

bisTrack™ Case Study



LOCATION	Farmington, NM
AFFILIATIONS	Orgill
SALES PROFILE	70% contractor 30% government/ commercial/ industrial/retail
BISTRACK	30 users / 3 locations
IMPLEMENTED	July 2006
REPLACED	Dimensions

RESULTS SUMMARY

- Margin increase of 5 percentage points
- Triple the rate of quote conversion
- 3 person staff reduction
- Lower IT costs
- Access to information for strategic pricing review and market share analysis



Construction Supply Company

Brian King, president of New Mexico's Construction Supply, expected cost savings when he replaced the company's aging business software with bisTrack. He got that and more! bisTrack is also helping Construction Supply to improve margins and increase market share.

bisTrack visibility of prices and margins results in 5 points margin increase

Brian King admits he didn't expect bisTrack to have such a dramatic impact on their margins. But bisTrack helps prevent and catch mistakes before they cost the company money. "In our old system, we had no way of knowing we had made mistakes. We used to spend a couple of hours each day fixing invoice issues. Nobody likes to make the phone call to change the price, so most of the time we didn't," King recalls.

He describes how Construction Supply now uses bisTrack's pricing management features to set acceptable margins and restrict who can change prices. "Now, we can see margin alerts immediately and fix the issue before the order gets delivered."

"Once we started restricting price changes and reviewing invoices and margins, our margins started going up," says King. "Within the first eight or ten months on bisTrack, we were up 5 points of margin. The payback from our investment in bisTrack software happened in just months."

Quote conversion triples with bisTrack messaging and reminders

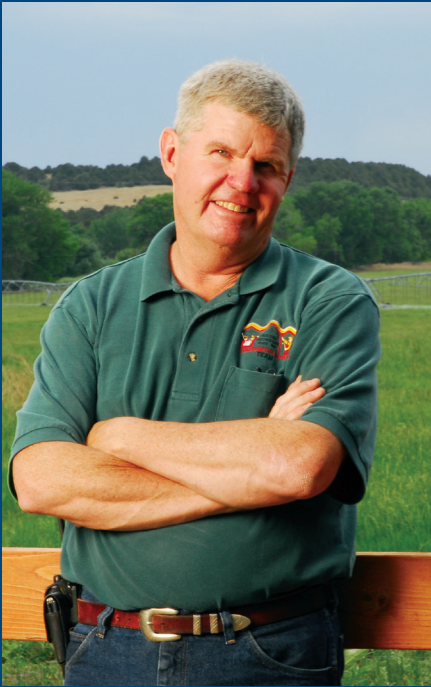
King uses bisTrack's Business Intelligence (BI) features extensively, especially Dashboards and Smart Views, to monitor business performance and access financial and operations data. When bisTrack uncovered low quote conversions – the number of quotes that are converted to orders – he took action to find out why.

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"Progressive Solutions isn't just a software vendor, they're a technology partner. They listen and provide us with the tools to make our business successful."

— **Brian King**, *President, Construction Supply*

One supplier. One integrated system. Only Progressive Solutions.



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Construction Supply Company...continued.

The first remedy was to use bisTrack’s built-in messaging system to send reminders to salespeople to followup on outstanding quotes. Remarkably, the quote conversion rate tripled within 18 months.

The second remedy was to have the salespeople make one mouse-click to select a Reason Code for rejected quotes. King is now using that intelligence to put in place strategies that improve the company’s margins and market share.

Reason Codes for lost orders spawn profit-boosting initiatives

The top reason cited for abandoning a quote – the contractor didn’t get the job – did not reflect that Construction Supply sometimes still got the order through the winning contractor. Construction Supply changed the way they handle multiple quotes for the same job by using bisTrack’s built-in CRM functionality to track building permits. They plan to track their success for all building permits to determine their market share and ways to increase market penetration.

More critical was the insight that they may be losing orders due to high pricing. Construction Supply worked with Orgill to do a pricing audit and put in place pricing management policies. They now pay close attention to price-sensitive items using bisTrack, and subscribe to an internet-based price comparison service to make ongoing adjustments. King is confident that their prices are competitive and expects to see fewer orders lost on price.

Cost savings from staff reduction and lower IT costs

Thanks to bisTrack’s familiar and hardware-independent SQL platform, Construction Supply’s annual support costs for technology have gone down substantially.

Further, bisTrack’s efficient workflow has eliminated the need for staff to handle paperwork and re-key orders. King reports: “With Scan Track, EDI and other features such as emailing orders and statements, we’re probably down three FTEs (Full Time Equivalents) since we implemented bisTrack.”

King remarks: “Progressive Solutions isn’t just a software vendor, they’re a technology partner. They listen and provide us with the tools to make our business successful.” ■

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