

N A LARGE BUT HIGHLY FRAGMENTED INDUSTRY, IT CAN BE DIFFICULT FOR
A COMPANY TO **differentiate itself** FROM THE COMPETITION.

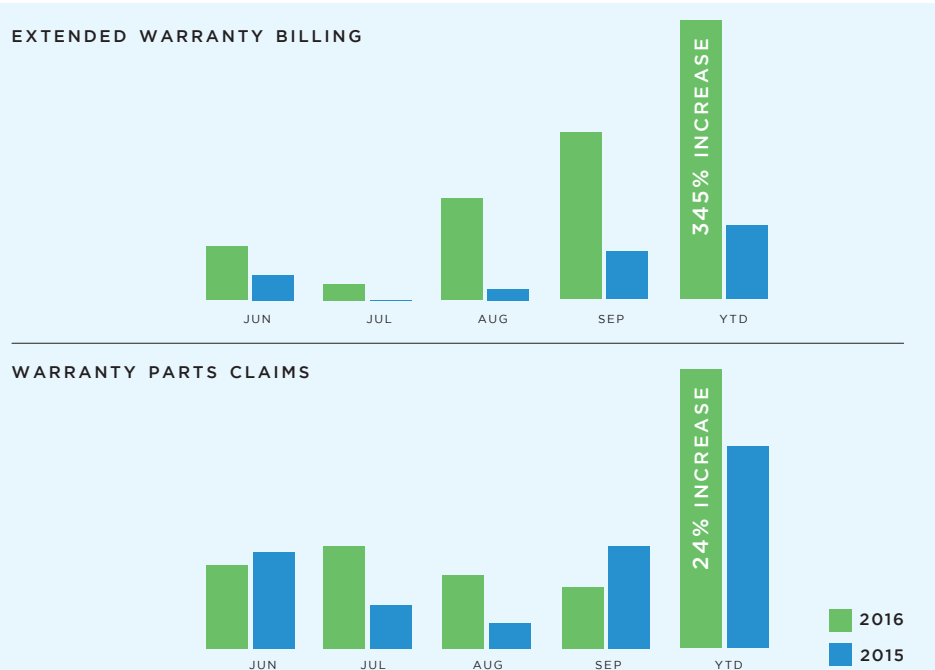


THE FACTS Providing superior quality service at reasonable prices is essential, and achieving scale without compromising on quality is a challenge that, if met, brings significant reward. The HVAC-M (Heating, Ventilation, Air Conditioning and Mechanical) industry is one such industry. According to survey data, there are 95,000 HVAC-M contractors in the US, employing 950,000 people, and generating \$161 billion in annual sales and \$45 billion in annual payroll¹. With such a large industry composed primarily of small companies, and with needs varying significantly based on local climate and construction, becoming the standard-bearer in a regional market is the definitive road to success. Arpi's Industries of Calgary, Alberta is a prime example of a regional company with an excellent reputation and a familiar brand, which nonetheless found its growth to be limited by internal

operational inefficiencies. In its 50-year history, Arpi's has been the dominant regional player in its industry, and turned to process innovation through software to support its growth initiatives.

Gimbal Logic was approached by Arpi's to help implement a system that would reduce or eliminate operational inefficiencies, capitalize on specific revenue opportunities, and facilitate Arpi's trajectory of growth. As with many service businesses, the problems at Arpi's were easier to identify than they were to resolve. Two challenges among those that Arpi's chose to address were:

1. For warranty repairs, always submit a claim.
2. For all repair calls, always have the standard parts on the truck.



These things sound simple – and they probably would be for a 10-person company. But at a large regional company like Arpi's, when people get busy, things can slip through the cracks. Gimbal Logic implemented systems that close the critical gaps.

MAXIMIZE REVENUE

Manufacturer's Warranty Part Repair ("RMAs")

Many of the service calls that Arpi's receives are for repairs that are covered by a manufacturer's warranty. When a service call results in the replacement of parts that are covered by the manufacturer's warranty, Arpi's must submit an "RMA" claim to the manufacturer in order to receive reimbursement for the parts and labor that were consumed by the repair. Although Arpi's had a good system for ensuring that they received reimbursement for claims that they had submitted, they did NOT have a reliable process for ensuring that the claim was actually submitted. When things got busy, technicians and supervisors were completing the repair and making the customer happy, and sometimes failed to submit the claim, which meant that Arpi's was not getting paid. To solve this problem, Gimbal Logic designed and implemented a system for Arpi's that ensures that every warranty part replacement results in a claim to the manufacturer that is ultimately reimbursed.

MINIMIZE COSTS

Truck Stock: Real-Time Inventory

Like most service organizations, Arpi's service vehicles have some on-board inventory of typical repair parts. In Arpi's case, there's a short list of approximately 20 parts that are the root cause of failure in approximately 80% of all "no-heat" service calls. Having at least one of each of these 20 parts on the truck that responds to the service call is often the deciding factor in whether the repair is profitable, or not profitable at all. If the part is on the truck, the repair can be completed on the first visit. If the part is not on the truck, the technician must retrieve the part from the warehouse, and return to the job site. The extra trip to the warehouse and back to the job site can take an hour or more, and it can result in the job being only moderately profitable, or not profitable at all. To solve this problem, Gimbal Logic implemented real-time inventory tracking for the service vehicles. Whenever a service vehicle arrives at the warehouse, the warehouse personnel use real-time inventory reporting to prepare a bundle of parts to be added to the vehicle, to replenish the truck's stock of the 20 critical parts.



By designing and implementing proven, reliable, web-based software solutions to optimize Arpi's operations, Gimbal Logic has helped Arpi's realize significant cost savings, and also increased revenues and scalability.



Gimbal Logic is set apart from other solution providers by our relentless focus on the unique problems of each of our clients, and tailoring the technology solution – and technology budget – to their individual needs. We work with our clients to identify opportunities for cost reduction and revenue enhancement, and to establish a track record of technology projects that pay for themselves within an acceptable time frame.

Contact Gimbal Logic today and let's discuss what makes your business special, what drives your competitive advantage, so that we can help you reach your next milestone of growth.

Gimbal Logic builds and implements low-cost cloud-based solutions for mid-size companies in the manufacturing, construction, and professional services industries. Gimbal offers 100% salesforce native all-in-one solutions and applications for accounting, enterprise resource planning, inventory management, and workflow automation.



Arpi's Industries Limited is a more than 50-year-old plumbing and heating contractor in Calgary, Alberta. Arpi's provides services and products for furnaces, hvac equipment, plumbing and all mechanical needs for contracting, commercial, and residential customers. Operating over 50 trucks servicing Calgary and area, Arpi's is a trusted name in plumbing and heating.

“We can see some significant improvement in the first 4 months of using the solution implemented by Gimbal Logic. Our total labor for Residential Service has decreased 15.3% from the previous 3 years average. We are also seeing significant revenue increase from warranty claims, which can only be attributed to the control and visibility that we now have. But even more importantly, Customer and Technician feedback has been overwhelmingly positive.”

Dennis Smaggus MANAGER OF FINANCE