

## UOB helps small F&B businesses transform their purchase and payments process through upsized UOB BizSmart solution

*Solution will also enable the businesses to extend their cash flow and to improve their access to bank financing*

**Singapore, 2 November 2018** – United Overseas Bank (UOB) today announced it has upsized its cloud-based integrated digital solution, UOB BizSmart, to help small businesses in the food and beverage (F&B) sector manage their suppliers more effectively. The Bank enhanced the UOB BizSmart solution by integrating into it a digital procurement platform, EzyProcure, that enables the small businesses to purchase and to pay for their goods quickly and easily.

Inventory management is one of the top productivity concerns for more than 60 per cent of F&B operators as many of them still carry out such processes manually, resulting in inaccurate or duplicate orders<sup>1</sup>. In managing their inventory and suppliers, F&B operators generate purchase orders, confirm receipt of goods and reconcile and process payments. All these require manpower and are time-consuming. However, with the enhanced UOB BizSmart solution, the entire supplier management process is digitalised. As a result, F&B operators would be more productive as they could free up time and refocus on other activities such as business development.

Payments made through the enhanced solution's EzyPayment service also benefit the entire supply chain. By tapping UOB's Virtual Payment Solution, the payment service provides buyers with interest-free credit, giving them the flexibility to extend their credit cycle by up to 90 days<sup>2</sup> so as to overcome cash flow concerns. Suppliers would receive payment immediately which improves their accounts receivables for better cash flow.

The availability of such cash flow data helps F&B operators to obtain bank financing as there is greater visibility on their day-to-day operations. With the detailed information, the Bank is able to determine the business' creditworthiness more accurately and in turn, extend credit with more certainty.

<sup>1</sup> Source: *Productivity Challenges and Levers of Small F&B Businesses*, Singapore Productivity Centre, <https://www.smeportal.sg/content/smeportal/en/industries/food/2015/fb-productivity-challenges.html>

<sup>2</sup> The EzyPayment service uses UOB's Virtual Payment Solutions which enable businesses to extend their average payable period to the supplier from the typical 30 days to up to 90 days by making payment through a 16-digit virtual payment account.

With the upsized UOB BizSmart solution, businesses have a consolidated view of their operations as purchase records are integrated with their accounting and inventory management system. This helps F&B operators to streamline the reporting process, to view in real-time their transaction data to understand their purchasing patterns and to forecast future buying needs better.

Mr Lawrence Loh, Head of Group Business Banking, UOB, said, “Since we launched UOB BizSmart more than two years ago, we have been engaging more than 7,000 small businesses to understand their digitalisation needs. As businesses become more aware of the need to harness technology, we felt that it was timely to offer a solution that goes beyond automating back office processes to one that provides an holistic view of their operations.

“With so many small businesses in the F&B sector<sup>3</sup> feeding the nation’s love for food, we want to help them improve their digital capabilities to overcome operational challenges. The upsized UOB BizSmart solution will help business owners increase their productivity, gain greater visibility of their day-to-day operations and financial position, and make business decisions with more certainty. The solution will also help F&B companies with their record keeping and this, given the inherent volatility<sup>4</sup> of the sector, will put us in a better position to increase our support for them,” Mr Loh said.

Mr Edmund Louis Nathan, co-founder and CEO of Singapore e-Business Pte Ltd<sup>5</sup>, said, “Many companies in the F&B sector are still hampered by inefficient processes. They often use a mix of manual processes and standalone solutions which leads to the business not having an accurate or real-time view of the state of their business. In the long run, it could also disadvantage the business and result in them becoming less competitive. By using the enhanced UOB BizSmart solution, F&B operators will not only be able to increase productivity, but also make to smarter buying decisions to stay ahead of the competition.”

One F&B business owner who is looking to benefit from the solution is Mr Russell Yu, Director and Founder of Iki Concepts. “We operate four F&B outlets with different dining concepts in Singapore. To meet our restaurants’ needs supplies are ordered from more than 60 vendors, resulting in the need for us

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<sup>3</sup> The food services industry contributed 0.8 per cent of Singapore’s GDP and employed about 180,000 workers in 2016. Source: <https://spring.enterprisesg.gov.sg/Developing-Industries/FBS/Pages/food-beverage-services.aspx>

<sup>4</sup> It was found in a 2014 study commissioned by SPRING that only 60 per cent of food services establishments survive their first five years of operation. This study involved face-to-face interviews with 216 smaller F&B companies, and was conducted from July to November 2014.

<sup>5</sup> EzyProcure and EzyPayment are Singapore e-Business Pte Ltd’s core product offerings.

to dedicate manpower to manage and to reconcile an average of 300 delivery orders and invoices per month. With the enhanced UOB BizSmart solution, we will be able to streamline the purchase and payment process and increase productivity for both our front of house as well as support teams. Apart from improving our efficiency, the ability to extend our cash flow and to obtain financing in a timely manner will ensure that we are able to respond quickly to business opportunities as they arise.”

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#### **About United Overseas Bank**

United Overseas Bank Limited (UOB) is a leading bank in Asia with a global network of more than 500 offices in 19 countries and territories in Asia Pacific, Europe and North America. Since its incorporation in 1935, UOB has grown organically and through a series of strategic acquisitions. UOB is rated among the world's top banks: Aa1 by Moody's and AA- by Standard & Poor's and Fitch Ratings respectively. In Asia, UOB operates through its head office in Singapore and banking subsidiaries in China, Indonesia, Malaysia, Thailand and Vietnam, as well as branches and representative offices across the region.

Over more than eight decades, generations of UOB employees have carried through the entrepreneurial spirit, the focus on long-term value creation and an unwavering commitment to do what is right for our customers and our colleagues.

We believe in being a responsible financial services provider and we are committed to making a difference in the lives of our stakeholders and in the communities in which we operate. Just as we are dedicated to helping our customers manage their finances wisely and to grow their businesses, UOB is steadfast in our support of social development, particularly in the areas of art, children and education.

#### **About EzyProcure**

EzyProcure is bringing intelligent procurement solutions to market that help maximise productivity, cashflow and profitability. The cloud-based platform is poised to transform the purchasing process for both buyers and suppliers, solving the challenges that have long plagued the F&B industry. From ordering to payment, EzyProcure replaces inefficient processes through automation, such as intelligent 3-way OCR matching capabilities, digital invoicing capabilities, and seamless data integration to existing backend ERP and accounting systems. The platform also provides an interest-free extended credit term of up to 60 days for buyers, and payment for suppliers in 3 to 7 days. With the support of Enterprise Singapore and IMDA, EzyProcure has enabled over 1000 buyers and suppliers, including Creative Eateries, The Soup Spoon, Seo Eng Joo Frozen Food and Prime Deli. In partnership with UOB, EzyProcure delivers a seamless and reliable procure-to-payment experience to help businesses stay ahead of the competition. Headquartered in Singapore, EzyProcure has built a regional presence in Malaysia, Taiwan and India. In 2018, The fintech company achieved first place after rigorous assessment by global experts at the Startup-O investment platform, and was recognised as most promising finalist at SG:D Techblazer Awards - Singapore's highest accolade for technological innovation. To learn more, please visit [www.ezyprocure.com](http://www.ezyprocure.com).



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