



The B2B Directory Overview

A Registry & Search Service that Facilitates Business-to-Business Electronic Payments

What is the B2B Directory?

The B2B Directory is a secure registry and directory service, like a phone book, which allows payers to search for and obtain trusted information to make electronic payments to payees. Through this service, payees manage and publish information about electronic payment types they accept.

The B2B Directory is governed and operated by the non-profit Business Payments Directory Association (BPDA).

Why the B2B Directory?

A majority of business to business (B2B) payments are made by check. According to the Association for Financial Professionals 2016 payment study, 51% of all B2B payments are by paper check. Even though high usage of checks persists, businesses report that this is not preferred for making or receiving payments. Compared to electronic methods, checks are expensive to issue, slow to reach payees, inefficient to handle, and vulnerable to fraud and other risks.

One barrier businesses need to overcome when moving check payments to an electronic form is the inability for both payers and payees an easy way

to find and communicate, manage, and exchange electronic payment information.

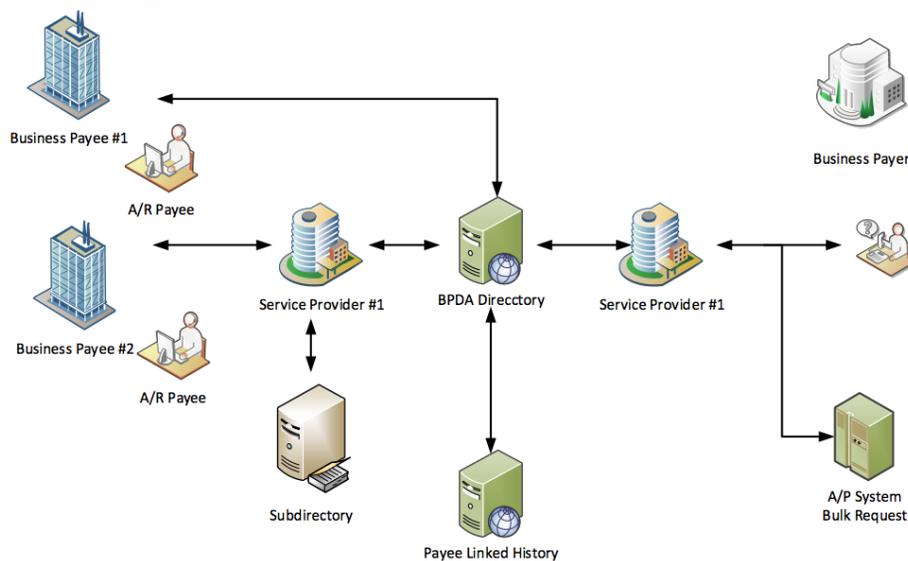
Financial institutions and payment service providers collect, manage, and store electronic payment information, and are a secure and trusted source for payee information. However, this creates “islands” of information, where accessing the data is limited to only those who are customers.

The B2B Directory removes these barriers by providing payers an easy to use, searchable utility to discover their payee’s electronic payment information.

How does the B2B Directory Work?

The B2B Directory is structured as a network of credentialed service provider “subdirectories”, where trusted and validated payee information is stored. Credentialed service provider subdirectories, which may be financial institutions and payment service providers, allow access to the Electronic Payment Identity (EPI) information they store. This allows for scalability and distributed information sharing across the entire directory. Payers perform queries (in a single or batch mode) to obtain the EPI of a payee that is stored in a subdirectory. Payees can manage their EPI in real time to ensure their information is current and up to date.

Overview of the B2B Directory



The EPI is flexible, designed to meet the needs of entities that have either simple or complex entity structures, payment systems and payment methods. The B2B Directory is not a payment system and does not send or receive payments.

Who can benefit from the B2B Directory?

The B2B Directory benefits payers, payees, financial institutions, and payment service providers by providing access to the electronic payment information. Benefits of the B2B Directory include:

- Payers can easily discover trusted electronic payment information of their payees either through a single look up capability or through a batch process. This will save time and resources for vendor onboarding, payment account verification and payment error resolution.
- Payees can publish their electronic payment information, securely and through a trusted source, to payers. Payees can alert payers when their electronic payment information changes, including when changing from one provider to another.
- Payment method agnostic, the B2B Directory is flexible so that payees can structure EPIs according to their payment system, choosing which payment methods to display, identifying what methods are preferred, and specifying the type and format of remittance information accepted.
- Credentialed service providers benefit from lower cost of electronic supplier enablement, having access to up to date payment information during payment initiation, and a new service offering to customers.

Go to the B2B Directory Project page at:

<https://fedpaymentsimprovement.org/payments-efficiency/business-payments-coalition/> for more information.