

Commonwealth Tool Specialty, Inc.

Success Story

One of a series of articles celebrating the success of companies using today's information technology to solve operational problems common within their industries and beyond.



A Quick Summary

Company Profile

Commonwealth Tool Specialty, Inc. is a distributor of industrial cutting tools, sold to the automotive industry and others. They have eighteen employees, and serve customers in Virginia, North Carolina, South Carolina, Tennessee and West Virginia.

Current Software & Hardware

Dell server and desktop PC's, running Windows 2003 and XP. SouthWare GL, AP, AR, PR, RM, Inventory Sales, Doc.Transfer, TaskWise, Import-Mate, Workflow, Extended Data, ExecuMate, Swift-Mate, Forms Adapter.

Benefits

SouthWare software is the foundation of a powerful and flexible information system that enables this company to maintain the high level of customer service that sets them apart from competitors.

Comments

SouthWare is easy to use. There are checks at the end of data entry that prevent you from turning small mistakes into big ones!

—Kathy Childress, Receptionist

Ed Staley, President and owner, founded Commonwealth Tool Specialty, Inc. in 1981 in his basement. Starting with one experienced salesman, he soon added two more. In 1986 they built and moved into the present building, having grown to twelve employees.

They sell the tools that cut the metal to make the end products such as bearings and brakes that go into automobiles, air compressors and pumps.

Mr. Staley has built his company with a determination always to be at the forefront of the industry. That means employing only technically qualified engineers and technicians as salespeople. Commonwealth's superior service starts with a consultative sales approach, not simply taking orders but looking at the underlying issues and problems faced by their manufacturing customers.

For example, this approach might uncover a situation where one custom designed tool might do the job of three tools currently in use. After designing and supplying the new tooling, the Commonwealth salesperson is qualified to actually help set up and run it and assist in training the operator. The end result over time is that the customer may pay more for tooling, but dramatically reduce his cost of manufacturing. Mr. Staley sometimes offers to provide all tooling free, if the customer will give him half the savings that result. So far, no one has agreed!

One challenge on the horizon is the downsizing of the American automotive industry. The company is looking at other industries for greater diversification, and in fact have been successful in doing that already, having continued to grow over the past two years.



A Typical Commonwealth Cutting Tool



Inside Sales Department



Servicing EDI Trading Partner

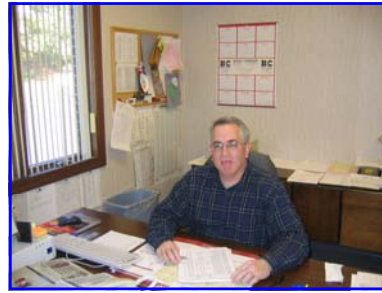
For more information please contact Carolina Cipher at 800-948-9968X5, Email sales@ccipher.com, or visit us at www.carolinacipher.com.

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Business Software Solutions Since 1977



Yvonne Blackwell, VP of Finance

“ReportMate is very useful. It is so good to be able to manipulate data in any way. It has facilitated implementations of EDI with a vendor and a supplier for transmitting purchase orders & sales reports. Forms Adapter enables us to use blank paper instead of pre-printed forms.”



Matt Robertson, VP of Operations

“We distinguish ourselves from our competition by superior service. I have seen that Carolina Cipher does that also. Custom tailoring of SouthWare to fit our business better is one example. Our relationship with Carolina Cipher has been very valuable to our company. I would be reluctant to change.”

Yvonne, please describe your duties as VP of Finance.

“I wear a lot of hats. I oversee HR and Finance. Also, I keep our information system running, taking care of programming problems and EDI integration.”

How long have you used SouthWare?

“We first purchased it in 1987. We considered Prophet 21, which is widely used in our industry, but SouthWare was stronger in accounting. We have done many software upgrades over the years, and they have gone smoothly, easier each time. The most difficult was when we went “paperless” with Revision 7. It was hard for the users to get used to, but has been a major improvement.”

How has SouthWare helped your company?

“Because so many of our sales are buy/sell or custom designed items, our software must work efficiently between the purchase order and sales order parts of the system. Carolina Cipher has done extensive modifications to the quote package to accommodate that. We can enter sales orders, with as many lines of description as necessary, and automatically convert them to purchase orders. Sometimes the description has to be edited, which is easily accommodated. With Revision 9, we can now access history with description rather than part number, quote number or invoice number. This makes us much more efficient. Forms Adapter allows us to use blank paper in laser printers instead of custom forms, saving us money and giving the forms a better look. Lookups are easy in SouthWare, enabling us to find things quickly. When vendor invoices come in, we get verification that prices are correct by comparing them with the Purchase Order prices. Purchase order lookup within Accounts Payable accomplishes this.”

How would you advise companies needing new software?

“Do a lot of research, looking at your industry and to the future. What do similar companies need, and what will you need? What changes may occur, and how much growth? We did well to pick SouthWare, because since 1987 it has accommodated our growth and changes through upgrades with no disruptions to our business. Carolina Cipher is always available when we need them, and our relationship with them has always been good.”

Matt, what are your responsibilities as VP of Operations?

“Primarily my job is to coordinate the work of the outside and inside salespeople. The outside guys are all techies who understand manufacturing processes and can program machines. The inside people are their backups. They answer questions about stock, get quotations from suppliers and answer any number of questions from outside salespeople and customers. Our inside people are as well qualified as most outside salespeople in our industry. We are very service oriented, and stay in touch with customers constantly. Many distributors don’t have the expertise or personnel to do this.”

Who are your Customers?

“We are heavy in automotive, with a concentration in bearings. We sell to companies who supply Ford, GM, etc. We sell to Honda lawn mowers, Gardner-Denver and Ingersoll Rand, for example.”

How do you help your customers?

“We provide so much more than a catalog. All our reps are graduate engineers or apprenticed machinists who can program machines and design tooling. 50% of our sales are special items, designed to solve specific problems that cannot be solved with standard tooling.”

How important is Information Technology to the success of your company?

“Web-based tool management involves using vending machines as tool cribs at customer sites to manage their inventories. The machines send us E-mails telling us when it is time to restock items. It is so much more efficient. Over half of our suppliers want us to access them through the Web. Iscar is a very progressive supplier based in India. They give us incentives to our discount structure to place orders through EDI, and to use their Web site to check stock, get proof of delivery, ask questions and get recommendations.”

“We are doing triple the sales now as in 1987, with the same number of people or maybe less. Our SouthWare system is a major contributor to this, along with other technologies. Our ability to get custom tailoring of SouthWare from Carolina Cipher to fit our business better is a major advantage.”