

## Lockwood Products Transforms Business with Acumatica



*"The software isn't driving how we do business. We dictate how we need to use it."*

– Chad Lockwood, President and CEO, Lockwood Products

### OVERVIEW

Lockwood Products Inc. is the inventor of the modular coolant hose known as Loc-Line. As Lockwood Products grew, it became increasingly challenging to use the two financial systems that ran the company. To better manage daily order processing, gain better inventory management and realize the benefits of a tightly integrated ERP, Lockwood Products adopted Acumatica and found an opportunity to re-envision their entire business.

### SITUATION

In 1981, Arnold Lockwood created a coolant hose that would stay in place and not break when twisted into different positions, and sales took off. Today, the hose known as Loc-Line® is used for a variety of different purposes including air delivery in large aquariums and smoke and dust removal vacuum systems. Many consumers know it as the stable but flexible hose that helps them position cameras like the Go-Pro®.

For several years, Chad Lockwood, President and CEO, ran the company using QuickBooks Enterprise for financials and an add-on product called Activate for inventory and order entry. "Our day-to-day activities were becoming very frustrating," Lockwood says. "Each program contained different data and it was frustrating jumping back and forth between them."

Accessing the data and creating reports was equally difficult: some of the data was exported to spreadsheets, some inquiries were written in the SQL database management console that was part of Activate, and others were created using Crystal Reports.

"We really needed a more integrated system capable of managing our daily order processing as well as better inventory management," Lockwood says. "We had recently released a line of new products and added new personnel so I thought it was about time to get a new system."

I also wanted a system capable of having standard processes that could easily be taught to new employees without having to convey tribal knowledge person to person."

### SOLUTION

Lockwood's shortlist of must-haves for a new system included a unified interface for all modules, a robust SQL database for data storage, local product support, and a substantial base of customers. He started looking at systems, including Sage, Microsoft Dynamics and a few others.

Lockwood engaged the help of Bennett/ Porter & Associates, an IT firm he had heard great things about. "Bennett/Porter was a huge piece of the puzzle when it came to choosing the new system," Lockwood says. "We were considering another product— Sage, I think—but none of them seemed to fit the bill for us without making large concessions." When Lockwood met with B/P, they introduced him to Acumatica, showed him a demo, and everyone agreed it was a good fit.

"The fact that [Acumatica] had so many of the features we were looking—a simple, web-based interface, local support and the ability to add additional users without extra fees—put Acumatica on top of the list by far," Lockwood says. "Plus, import scenarios and the ability to create custom reports and custom screens with Generic Inquiries was key."

#### COMPANY

- **Location:** Lake Oswego, OR
- **Industry:** Manufacturing

#### SOLUTION

- Acumatica Financial Management Suite
- Acumatica Distribution Management Suite

#### KEY RESULTS

- Streamlined entire operation; reconfigured processes
- Increased visibility and insights into financial performance, enabling more informed and accurate decisions
- Empowered employees to work as they liked, not the way technology dictated
- Increased company efficiency
- Eliminated the frustration of dealing with two disconnected financial systems

Lockwood was extremely pleased with the Bennett/Porter team and wouldn't hesitate to recommend them highly. "They did an excellent job and I was very happy," he says. "The implementation was on time and on budget."

## **BENEFITS**

Acumatica allowed Lockwood to make wide-sweeping changes to the way he runs the company. Rather than simply replacing an existing piece of software or adding some functionality, Lockwood re-evaluated many operational processes and made them more efficient. Acumatica allowed him to redefine roles within the company as well, he says. He made sweeping changes to warehouse, shipping, sales, inventory and employee processes.

"The software isn't driving how we do business," Lockwood says. "We dictate how we need to use it."

### **Unlimited user licensing eliminates computer timesharing**

"We were really limited by the number of people that could be using the old software due to licensing restrictions," Lockwood says. "Previously we had one computer in the office that the warehouse timeshared to check inventory levels and build assemblies, for example. Two people couldn't be in the program at one time."

Because Acumatica offers an unlimited licensing model, and does not charge a per-seat fee, companies like Lockwood can have an unlimited number of users in the system at the same time. With Acumatica, Chad Lockwood placed inexpensive tablets around the warehouse for employees to use at any time, moving financial system access to where and when it was needed, and also lowering the cost of software and hardware needed to maintain desktops for employees. Now, warehouse employees can check inventory or assembly builds on the spot at any time.

### **Access to real-time data provides more accurate insight for running the business**

Previously, Lockwood Products could only run a nightly inventory report, so managers lacked insight into inventory levels and new sales orders. "With Acumatica, someone can log in at any time, refresh the screen, and see live data on product to determine what product the team should focus on, rather than building things we may or may not need depending upon how demand has changed," Lockwood says.

Acumatica's Generic Inquiries function allows Lockwood and its managers to find information fast and to create reports on the fly, things that were very difficult with the old set-up. "In the old system, any time I wanted to get data out, we had to write a Crystal Report, which is complicated and many times needed to be outsourced," Lockwood says. "Since I'm comfortable writing SQL inquiries, I can now modify or write a new report from scratch and that's been huge."

The company has hundreds of products that they build into thousands of packages giving them several thousand product IDs, and now Lockwood can get reports on any of them in exactly the way he wants. "We've significantly increased the insight into how our business is operating, it's more accurate and current," he says.

### **Anywhere, anytime access improves productivity, speeds travel reimbursements**

Using Acumatica on mobile devices, including cellphones and tablets allows employees to access data from home or the road, Lockwood says. He enjoys the ability to access Acumatica from the road on his morning commute.

Acumatica also greatly reduces the time it takes to enter reimbursable expenses from expense receipts and expense claims. When traveling overseas to China or Germany, he no longer has to lug a pile of travel receipts home and laboriously enter them into the system. "Before, doing expense claims was a big pain, especially when you have hundreds of receipts," he says. Now instead, he simply takes a photo of his daily receipts, attaches those photos to an expense claim, and sends it to accounting.

### **Easy-to-use, customizable interface**

Lockwood likes Acumatica's consistent and customizable interface, which made it easy for long-time employees to learn and for newer employees to get quickly up to speed.

"In our old program we were forced to use data fields for data they were not intended to hold because the fields we needed were not there," Lockwood says. "In Acumatica, if we need a custom field to hold some customer- or product-specific data we just add it through the customizations, these fields are also available in reports. The ability to customize Acumatica easily is very unique and very powerful, and we have made great use of that feature."

### **Increased growth potential by removing bottlenecks and improving processes**

"The decisions we make about customers, vendors, products, and employees depend on an accurate and accessible ERP system. Without good clear data you cannot make informed decisions. Acumatica has removed bottlenecks by allowing access to all of our employees from any device with a web browser. This has allowed all of the departments within our company to know that the work they are doing based on data from the system is correct," says Lockwood. "Our ability to import and access our data accurately through an easily customized interface from any location will allow us to grow far into the future," he continues.

"Instead of spending time maintaining our in-house solution, Acumatica has allowed us to use that time on things that improve our bottom line and focus on making new and better products for customers," Lockwood says.