STAT Releases Criteria for Evaluating Deduction Management Vendors

STAT explains why the best deduction management vendors still miss revenue that never becomes a claim in the first place.

BENTONVILLE, AR, UNITED STATES, August 4, 2026 /EINPresswire.com/ -- What to Look for in a Deduction Management Company, and Why the Best Ones Don't Stop at Deductions

> Clients hire us because much of their revenue leakage never shows up as a deduction in the first place. That's why our clients recover 50% more than deduction management software alone will find.""
>
> *Mark Schwartz, CEO*

A practical framework for CPG suppliers evaluating deduction management vendors, and the case for why recovery management, not deduction management, is the standard to hire against.

Quick definition: A deduction management company tracks, disputes, and resolves claims a retailer has already filed against a supplier's invoice. That is a necessary function, but it is a narrower one than recovery management, which audits a supplier's full purchase order history to find revenue owed that a dispute process was never designed to catch.

Consumer packaged goods suppliers evaluating options for deduction management have more choices today than ever, software platforms, outsourced service providers, and a growing set of AI and automation tools all competing for the same budget line. STAT Recovery Services ("STAT"), the [AI-powered revenue intelligence platform]() that has recovered more than $1 billion for retail suppliers, is publishing a framework for how to evaluate these vendors, and a case for why the best answer to “who should manage my deductions” is usually a company that does more than deduction management alone.

What a Deduction Management Company Actually Does

At its core, deduction management is a process-driven function. A retailer files a debit memo, chargeback, or claim; the vendor tracks it, gathers documentation such as proof-of-delivery, responds within the retailer's own portal and playbook, and pushes toward resolution. Whether that work is done manually, through software, or through an AI agent, the starting point is the same: a claim the retailer has already presented. The scope of the job is defined by what shows up on the remittance, not by what may be missing from it.

Five Things Worth Evaluating in Any Deduction Management Vendor

Regardless of which company a supplier is considering, these five criteria are worth holding every vendor to:

- Transaction-level visibility, not portal summaries. A vendor should be able to show the detail behind every deduction across each retailer, not just a dashboard total.
- Root-cause analysis, not just dispute filing. Recurring shortage claims, pricing mismatches, and OTIF patterns have identifiable sources. A vendor that only disputes claims without explaining why they recur is solving the symptom, not the problem.
- One view across every retailer, not silos. Amazon, Target, and Walmart each generate deductions differently. Fragmented, retailer-by-retailer tools make it harder to see patterns that span accounts.
- Performance-based fees. A vendor whose fee is tied to what it actually recovers is aligned with the supplier's outcome rather than billing for activity.
- Human expertise behind the technology. Software and AI can process volume, but validating whether a deduction, or the absence of one, is correct still benefits from CPA- and CFA-level financial review.

Where Most Deduction Management Companies Stop

Even the vendors that meet all five criteria above are still, by definition, working from what the retailer has already presented as a deduction. That is the structural ceiling of the category: a company can be excellent at deduction management and still only be looking at a fraction of the revenue a supplier is actually owed, because a meaningful share of leakage, pricing discrepancies, overpaid allowances, EDI errors, post-audit issues, never becomes a formal claim in the first place.

Why STAT Positions Itself Beyond Deduction Management

STAT is often evaluated against deduction management companies, and it is happy to be held to the five criteria above. But the company's own view, reflected across its recent work defining recovery management and revenue intelligence, is that the more useful question for a supplier isn't which deduction management company is best. It's whether deduction management is the right category to be hiring in at all.

STAT's platform audits the full lifecycle of a supplier's purchase orders, up to 24 months across every major retailer, using a proprietary AI engine alongside a CFA- and CPA-led audit team, independent of whether a dispute was ever filed. That approach is built to catch what deduction management, however well executed, is not designed to look for: revenue that never became a claim at all. STAT clients have recovered on average 50% more than deduction management software alone typically identifies, according to STAT's internal client data.

“We're glad to be measured against any deduction management vendor on those five criteria,” said Mark Schwartz, CEO at STAT. “But our clients don't hire us to win that comparison. They hire us because much of their revenue leakage never shows up as a deduction in the first place. That's the gap we're built to close, and it's why our clients recover 50% more than deduction management software alone will find.”

Suppliers can see how this framework applies to their own transaction history through STAT's complimentary two-year historic audit, which reviews 24 months of Amazon, Target, and Walmart transactions with no upfront fees and no ERP integration required.

About STAT Recovery Services

Headquartered in Bentonville, Arkansas, STAT Recovery Services is an AI-powered revenue intelligence platform that helps retail suppliers recover hidden revenue leakage, manage deductions, and prevent future losses across every major retailer, including Amazon, Target, and Walmart. Combining a proprietary AI/ML engine with a team of CFA- and CPA-led auditors, STAT has recovered more than $1 billion for clients ranging from emerging brands to Fortune 500 companies, with no upfront cost and no cost unless funds are recovered. Learn more at statrecovery.com.

Media Contact:
Claire Reed | claire@statrecovery.com | statrecovery.com

Claire Reed
STAT
claire@statrecovery.com
Visit us on social media:
LinkedIn
