

Argyle Welding Supply Now Tracking Smarter

Barcoding, Inc. and TrackAbout

Argyle Welding Supply is a family-owned wholesale distributor of industrial, medical and specialty gases, welding equipment and supplies, and water treatment chemicals. Established in 1975 and headquartered in Albuquerque, NM, the company operates branches in Las Cruces, NM and El Paso, TX. Employees strive to ensure high quality products are delivered promptly while adhering to strict safety standards. As testament to the company's success, business continues to grow in spite of challenging economic conditions.

However, that success didn't come easy. Argyle often lacked reliable data to provide accurate billing, resolve customer disputes and account for the 26,000 cylinders they managed. The company struggled with these problems until a vendor introduced them to TrackAbout, giving them the confidence to invest in an advanced asset tracking system.

The Dangers of Unreliable Information

Without a modern asset tracking software system, distributors maintain asset balances manually by noting the size and number of cylinders as they are delivered to and returned from their customers. This method consumes a substantial amount of time to maintain and is susceptible to manual error. Often a variety of discrepancies arise as both distributors and customers must maintain separate paper-based records.

"We accounted for cylinders on an in and out basis," said Jim Wright, President of Argyle Welding Supply. "Unfortunately, that resulted in constant 'he said, she said' situations over delivery, asset balances and billing. We'd argue that the customer's signature was evidence, but they were quick to say our driver didn't write down the exception. It was an endless battle."

The packaged gas industry is extremely competitive and distributors must comply with an increasing array of challenges, including pricing and government regulations. But there is little room to compete on price since industrial gas is a commodity that lacks differentiation. Instead distributors focus on ways to increase efficiencies, reduce costs and provide exceptional customer service.

"We never want customers to take their business elsewhere so we found ourselves caving in because we didn't have the indisputable backup we needed," said Wright. "It affected our business financially as we were often writing off lost cylinders and rental revenue, not to mention the time spent arguing these disputes."

Wright admitted that Argyle employees made their share of mistakes such as forgetting to add a cylinder to a customer's account or a driver picking up a return from the wrong customer. Or there was the time when a 2,000 pound carbon

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Published on Industrial Maintenance & Plant Operation (<http://www.impomag.com>)

dioxide bulk tank was installed at a customer site and wasn't added to the customer's account. "It was about two and a half years before we discovered it," said Wright. "With a rental fee of \$175 per month, we hadn't billed for over \$5,000. It wasn't easy approaching the customer with that."

Moving to a Modern Tracking Software Solution

Given the problems Argyle experienced, it might seem strange that the company didn't implement a modern asset tracking system sooner.

"We looked at a few tracking systems, but none of them seemed to be worth the investment," said Wright. "That is, until one of our suppliers referred us to TrackAbout."

That supplier, one of the world's largest providers of industrial gases, had implemented TrackAbout to manage their U.S. operations several years before. After visiting the company's facility in Phoenix, AZ to learn how they were using TrackAbout to manage their cylinder fleet, Wright contacted TrackAbout to learn more.

That's when TrackAbout sales representative Doug O'Dell invited Wright to visit a customer site in Nebraska. "We showed him the customer's production facility and visited one of their retail stores," said O'Dell. "There were opportunities to speak with employees to learn about how they were using TrackAbout throughout their operations and with management to gain insight into their implementation and overall cylinder tracking philosophy."

It was a positive experience for Wright. "I remember being very impressed by their plant and their operations. And when I saw how well TrackAbout worked for them, I knew it would work for us too. It was time to invest."

Working Smarter with Better Information

TrackAbout is a closed-loop asset tracking solution which leverages technology to eliminate the inefficiencies of traditional paper-based systems. Data is collected at key stages via mobile handheld computers, providing timely, accurate information that is free of manual keying errors. Smart technology automatically and intelligently corrects mistakes such as missing scans, duplicate serial numbers and syncing mobile units out of sequence. TrackAbout creates a digital historical information record for each asset which is stored indefinitely and available for instant recall.

"What really amazed me was the ability to capture cylinder history," said Wright. "We now have the evidence to back up our claims in customer disputes. We can provide our customers with specific detail as to the exact cylinder, order number and delivery date and time. We can even tell them when the cylinder was scanned on and off the truck. This adds legitimacy to our claims and it has reduced dramatically the financial issues we'd experienced."

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Wright added that TrackAbout also helps Argyle support their customers' businesses. Previously, when cylinders got mixed up, the customer didn't always get credit for their return. For example, on a busy Saturday night when a restaurant runs out of CO2, the manager borrows a cylinder from their competitor across the street. The borrowed cylinder gets returned to the restaurant's gas supplier and the restaurant gets credit for the borrowed cylinder while the competitor continues to pay rent on a cylinder they don't have.

"With TrackAbout, we're able to ensure our customers get credit no matter who returns the cylinder," said Wright. "Our customers are confident that we account for our cylinders accurately and are applying credits correctly. They've come to trust our system and I'm certain that makes them more likely to continue doing business with us."

Wright also noted that Argyle is deploying cylinders more effectively with TrackAbout. "We know the number of cylinders at each location at the click of a mouse," he said. "But more importantly, we also know the characteristics of each. For example, it's easy to see how long a filled cylinder has been sitting so we are sure to rotate our stock to prevent the product from expiring. And we also are able to reallocate cylinders among our locations more efficiently. We can tell if a location is hoarding cylinders and transfer some of them to correct a shortage at another location."

A Real Return on Investment

TrackAbout's experience has proven that typically over five percent of a distributor's cylinder fleet is out at customer sites and not collecting rent. By capturing unique asset IDs, TrackAbout uncovers these cylinders and corrects errant balances as empty cylinders cycle back to the distributor.

Armed with accurate asset balances, Argyle was able to start billing for the cylinders that weren't accounted for. "We increased our rental income by about six to eight percent," he said.

"Overall, TrackAbout enables us to do a better job," said Wright. "We will never forget to bill for a 2,000 lb. bulk tank again."

About TrackAbout

TrackAbout® is a scalable software-as-a-service (SaaS) solution to track, manage, maintain and optionally rent portable physical assets. Items are tagged using barcodes or RFID tags. Data is collected using rugged handheld scanners, smartphones, tablets or integration from other systems. Dynamic fields and forms may be easily added to support a company's unique workflows. TrackAbout integrates all of this information with existing enterprise systems. Founded in 2000, TrackAbout has evolved through an active relationship with our customer base. For more information, visit www.trackabout.com [1].

For more information on Barcoding, Inc., visit www.barcoding.com [2].

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