East Coast Electrical Distributor Reports Speed & Sales Gains With MITS

Founded in 1892, Shepherd Electric Supply is the oldest wholesale electrical distributor in the Baltimore/ Washington area. With 200 employees spread across 4 locations, they handle a diverse group of customers including commercial construction, lighting and switchgear projects, commercial facilities, facility management, industrials, OEMs, and government organizations.

When Shepherd Electric chose their ERP 5 years ago, they were led to believe that it would also handle their reporting requirements. They quickly learned that was not the case. "One of my personal goals on the IT side was to move the responsibility for running, creating and editing reports out of the hands of IT and put it in the hands of the user," Jason Black, IT Manager for Shepherd Electric explained. "Unfortunately the reporting functionality the ERP had available was so difficult to use that people still came to me whenever they needed a report generated, putting us right back to square one."

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"One of the major problems was that we just couldn't get the information out of our ERP and into Excel, no matter how hard we tried," Jason said. "For example, downloading the data and then finding out you couldn't sort it because a particular row had different data sets in it was a major headache for us. The other issue with our ERP reporting is that once you've set one up, it's really difficult to change it. If you're running a sales report for a particular department and you decide to hire someone new, you basically have to start over from scratch since you can't add that new person's data to the existing report." It was clear that flexibility and ease of use were high on Shepherd Electric's wish list when they went looking for a new reporting solution.

The size of Shepherd Electric meant that many BI tools were actively seeking their business. After reviewing a number of potential solutions, they decided MITS had the requisite functionality coupled with an ease of use that was immediately apparent during the product demonstration. Another factor in MITS' favor was that they were a 12 year partner with Shepherd's ERP provider. This gave them peace of mind that MITS was an established company with a track record of delivering proven solutions across the ERP's customer base.

After MITS was installed at Shepherd, the next step was to begin training staff on the tool, a process Jason describes as relatively straightforward: "As we bring different members of the organization online, I sit down with them for 30-45 minutes and explain the general operation of MITS, and really that's all they need as a starting point. I encourage them to 'click-around' and explain that they're not going to break anything. The worst thing they could possibly do is overwrite a report they created. After spending some time with the tool they often come back and ask specific questions or describe a certain report they want to run. And then we walk through that process together."

Upper level sales management and ownership are currently using the solution, with the sales force next in line for installation and training. "We think it's great because we can roll it out to a Sales person at a

desk and he or she can only see information as it pertains to them," Jason explains. "That way they can have the tools to focus on their job and IT has the peace of mind that the universe of data is secure."

Jeff Register, Vice President of Purchasing, is most impressed with the speed of MITS. "Reports in our old system took such a long time to complete that I could put one in motion, go to lunch, come back and work, go to dinner and come back and at that point it might be done. With MITS, if you want to run something, you just build a query and execute – it's that fast. And when you create a report in MITS and you realize it's not something you need, you just tweak it and rerun the report in minutes. In our ERP, the same operation might take you up to a couple of days."

Jeff expands his thoughts on how MITS helps him do his job more efficiently: "I head the Purchasing and Inventory group, and have responsibility for the buying of 'pool commodities', which are raw materials like plastic pipe, conduit, copper, etc. These pool commodities make up 60% of our business and can change price rapidly in the marketplace. If you don't know what you're doing, you can lose your shirt very quickly. In our ERP system, there are fields representing different costs and resales that are critical to making informed buying decisions. MITS can pull these fields out and combine them in minutes to create a pool commodities report, a task that used to take me hours to complete. This report allows me to react faster to changes in prices for these commodities than I've ever been able to before."

MITS makes Shepherd Electric more efficient, but it also makes them money as well. A case in point: Shepherd Electric experienced a sales drop off with a particular line, with the net result being the company was set to miss a vendor sales goal and the $7,000 rebate that was to go along with it. In less than 45 minutes, Jason and Jeff, who at this point had no previous exposure to MITS, were able to review the trending data in the MITS Sales cube to pinpoint the cause of the drop off. It turns out that one customer in particular had relocated operations overseas, including the sourcing of their raw materials. Jeff was able to explain to the vendor that this customer was the cause of the sales loss and was an unforeseen circumstance as opposed to a lagging sales effort. Presented with the data, the vendor agreed that the drop off was beyond Shepherd's control and lowered their sales goals for that year. The net effect was that Shepherd Electric qualified for and received $7,000 of rebates that they otherwise wouldn't have, a result they attribute to MITS and its analytical capabilities. "It's one thing to say the tool is fast and it has increased efficiency, etc., but we can concretely say that MITS helped us secure a $7,000 rebate that we otherwise wouldn't have received. That in itself is pretty powerful."

"Vendors want to hear their successes," Jeff explains. "They may not enjoy hearing their failures, but they want to understand their failures. And from my perspective, MITS gives us the tools to go in and identify the root causes behind successes, or even failures. This gains the trust of the vendor and convinces them that you're focused on their business and that you have a plan to continue to build on the successes or eliminate the failures. This is such a valuable thing and MITS gives that to us. As an end user of MITS, what the tool has done for me so far, along with the benefits I expect to receive as I deepen my involvement in the product is nothing short of amazing. I truly think MITS product is excellent. There are dollars in value that I can associate back to the cost of the MITS product, and based on my understanding, it is well worth our investment and I am very glad I have it."

Jason agrees: "Even if you remove that $7K victory, there is no doubt that MITS has paid for itself many times over."

About MITS

MITS helps hundreds of distributors and manufacturers leverage the data in their ERP and other business systems to make better decisions, every day and at every level of their organization. Established in 1996, MITS' interactive reporting and business intelligence software combines industry best practices with the flexibility to meet the unique needs of every customer. From standard to custom reports, dashboards and scorecards, MITS drives sales growth, profitability, and operational efficiency for competitive advantage.

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