

DeRosa Mangold Consulting and Sage MAS 90 Supports Diversified Machine Systems' Annual Growth Rate of 30%



Challenges That Led To A New System

- Annual growth rate of 30%
- Difficult to know what inventory to order
- No standardization in QuickBooks
- Lack of manufacturing capabilities in QuickBooks

Why DeRosa Mangold Consulting

- Success was inevitable
- Able to think outside the box
- Doubled volume produced without adding staff
- Tailored the system to work how we do
- Balanced inventory
- Custom reports for easy data access
- Personable service
- Quick response to support questions

Specializing in manufacturing machines with pinpoint accuracy, Diversified Machine Systems manufactures custom CNC router machines from their headquarters in Gainesville, Texas. While the majority of their customers are in the pattern making, plastic or woodworking industries, Diversified Machine Systems focuses on companies with either a high volume product or create a customized product. Precise repeatability is critical to their customers, just as a precise inventory and manufacturing system is critical to Diversified Machine Systems.

"We have been growing at a rate of 30% per year," said Pam Pohl, office manager at Diversified Machine Systems. "To manage our accounting, inventory and manufacturing processes we were using a combination of QuickBooks, Excel and an add-on to QuickBooks for bill of materials called NumberCruncher.

Needless to say this was not a good solution. There was a lot of manual work that had to be done and managing our inventory was extremely difficult, and time consuming."

Diversified Machine Systems researched new systems for a few months and found DeRosa Mangold Consulting (DMC) in the process. "I instantly was impressed with DMC. We had no experience with this type of software system and knew it

would be a huge jump for us. I knew by talking with Mike DeRosa that DMC would not let me fail," said Pam. "When I talked to other companies, I felt they were just salespeople. I did not get the impression that they understood our needs. I was also impressed that I met the people who were going to work on our implementation. DMC also demonstrated not what the system would cost us, but what the system would save us."

There was a lot of work ahead for Diversified Machine Systems, but Pam felt confident that DMC would be there every step of the way to help. Diversified Machine Systems selected Sage MAS 90 ERP integrated with JobOps job management software.

"There were some pretty tough days during the implementation," reflects Pam. "The DMC team kept us focused



"We had never worked with a professional accounting system and I knew that DeRosa Mangold Consulting would not let me fail. The system has paid for itself in less than one year."

— Pam Pohl, Purchasing Manager

and calm. There was so much to learn and a lot of structure that we needed to put in place. For example, with QuickBooks there was no specific format for setting up customer, vendor or inventory numbers. Consequently, searching or reporting on this data was cumbersome not to mention duplicate entries existed. I now can search on inventory items several different ways." Pam's favorite inventory search is using the 'description contains' option. This allows searching on any one word that may be in the item description and Sage MAS 90 will search the entire inventory database, saving Pam countless hours of what once was a manual search of more than 3,000 records.

Another area that DMC streamlined was ordering inventory. "We needed a way to look up what item numbers were on work tickets and what vendor was supplying those items. DMC created a custom report that shows all open work tickets and what parts are still on order. This report saves me 30 minutes a day," said Pam.

Diversified Machine Systems mostly orders-to-order their inventory; however, there are some items that are ordered regularly that may not be on a work ticket. They did not want to track quantity on hand for some of these items as they are supplies, but they did want to set up minimum order quantities, long descriptions and vendor pricing. "DMC recommended setting up a product line called non-stock to track this inventory," said Pam. "It works perfectly. Items are costed correctly and inventory stays in balance."

At any one time, Diversified Machine Systems is currently manufacturing 35 unique machines. "With Sage MAS 90 and JobOps, I have perfect control over each machine. I can issue stock easily to a work ticket and see when parts are due for a machine and from which vendor. When the item is received, it is automatically assigned to the correct work ticket since purchase order is integrated. This is a huge timesaver for us, and best of all it is 100%

accurate. We never have posting errors or have to reissue items."

"We also use JobOps' component exception manager to manage items ordered for stock. I love this feature because I can set minimum and maximum levels for each item. We never over order, which prevents excess inventory on hand and reduces cash outlays. I also don't have to go through my item numbers to see what is on hand, committed and needed. JobOps does all of this for me," said Pam. "In addition to the time it saves, it is a stress reliever to know that all of our materials will arrive on time."

"DMC is first-rate at being creative with customizing the software to our needs. There were functions we needed that the software was not necessarily designed to do. Because DMC knows the system so well and understands our business processes, they are able to create work-arounds for us," said Pam. "We didn't have to change the way we do business to match a system, DMC matched the system to us."

"I love that I can pick up the phone at any time and almost always get an immediate response," said Pam. "DMC makes sure we are not down for long and unproductive. The system has paid for itself in less than a year and we have been able to double our volume without adding more staff. Working with DMC has been critical to our on-going success."

Diversified Machine Systems is relocating its operations to Colorado later this year. "We will still continue to use DMC for service despite the distance," said Pam. "They are that good!"



877-772-2980 • www.derosamangold.com

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