfer

equipment. Their products are used in virtually every market sector, including industrial manufacturing, transportation, energy production, healthcare and environmental processes.

Through acquisition of complimentary companies, Gardner Denver has broadened their global presence and diversified in the markets they serve. They currently have locations in over 30 countries on six continents.

## Challenge

### Expand use of corporate cards and consolidate multiple programs into a single solution

In 1996, Gardner Denver and U.S. Bank issued a corporate card program to its U.S. employees. As they acquired companies overseas, however, Gardner Denver did not expand the corporate card program to these acquisitions.

This led to a lack of consistency in policies and procedures since many of the acquired companies had their own corporate card programs. The numerous card providers, program parameters, partner banks and other variables made

it nearly impossible to gain timely insight into global spend. Additionally, many employees were reluctant to change their card programs.

When Lynne Degand joined Gardner Denver as Director of Manufacturing Accounting and Domestic Shared Services, she recognized an opportunity to streamline processes, reduce expenses, and maximize sourcing opportunities with a consolidated, global corporate card program.

### Program Goals

#### **Reduce costs through company-wide visibility provided by a single, global solution**

Degand envisioned a single corporate card program that would meet the needs of all of Gardner Denver's traveling employees worldwide. This was intended to lead to better negotiations with vendors, more control over travel spend and expedited expense processing.

To achieve the company's goal, the new solution would need to:

- Provide near real-time visibility into transactions wherever they occurred in the world
- Reduce expense processing costs
- Minimize the opportunity for employee fraud
- Enable standardized operations worldwide, including reporting procedures and card liability
- Provide unsurpassed acceptance so cardholders could use their cards worldwide
- Offer a simple transition to the new card

Requests for proposals were sent out to leading bank partners and credit card companies. Within three months, Gardner Denver chose their solution and Issuer.

### Vendor Selection

As a result of their successful history with U.S. Bank and Visa, Gardner Denver opted to continue their partnership while expanding and improving their program. The bank's global capabilities and reporting tools, paired with Visa's unsurpassed worldwide acceptance were deemed the best fit for Gardner Denver. Equally important was the combined experience of Visa and U.S. Bank when it came to global implementation and developing multinational card programs.

### Program Rollout

#### **A two-step launch: domestic, then global implementation**

##### *Domestic Implementation*

The new global Visa Corporate card program was initially implemented in the U.S. and coincided with the implementation of a new expense reporting system. U.S. Bank facilitated the move to the new program by providing a pre-populated electronic file of all employees who currently had the domestic card. No new application was required.

By combining the rollouts of the new card program and expense reporting solution, Gardner Denver was able to quickly educate employees about the benefits of utilizing the card—including automated expense reconciliation—and communicate their new T&E policies and procedures.

Degand estimates that it only took a month (one billing cycle) for employees to see the benefits of the new program.

##### *Global Implementation*

The global rollout was prioritized based on the number of employees in each country or region, in order to maximize the benefits of improved visibility and consolidation of spend.

“Review of expense reports has been made substantially easier.”

**BOB LAWS**

Internal Auditor, Gardner Denver



**FREDERIQUE GERARD**

Marketing Director,  
EMEA Industrial Compressors

In each new country, U.S. Bank conducted research into product, pricing options and local partner banks. This allowed Degand and her team to quickly select their preferences and work with U.S. Bank to facilitate contract negotiations with those partner banks.

Rather than a pilot program with a small number of employees testing the new policies and procedures, Gardner Denver opted for a non-traditional method. They implemented one business per country and converted those employees to the new global Visa Corporate card. This allowed them to establish local relationships with

each country's issuing partner and ensured proper configuration to meet country-specific regulations. Once the pilot company's program was running smoothly, the rollout to all other Gardner Denver-owned businesses in that country began.

Implementation of the global solution is complete in eleven locations: Australia, Brazil, Canada, France, Germany, Hong Kong, Italy, the Netherlands, New Zealand, Singapore and the United Kingdom. Many of these countries have also implemented Gardner Denver's expense management solution for reporting.



## Program Benefits

**The benefits of Gardner Denver's global Visa Corporate card program have already begun to add up. Some of the advantages they're reaping now include:**

- Visibility into global spend, which improves their sourcing
- Greater compliance with T&E policies, including over 80% adoption of the online booking policy for airfare in the U.S.
- Reduced opportunities for employee misuse or fraud stemming from greater visibility and control
- Increased employee satisfaction as a result of automated reporting of expenses
- Decreased time spent auditing travel expenses because of the automatic reporting and reconciliation processes

**Degand has reported the program to be "better than expected" when it comes to global visibility and adoption rates. She credits the global visibility to:**

- A single program and reporting system
- The ability to view transactions multiple ways through the reports she receives from U.S. Bank and the company's expense management solution
- The power to create ad-hoc queries for factors such as employees who consistently have purchases within 1-3% of the stated limits or when it would be more cost-effective to use a rental car versus the employee's car, which requires reimbursement for mileage

**This new-found visibility is allowing Gardner Denver to identify opportunities to reduce spend and negotiate more favorable terms with preferred vendors.**

**For card adoption, she attributes the increased rates to:**

- Central billing so employees don't have to wait for reimbursement
- The automatic credit card feed into the company's expense management solution
- "Subtle" reminders sent to the employee—forwarded to his/her manager—about using the corporate card when out-of-pocket expenses above certain amounts are recorded
- Higher required receipt thresholds for card purchases
- A longer reimbursement cycle for out-of-pocket expenses

"I can't say enough about the outstanding support we receive from U.S. Bank's global team. They've been instrumental in getting us cards from various banks around the world and resolving any issues that arise."

**LYNNE DEGAND**

Director, Manufacturing Accounting and Domestic Shared Services, Gardner Denver



## Program Expansion

**Continue global implementation.** China is the next country slated for implementation of Gardner Denver's global Visa Corporate card solution. Gardner Denver's increasing spend in China makes it an attractive choice for gaining the benefits of a unified card program.

**Create a purchasing card program.** The benefits of the Visa Corporate card program have been so impressive that Degand now wants to expand those benefits to the procurement of manufacturing and office supplies. She is working with U.S. Bank to create a global Visa Purchasing card or Payable solution that intends to allow Gardner Denver to:

- Pay vendors once a month versus per invoice
- Negotiate more favorable terms with vendors to achieve even greater cost efficiencies
- Gain greater visibility into global purchasing for all materials

**For more information about Visa Corporate card program benefits, contact Frederik Pen at [fpen@visa.com](mailto:fpen@visa.com) or 650-432-3338. You may also visit Visa's Commercial Solutions website at [visa.com/commercial](http://visa.com/commercial).**

**For more information about U.S. Bank's Corporate card program, call 866-274-5898 or visit [usbpayment.com](http://usbpayment.com).**

## Global Implementation Advice

Gardner Denver's Degand has a bit of sage advice for anyone undertaking a multinational card program rollout. "Get a local champion within your company to help you sell in the program," she says. With language barriers and cultural differences, an in-country advocate from HR, finance or purchasing can be more effective in convincing their peers of the benefits of the program.

Having trusted partners is also key. U.S. Bank and Visa were able to work with local banks to increase in-country relevance and product features, while providing a card with unsurpassed acceptance. "There's no way our program would have been so successful without the involvement of U.S. Bank and Visa," she states.

"There's a perception that the U.S. doesn't understand (other countries') needs. A local champion can help advocate the program's benefits in a way that's more relatable to local employees."

### LYNNE DEGAND

Director, Manufacturing Accounting and Domestic Shared Services, Gardner Denver