

## **Bead Industries' AP Payment Transformation**

**IMPROVED EFFICIENCY & VENDOR RELATIONSHIPS AMID A SHIFT TO REMOTE WORK**

Bead Industries has had innovation in its DNA for more than a century, supporting the development of key innovations in the metal working process to produce beaded chain and products for the electronics market.

With its acquisition of McGuire Manufacturing nearly 50 years ago, the company also expanded into the commercial-grade plumbing and fixtures industries. Now, the company's suite of solutions includes connector pins used in telecommunications, automotive, connector, lighting, marine, and vertical blinds industries.

A fifth-generation family business, Bead is currently comprised of three divisions: Bead Chain and Bead Electronics, located in Milford, Connecticut, and McGuire Manufacturing, located in Cheshire, Connecticut.

The company's motto is "Making Way to What Is Possible," and Kristen Moreira, the CFO of Bead Industries and McGuire Manufacturing, says this commitment to innovation has allowed the company to diversify its divisions and products and thrive for over a century.



**We've been able to innovate for over a hundred years—and we're looking to innovate for another hundred.**

Kristen Moreira, CFO, Bead Industries and McGuire Manufacturing

## A Shift from Paper to Electronic Payments

Going paperless had been a high priority for all three divisions within Bead. The company wanted to incorporate automation into its payment processes and improve staff efficiencies.

Its decision to make a change was accelerated when the COVID-19 pandemic hit, and employees started working remotely. Its existing processes, which had relied on employee trips to the office to print checks, couldn't work in this new reality. And with postal delays, Bead was concerned that key suppliers might not receive

mail-based payments on time. The company needed a solution to help speed up payments processing for vendors and help employees save time and resources.

Bead chose to implement an Integrated Payables Solution through its partnership with People's United Bank. This solution enabled Bead to convert paper checks to electronic ACH and virtual card payments in a single, streamlined process. To help better manage payments and reduce risk, it also implemented Positive Pay for ACH and Check. These payment

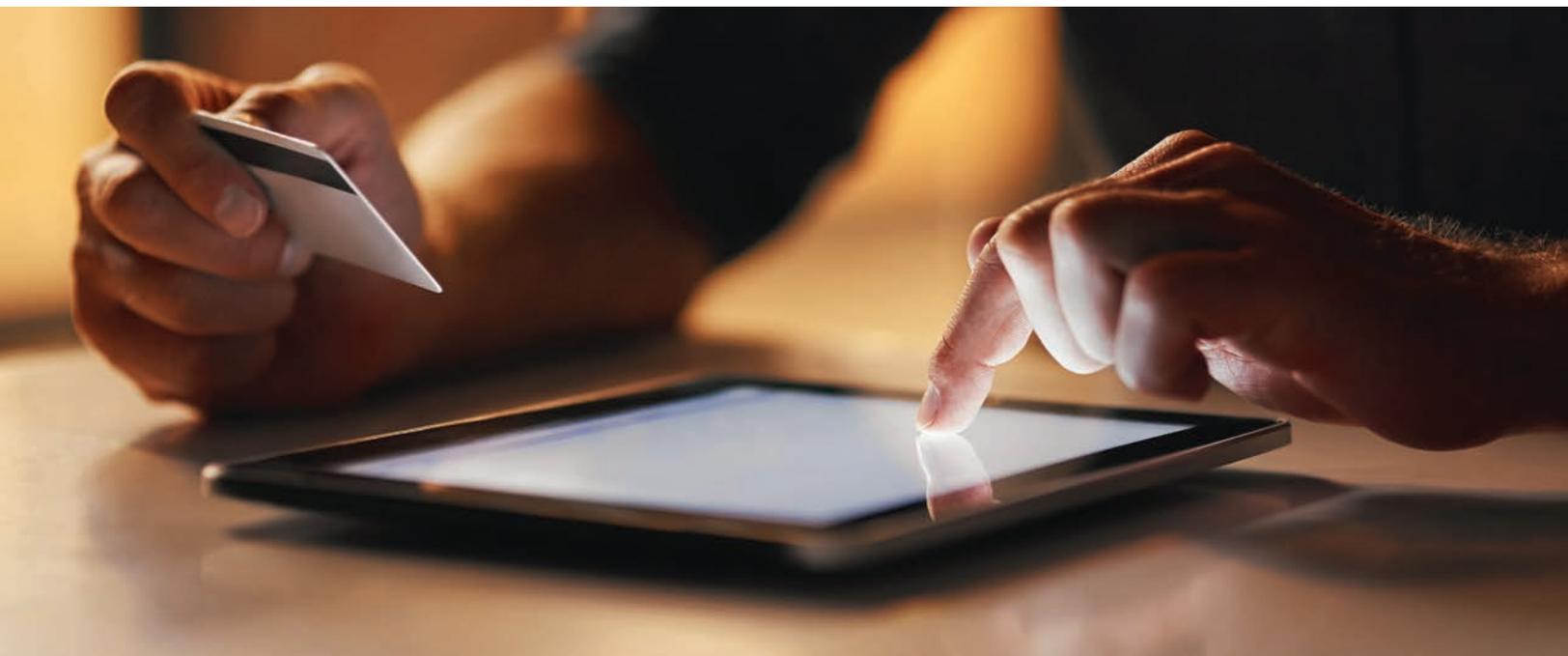
capabilities integrated with Bead's accounting system, making implementation and ongoing payment reconciliation easy.

By transforming its approach to AP payments, Bead was able to offer faster payment terms for vendors, reduce operational costs associated with printing and mailing checks, improve payment security, and earn rebates on administrative functions the company was already doing. Accounts payable employees were able to reallocate time spent on manual tasks to more strategic activities.



**The Integrated Payables Solution is saving our staff time on administrative payment processing and allowing them to focus their efforts elsewhere, which is significantly improving our productivity.**

Savannah Yelenik, Accounting Specialist, Bead



## New Revenue, New Opportunities

After implementing the solution in October 2020, Bead saw improvements almost immediately.

Vendors have had what Moreira calls an “overwhelmingly positive” response. She says vendors like having more payment type options and being paid faster, and they feel more empowered doing business with Bead. In turn, this has helped improve vendors’ overall satisfaction with the company.

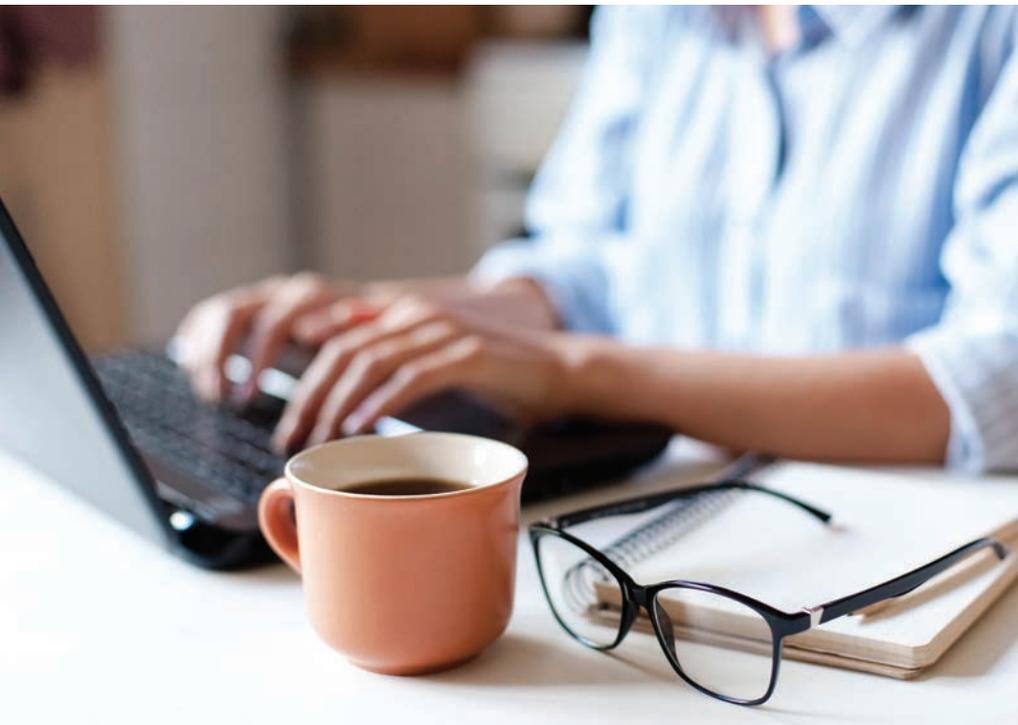
Bead has also been able to generate new sources of revenue.

Cassie Socha, Assistant Controller in the McGuire Manufacturing division, says that the solution helped the company convert 38% of vendor payments to virtual card within the first three months of implementing the solution. The company also anticipates having significant annual rebate income—money it didn’t have before.

Now that employees are spending less time processing paper check payments and can process payments remotely, Moreira says

the company is better prepared to maintain key business functions like Accounts Payable—in the face of whatever unknowns may arise.

“The future work environment will likely be different than what it was before the pandemic,” she says. “I do think remote work is here to stay. Integrated Payables will enable us to have payments securely processed in a fully remote atmosphere, which we weren’t able to do before.”



**Our vendors are happy because we’re paying them electronically and we’re paying them faster—all while we’re benefitting from the rebates, reduced fraud, and efficiency gains.**

Cassie Socha, Assistant Controller,  
McGuire Manufacturing



## How the People's United Bank Partnership Made it Possible

When it came time to look for a partner to modernize its AP payment process, Moreira says Bead didn't want to look anywhere other than People's United Bank. The company was already a banking customer, and she says Bead's relationship with it—and the trust that the company has in the bank—was a driving factor in extending their partnership.

Socha says that the People's United Bank's team was instrumental to the success of their new payments process. She says the team's effective communication ensured that Bead knew what to expect for each step of the implementation process and that questions were quickly answered. Additionally, the People's United Bank's team helped Bead Industries identify which of their suppliers would be good candidates for electronic payments (ACH or virtual card) and worked directly with those suppliers to help them sign up for these payment options.

"That's what sets People's apart: their effective communication," adds Socha.

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**Learn more about streamlining your accounts payable process by visiting People's United Bank's treasury management resource center.**

 [www.peoples.com/getstreamlined](http://www.peoples.com/getstreamlined)

