CROSSROAD DISTRIBUTOR SOURCE

Executive Summary

COMPANY:
Crossroad Distributor Source
www.CrossroadDistributorSource.com

INDUSTRY:
Industrial & Aerospace Threaded and Non-Threaded Fasteners, Workplace Productivity Tools

BUSINESS CHALLENGE:
- Manage inventory in multiple geographic locations
- Create customer-specific and volume-specific pricing models
- Meet customer delivery demands by meshing lead times with accurate reorder points
- Kitting and kit assembly from both finished goods and raw material inventories
- A cost-effective and efficient software solution that would integrate with QuickBooks in a best-case scenario

SOLUTION:
- Fishbowl Inventory with the Manfacturing option

RESULTS:
- Better reach and service to customers with multiple locations
- Significant reduction in quote time and pricing errors
- Ability to achieve 100% on-time delivery of forward orders while keeping inventories at economic levels and maintaining a 95% fill rate of all catalog items
- Improved profitability by bringing kit assembly in-house
- Improved efficiencies with no head count increase despite double-digit growth in 2 consecutive years with Fishbowl

Crossroad Distributor Source (CDS) was founded in 2004 by Scott Campbell, a 25-year veteran in industrial and aerospace fasteners. Tiring of the corporate rat race and yearning for a return to small business, Campbell took the plunge. CDS is a master distributor serving over 500 industrial, aerospace, electronic and fastener distributors throughout North America. Their 4,500 line items include specialty thread inserts, blind rivets, as well as fastener and engineering reference books. The company has five employees and a network of eleven manufacturer's representative agencies across North America. With products sourced both domestically and globally, the purchasing function takes on an important dimension in their ability to meet customer demand and expectation. The competition is keen, so it is imperative that the company run a lean operation and focus on performance and high customer service standards to give it a sustainable competitive advantage.

Business Challenge

In 2008, the company noticed that it was outgrowing QuickBooks as an inventory management solution. Campbell's son Casey, General Manager, was tasked with finding a solution to this problem, which was time sensitive as the company needed distribution centers in other cities, and QuickBooks as a standalone was not an option. There were other issues that were identified, such as customer- and volume-specific pricing models, key performance indicators, such as on-time delivery, fill rate, and traceability recordkeeping that had to be satisfied. Additionally, CDS had made a decision to bring in house all of its kit assembly, and needed a robust software package to address all these concerns.

Another challenge identified was ease-of-use. Casey explained, *"QuickBooks is a terrific package for our general accounting requirements. We want to teach our employees our market, customer expectations and how to sell. We don't want to have to use resources and lots of time in training how to use our accounting and inventory software."*

Finally, perhaps the biggest challenge was cost. Scott Campbell was familiar with many of the accounting and inventory management software systems used in the industry. They were costly, often costing a minimum of $15,000 before you actually got what you wanted. At this point in the young company's history, that sort of expenditure was impractical.

The Solution

Casey identified Fishbowl as a potential solution. The fact that it would integrate with QuickBooks was a strong advantage. In investigating the software, Casey was very impressed by the Fishbowl reps with their proactive responsiveness. In the first call to Fishbowl, the rep led Casey through the GoToMeeting presentation where he could see how the user interface worked. When he saw how easy it was to use, and how cost effective the product would be, the decision-making process was considerably shortened.

Once the product was in hand and installed, CDS began the process of moving its inventory information from QuickBooks to Fishbowl. Detailed pre-planning had determined how they wanted inventory records coded. The next step was customizing reports so that the company could predict sales turnover and improve the reordering process. With Fishbowl reorder reports and auto-PO feature, orders can be placed with the click of a mouse.

They were also able to immediately create "external" warehouses and begin the transfer of inventory. Fishbowl makes it very easy and efficient to transfer inventory between warehouses.

The most tedious process was setting up the customer- and volume-specific pricing. However once this was done, managing or making changes to it is really quite simple. In addition, this gave CDS the impetus to reduce the number of customer-specific pricing schedules and encouraged a standardization of multiple schedules based on customer sales volume.

Order acknowledgment, packing slip and invoice templates were customized to CDS, and the conclusion was that Fishbowl delivered on performance and exceeded cost/benefit expectations.

The Results

Since implementing Fishbowl Inventory CDS has become a more robust company.

- *With the ability to easily control inventory in different locations, the company can spread inventory throughout North America to make our products more accessible to more customers.*
- *Building kits in house and using Fishbowl Manufacturing Module has increased its profitability and, just as important, flexibility in meeting customer demands, such as private labeling. These kits contain up to 12 SKUs per kit, and CDS builds 400 different kits. When creating the work order and then going to the pick module, items*

available can be seen. If parts are not in stock, the re-order report manages that function. Fishbowl has made this complex process simple and efficient.

- *Customer- and volume-specific pricing has increased quote and order entry efficiencies ten-fold. With 4,500 SKUs and volume-based pricing across the range, as well as volatile-marking pricing in their industry, the ability to easily manage error-free pricing is absolutely essential.*

- *Customer Service can now check stock at a single glance and see what quantities are in stock at each location. With Fishbowl's pick screen, if necessary, they can have part of an order picked and shipped from one location and the balance from another location.*

- *Since much of the company's finished product and raw material originates overseas, it is imperative that accurate reorder points gel with lead times. There has been excellent success with Fishbowl min/max reorder points, keeping manageable inventories and an excellent order fill rate of a minimum 95% and 100% on deliveries of forward, or blanket, orders.*

In conclusion, Fishbowl is considered a valuable, silent partner in the business. The software has allowed the company to gain important new customers, create efficiencies, improve profitability and extend its reach. And no one can argue with double-digit growth in each year since implementing Fishbowl without the need to add any additional personnel.

Fishbowl support has been extremely helpful and responsive when needed, and they continue to innovate each year with new versions.

Scott Campbell says, *"I've purchased, recommended purchase, and participated in the implementation of as many as a dozen manufacturing and distribution software packages. While most all were functional, not one was easy to implement and most were rather complicated from a user and training perspective. Considering the significant expense of all those packages, QuickBooks and Fishbowl have made me a believer. It is excellent software, robust, highly functional and a real value to any small business."*

About Fishbowl

A private company based in Orem, Utah, Fishbowl and its cornerstone product, Fishbowl inventory, make it possible for every small to mid-size company to have the level of flexible and mobile inventory control solutions large organizations enjoy. Since 2001, Fishbowl has become the #1 requested inventory solution for QuickBooks. ForQuickBooks users, the flexible and cost-effective combination of QuickBooks and Fishbowl can grow along with you as your company grows. Fishbowl Inventory 2010 is available from www.fishbowlinventory.com and from a growing network of VARs and online channel partners throughout the U.S. and Canada

Sign up for a demo by going to our website at www.fishbowlinventory.com or call 1.800.774.7085 ext. 2.

Fishbowl
Now you can swim with the sharks!

580 E Technology Ave	Phone 801.932.1100
Suite C2500	Toll Free 800.774.7085
Orem, UT 84097	www.fishbowlinventory.com