ottimate | EL TORO LOCO

CUSTOMER STORY / GROCERY

# How El Toro Loco Supermarkets gained control of supplier payments and protected store margins.



## El Toro Loco Supermarkets is a family-owned Hispanic grocery chain built on an understanding of the communities it serves.

Founded in 1998 as a 2,000-square-foot store in Lost Hills, California, the company has grown to 16 locations throughout Central California, with five additional stores under construction. Its stores offer authentic Hispanic products, fresh groceries, and competitive prices.

**1,400+**
Average number of invoices processed per month

**1998**
Founded

**Shafter, CA**
Headquarters

**16 locations**
With 5 additional stores under construction

# Executive summary

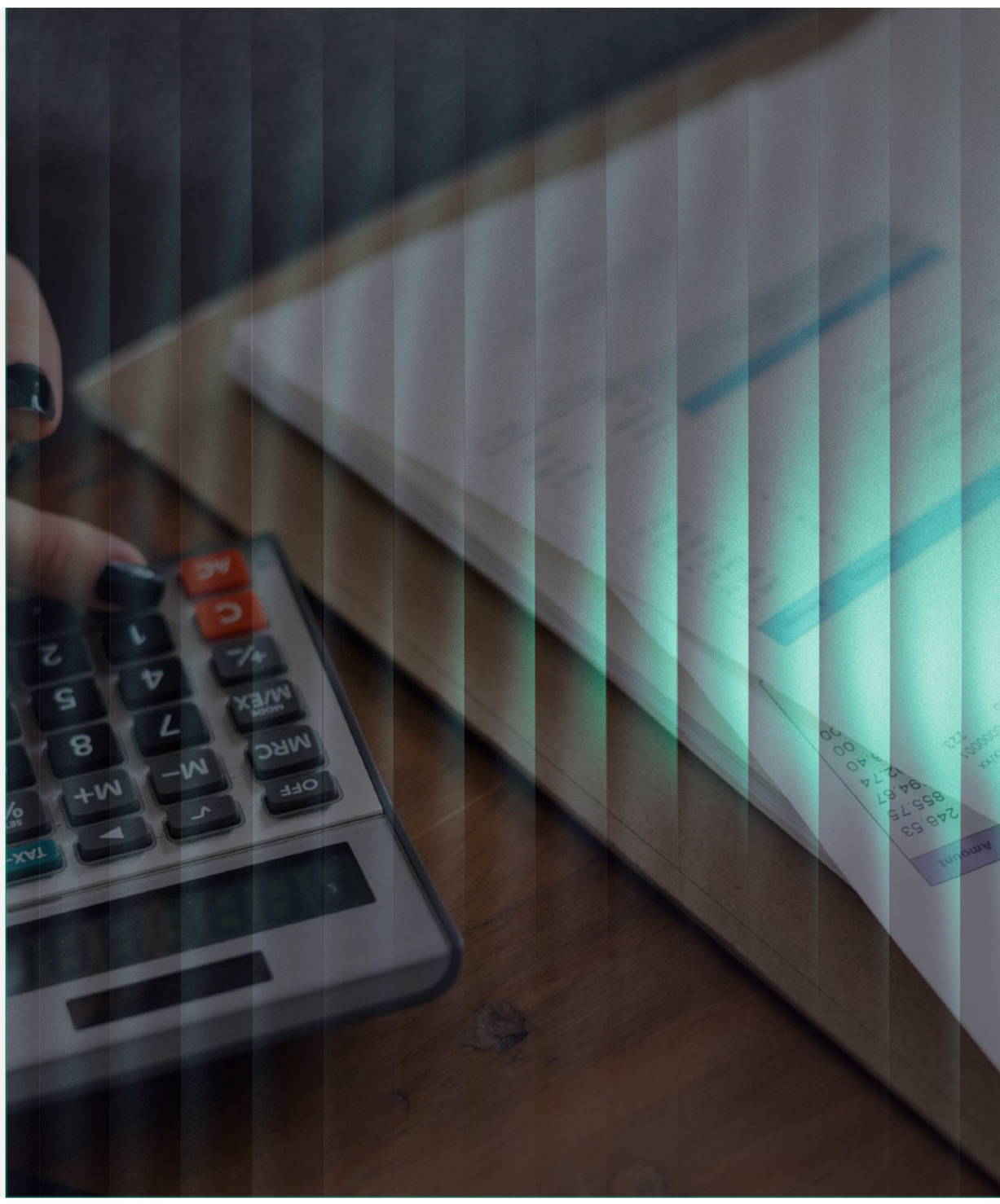
El Toro Loco Supermarkets is a family-owned Hispanic grocery chain serving customers throughout Central California. Each month, the company processes hundreds of invoices across nearly 100 suppliers and 4,000 SKUs. The work quickly adds up across 16 store locations, with 5 more opening soon. In the past, each store manager paid invoices upon delivery, a time-consuming process that left little opportunity to catch pricing discrepancies before payment.

Today, El Toro Loco manages all its invoices through Ottimate. Store managers confirm deliveries, sign off on invoices, and scan and upload them to the platform at the end of each day. From there, the corporate office reviews invoices, confirms pricing matches what they agreed to, routes them to the right approvers, and schedules payment. Moving from manual processes to Ottimate has saved time, helped the team catch pricing discrepancies before payment, increased cash flow flexibility, and made it easier to access and act on invoice data.

## The business need

Under the previous process, many suppliers received a check when a delivery arrived. Store managers verified the delivery, issued payment, and entered it into its accounting software. Each invoice took about five to six minutes to process, and managers spent one to two hours a day on accounts payable tasks.

Leadership recognized that those hours could be better spent on the sales floor. The payment sequence also limited the corporate team's ability to review invoices against negotiated supplier pricing before funds left the business.



# Protecting margins as purchasing volume grows

El Toro Loco negotiates supplier pricing across its store network. As the chain grew, the team identified inconsistencies in the prices individual locations were charged. Paying at delivery meant the team often had to resolve those discrepancies after payment, requiring follow-up with suppliers and tying up cash while refunds were processed.

For CEO Yousif K. Hussein and Chief Operating Officer Alfredo Felix, the priority was to move invoice review earlier in the process. They sought a system that would bring payment oversight to the corporate office, prevent overpayments, and put approval responsibility with the people who understand the products and negotiated costs.

> "When payment is issued before a pricing discrepancy is resolved, recovering the overpayment can take 30 to 45 days. Across multiple locations, even small discrepancies accumulate. Reviewing invoices before payment helps us protect both our margins and our working capital."
>
> – Alfredo Felix, COO

## The solution

### A workflow designed around operational expertise

After evaluating several accounts payable solutions, El Toro Loco chose Ottimate, with its AI capabilities playing an important role in the decision. Leadership then established a standardized workflow that connects store receiving, buyer expertise, and corporate financial review.

Store managers confirm that invoices match the deliveries received, sign off on them, and scan and upload them at the end of each day. The corporate team reviews the invoices, checks pricing against negotiated rates, routes them to the appropriate approvers, and schedules payment. This gives the company a chance to address discrepancies before issuing payment.

Category buyers contribute their product and pricing knowledge directly to the approval process. For example, the meat buyer reviews invoices tied to the pricing he negotiates, linking purchasing decisions to accountability for invoiced costs.

“The buyer who negotiates our meat pricing is also responsible for approving those invoices,” explained Hussein. “That connects purchasing expertise directly to financial oversight and creates clear accountability for the costs we approve.”

## A disciplined rollout across the store network

1. El Toro Loco introduced Ottimate at one store per week. The phased approach allowed the team to resolve issues and establish vendor records before moving to the next location. Ottimate’s implementation team supported the early deployments through Zoom, phone, and email.

2. The transition also required coordination with suppliers as El Toro Loco moved from payment on delivery to payment terms. Larger national suppliers adapted quickly, while some smaller independent suppliers needed additional assistance. El Toro Loco brought some of those suppliers to its corporate office for onboarding guidance.

3. Once the initial stores were operating on the platform, subsequent deployments became faster. Because many locations share suppliers, the team could reuse established vendor records instead of onboarding each store from scratch. That work created a repeatable process for extending the system across the chain.



# The results

## More time for store leadership

With invoice review and payment coordination centralized, store managers have regained one to two hours each day. They still verify deliveries but spend less time writing checks and entering payments. The change lets managers focus more on customers and daily store priorities.

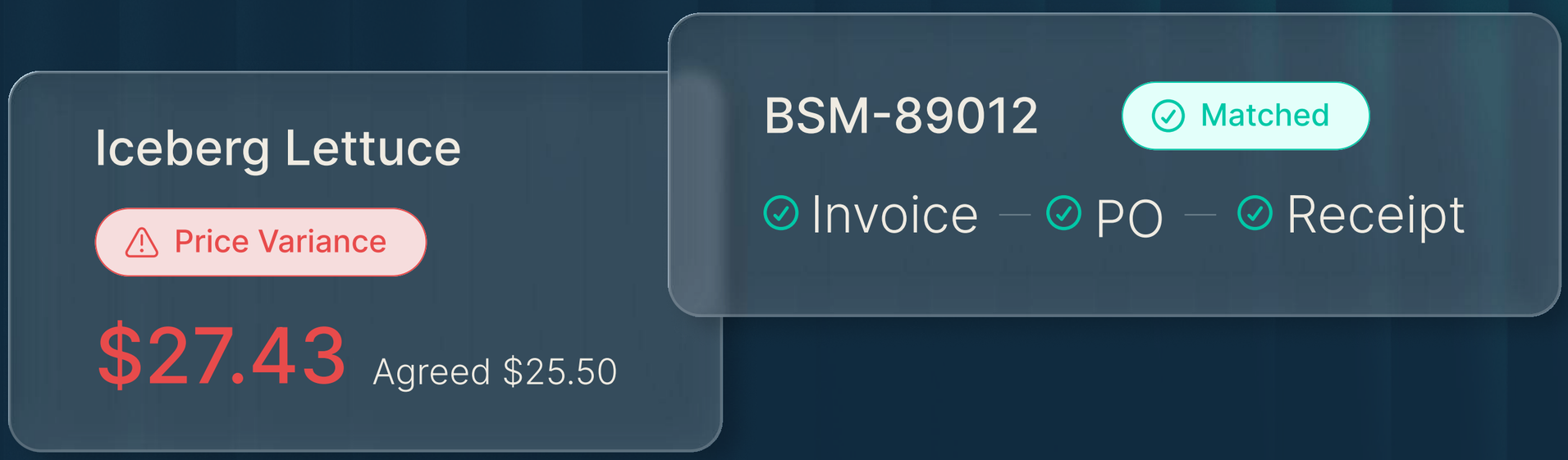
> “Centralizing accounts payable allows us to allocate our managers’ time where it has the greatest operational value: on the sales floor, supporting their teams and serving customers.”
>
> – Alfredo Felix, COO

## Stronger controls over purchasing costs

The corporate team can now check invoices against negotiated prices before issuing payment. The workflow has helped El Toro Loco identify pricing discrepancies and duplicate invoices that could otherwise be overlooked during a busy receiving day.

> “We have identified both supplier pricing discrepancies and duplicate invoices,” said Hussein. “A consistent review process gives us the ability to catch those exceptions before payment and verify that invoiced costs align with our negotiated pricing.”

Reviewing costs before payment helps the company protect its margins and reduces the need to recover overpayments from suppliers. It also gives buyers and accounting staff a shared process for addressing invoice exceptions.



## Better visibility into cash flow

Moving suppliers to payment terms has given El Toro Loco more flexibility in managing working capital. Instead of paying immediately when additional inventory arrives, the company can schedule payments within agreed terms. That flexibility is particularly useful when stores increase inventory ahead of holidays or other periods of higher demand.

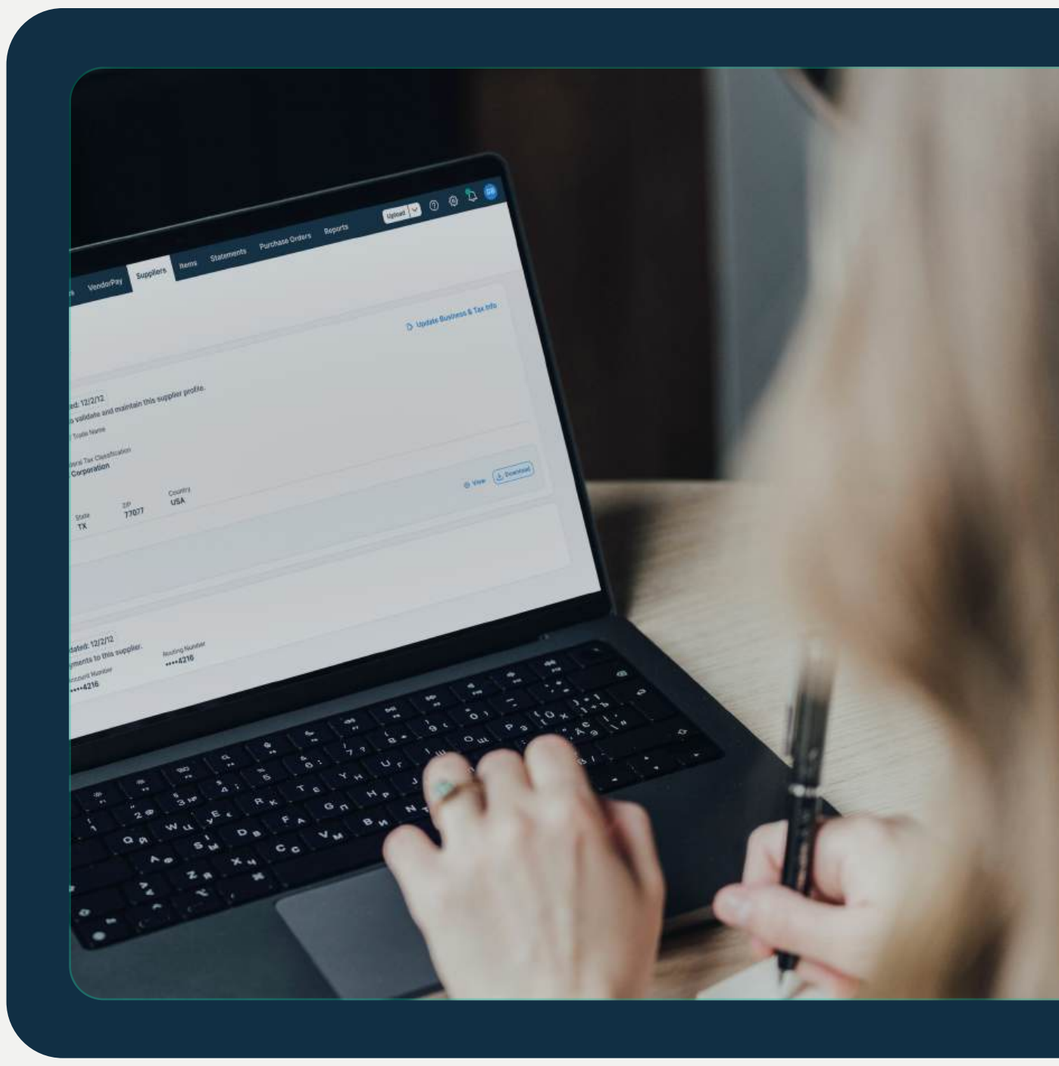
> “Payment terms give us more flexibility to align cash outflows with inventory needs,” said Felix. “When we increase purchasing ahead of a holiday weekend, we can schedule payment two weeks to a month later, within agreed terms, rather than commit that cash immediately upon delivery.”

Centralized invoice and payment records also give accounting staff a clearer view of what is due and when payments are scheduled. At month-end, the team spends less time manually sorting invoices to determine outstanding obligations.

## Purchasing data that informs supplier discussions

El Toro Loco uses centralized invoice data to prepare for supplier negotiations and business reviews. Buyers can access purchasing totals and product quantities without manually combining invoices across stores or waiting for suppliers to provide the information.

Hussein described how the meat buyer uses Ottimate Copilot to ask how much the company has purchased from a vendor and how many pounds it has bought. Access to that information helps the team discuss supplier relationships with a clearer understanding of its own purchasing activity.



## A financial foundation for continued expansion

El Toro Loco’s leadership used the implementation to establish a consistent accounts payable process across its 16 stores. The company now has clearer approval responsibilities, better visibility into purchasing costs, and a repeatable approach to onboarding locations. As additional stores open, that foundation supports expansion while keeping financial oversight connected to the daily realities of grocery operations.

# Ready to transform your AP processes?

HOW IT WORKS

### From inbox to paid.

A simpler way to manage AP, fully automated, and built for the way your business works.

### Capture every invoice.

Email it, upload it, or snap it from the mobile app. Ottimate reads every line, even on handwritten invoices.

### We check every line.

We match each line to the PO, what was received, and the last price you paid. We flag duplicates, new vendors, and changed bank details. Anything off goes to your Needs Attention Queue.

### Approve and pay.

Each owner approves their own location’s invoices from their phone. You see all 30 in one queue. We pay the vendor, and the invoices sync back to your ERP.

**A closer look at your AP starts here.**

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