

Kenandy Primes the Profit Pump for SPS



Who'd think that moving liquid from point A to point B could be a complex endeavor? You might, if you considered the physical challenges—extreme environments, extreme conditions, all manner of different liquids—combined with technologies, such as AI and big data analytics and IoT, that are re-making manufacturing.

Many manufacturers of “old world” products such as pumps and motors still rely on rigid “old world” systems to manage their operations. But when your business is as diverse and complex as Service Pump & Supply (SPS), rigidity is costly. Systems have to support you—not some outdated, pre-fabricated, inflexible configuration of how a business like yours should run.

That was the challenge facing Patrick Farrell, owner and president of West Virginia-based SPS. SPS provides and services pumps, motors, and accessories for the industrial and energy sectors. The company relies on a dizzying array of business models to maintain its ferocious commitment to customer service. SPS may manufacture a product or buy, rent, or consign it from a third-party before turning around and selling, renting, or consigning the product to its customer. The products may be new or used. They may be made to order. They may have accessories that are sold separately. “It’s very complex,” says Farrell. “Every kind of transaction that

people face, we face them all.” And they must account for the difference in value of a product from the time it’s made or obtained to the time it’s delivered to a customer.

Being such a diverse one-stop shop is a competitive differentiator for SPS. But there’s a flip side. “Every problem that a traditional manufacturer or distributor has, we have. Plus, every pump and motor repair shop is our competitor. Every pump sale or rental shop is our competitor. To stay ahead we’ve got to customize our system based on the particular market and the particular good or service that we’re offering.”

SPS’ existing ERP system was too rigid, inflexible, and isolated for the task. “Sales wasn’t connected to shop, shop not to finance, finance not to quality, quality not to our customer,” Patrick recalls. “We needed to be able to connect the enterprise—from inquiry to collecting cash. The whole process has to be tied together. But all of our reporting was slow, manual, inaccurate.”

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PATRICK FARRELL, OWNER AND PRESIDENT, SPS



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Minding the Gaps

SPS' complexity made it difficult to find one system that could do all the different transactions in competent way. "Nobody satisfied all our requirements," says Farrell.

"Kenandy won the day by committing to develop the rental platforms we needed. Plus, with the Salesforce platform we knew we'd be able to expand."

And expansion was critical. "We needed to adapt the system as we go, because we knew we'd discover new requirements as we went along, that certain processes would need to change. And with our commitment to continuous improvement, the technology had to keep up." Yet the vendor needed to be as agile as the product. "Even though we met unexpected challenges, Kenandy's flexibility and willingness to do whatever it took to make sure we were successful was reassuring and comforting."

SPS went live on time and on budget. Now its system moves data with the same ease and volume as its equipment moves water or liquified natural gas. "Everyone has access to all the information they need, in real time. They can be proactive and take care of problems themselves without having to be told. They didn't have the tools to do that before."

The enhanced data visibility Kenandy provided began paying dividends throughout SPS almost right away. "We uncovered

some dead inventory that we didn't have visibility into with the old system. When we found it we were like, hah, we knew this was there! Somebody would place an order, and because the old system wasn't coding it right, we'd think that we needed it even though we already had it on the shelf. So we'd order another one, which gave us too much inventory. Now we're a much leaner, more efficient organization. Really, every aspect of our business is better since we implemented Kenandy because we have better visibility into the data." Controller Deanna Coulter concurs. "With Kenandy's dashboards and reports, we can easily drill down to the individual transaction level of entries. And they're also great tools for tracking AP and AR in real-time."

The Best is Coming Down the Line

Thanks to Kenandy, Farrell says that SPS can keep growing, and diversifying. "Part of that diversification strategy includes opening new branches, and that part is very easy in Kenandy. We're also going to acquire companies and bring them on the platform, and Kenandy's flexibility helps us with that."

SPS will turn to the Salesforce platform to add functionality that will put within reach the data-rich environment of IoT. "These pumps, these motors, these systems that we have, we need to be able to communicate with them in real time. Because the connecting device will lead to us having new data, which will in turn be important for offering goods and services, not just to our customers but to our suppliers to make them into customers." Farrell imagines machines, with built-in sensors, doing their own service calls without human interaction, which in turn could lead to an era of predictive analysis, predictive failures, preventative maintenance. "We could anticipate needs and solve problems in a way that takes less time and money. And if we can help others lower their costs, we add value to the supply chain as opposed to just being a middle man."

You might even say the flexibility of the Kenandy-Salesforce combination makes Farrell feel "future-proofed." "Every day people are discovering new ways to use the system that makes their job easier. Whenever they come up with a process improvement we can just make it work the way we want it to work rather than making our people work the way that the system works."