

Measurable Results™ – Tormach

Hi. My name is Daniel Rogge. I'm the CEO of Tormach. Tormach manufactures small CNC machines, so mills, lathes, plasma tables, routers. We make machines that are capable, affordable, easy to use.

A lot of stuff used in industrial production is like three-phase 480 volt power, requires reinforced concrete floor. Our stuff is all single-phase. You might find it in an industrial plant, but you might also find it in an R&D shop, in an office building, or in an engineering firm. You might find it in a school. Sometimes you find them in somebody's garage, if they're kind of a metal working enthusiast.

We were on QuickBooks, so we had several problems. Number one was that our company file had gotten to a point where it was multiple gigabytes and it was unstable, so every month we'd have to go delete a bunch of transaction data in order to continue to use the software. The other major issue was that we couldn't really automate anything in QuickBooks. So, we couldn't connect QuickBooks to our website for transmitting sales order information. We had to kind of manually copy over a web order back into QuickBooks. We also wanted to move to a three PL for fulfillment, and we couldn't automate any of the pick, ticket, shipping information.

When we started this business 21 years ago, you could not go online and buy machine tools. You couldn't go online and buy machine tool accessories, you couldn't buy tooling, tool holders, devices, calipers, all that stuff was like paper catalog only. We kind of pioneered that, right? And then as we're pioneering that, along comes Amazon, and they do more than just selling books, and all of a sudden they're selling everything under the sun. And people come to expect the experience that they had with Amazon, and for a small business, to do something like that is a real challenge. And so we brought Acumatica on to be that kind of central hub. But we connected our website to Acumatica via Acumatica's API, but eventually we did it for inventory as well. So you go to our website, and if we only have two left of something, you see that there are only two left. So that kind of classic ecommerce experience that people are now very used to, thanks to companies like Amazon, was something we were able to take on.

The other part of it is the order transmittal. Most of our shipping is done through a three PL, and we wanted to be able to both transmit the shipment requests to that three PL as well as receive shipment confirmation and tracking information back from that three PL into Acumatica. Will show up on a Monday, and you can see, you know, 1000s of dollars' worth of orders that have been placed on a Saturday or Sunday that had the shipment requests made, and all that stuff just kind of flows through automatically. So that was the type of automation we wanted to take on with Acumatica.

We're using the MRP module, and so I know from an inventory planning standpoint, if you talk to our supply chain manager, he would say, yes, this has totally helped decrease out-of-stock or

increase availability or decrease turns. But I can tell you that what it's really done for us is help us communicate with our customers. Right now, if we have two shipments, one going from our Milwaukee warehouse, another going from our Laredo warehouse, or even a third one coming from this warehouse, the customer gets that shipping notification that says, hey, thanks for your order. The following items will be coming from our warehouse in Milwaukee. They'll they should be arriving at X date. The other two items are going to ship from our warehouse here in Madison, Wisconsin. The carrier for this is if it's an LTL shipment. Here's the contact information. That was stuff that we were not able to do at all without Acumatica, and we are now, and we actually have a pretty complex supply chain.

We have product coming from China, product coming from Mexico, product coming from Taiwan, and then we have multiple warehouses in the United States that those products could arrive at and then ship out to for our customers. And from a customer standpoint, some of that stuff is UPS, and some of that stuff is LTL, and some of it is a mix. That all we've been able to automate away because of Acumatica.

On the sales side, you know, we're doing three times the business that we did back in the QuickBooks days, and we're doing it with fewer staff. You know, it's just less manual data entry and more actually getting to talk to customers when a true problem arises, as opposed to having to talk to every customer every time they place an order.

So we're still getting regular support from SVA on a lot of this stuff. It's a steep learning curve for any new software, especially a software that's touched by your entire staff, and SVA was really responsive to those issues, and if we had problems that we escalated, SVA came through and helped us out, and they did that. They did what they said they were going to do. We're now not just using SVA for ERP support, but you guys are doing our reviewed financials too, so we must, must have enjoyed the relationship on the ERP side, because we've just purchased more services from you.

There's no way we would have taken on a new ERP software without somebody who was really knowledgeable in that ERP software. There were a lot of things that we didn't know we didn't know, and having somebody with expertise, not only in the implementation of the software, but in the use of the software, guiding us that was that was really helpful.