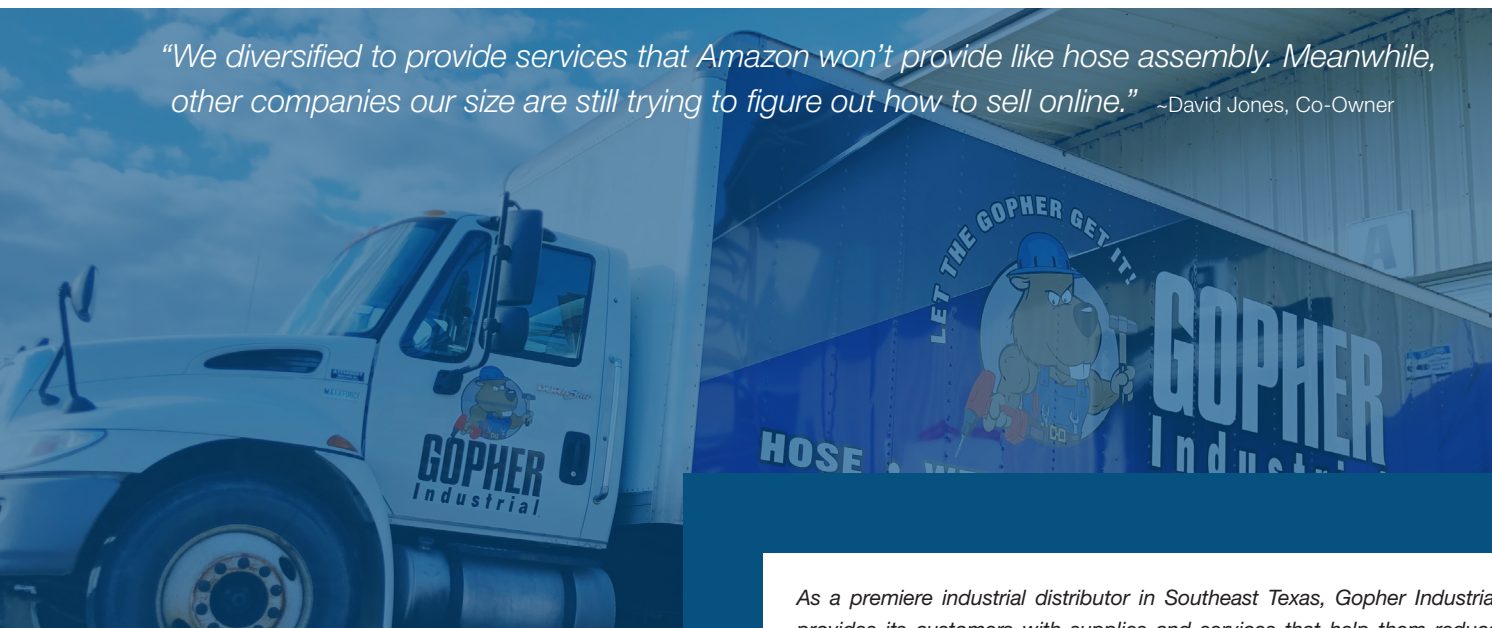# 'ECOMMERCE 1ST, BRICK-AND-MORTAR 2ND' THOUGHT PROCESS DRIVES LASTING SUCCESS

"We diversified to provide services that Amazon won't provide like hose assembly. Meanwhile, other companies our size are still trying to figure out how to sell online." ~David Jones, Co-Owner

CLIENT SUCCESS STORY

As a premiere industrial distributor in Southeast Texas, Gopher Industrial provides its customers with supplies and services that help them reduce costs, save time and improve efficiency. To diversify and expand, Gopher's leadership team required an ERP solution that could grow along with them. After extensive research, they selected DDI System's Inform ERP to help optimize business processes, turning those savings over to their customers.

Company Facts:

- Location: Orange, TX
- Industry: Industrial & Safety
- Previous Provider: Infor Inspire
- Website: gopherindustrial.com
- Buying Groups: NAHAD, NetPlus Alliance

Features Highlighted:

- Inform eCommerce
- Accounting Capabilities
- Product Support
- Advanced Reporting

Benefits Gained:

- Reduction of labor and costs
- Improved Productivity
- Strategic Partnership
- eCommerce Revenue

Unlike most distribution businesses that begin as a brick-and-mortar store and expand into eCommerce, Gopher Industrial began selling online first. Selling primarily to large, petrochemical, refinery, aerospace, and industrial facilities, they built a robust platform to support their web-based approach. The forward-thinking strategy enabled them to serve all 50 states and an international market.

"Having built our business on an eCommerce/technology platform—really gives us an edge now," says David Jones, Co-Owner of Gopher Industrial. "We've since diversified to provide services that Amazon won't provide, like hose assembly. Meanwhile, other companies our size are still trying to figure out how to sell online."

As their business evolved, Gopher began stocking inventory to avoid delays and other issues inherent with online distribution. The focus shifted from online sales to local sales, which led to the development of a storefront that sold industrial products to a mix of businesses and consumers. In 2011, they added a 350,000 cubic foot distribution center to support their local presence.

Managing business operations to keep up with their growing footprint became increasingly difficult when their previous ERP provider stopped supporting their software, pushing Gopher to adopt another solution.

"Our brick-and-mortar business continued to grow—we sold welding products, hoses, safety supplies—a little bit of everything," said Jones. "During that

time, Infor had decided to shelve the ERP product we were using. The relationship was terrible; we knew we had to make a change."

Building the Future of eCommerce Revenue

It took the Gopher team approximately two years to find the right solution. After conducting extensive research and talking to users in the industrial distribution market, including members of buying groups like NetPlus Alliance and NAHAD, the team looked at Inform from DDI System.

"When you choose an ERP system for your business, you're married to it, so we wanted to make sure we were with people who shared our vision," said Jason Huebel, Director of IT & eCommerce. "After one of our owners attended a user conference and talked to a lot of people, we understood DDI's continual push to innovate and build software; they back their product without any additional funding and are committed to businesses like ours. That was important to us."

In 2014, the team made the switch to Inform ERP which worked seamlessly with Gopher Industrial's established investment in an eCommerce strategy. By utilizing a combination of Magento (for B2C business) and Inform eCommerce for B2B, the company was able to successfully drive consistent customer reorders. In addition, Gopher created their own proprietary inventory management solution (GOcrib®) from Autocrib's vending and tool management capabilities—all of which tie directly into Inform. "It was important that our eCommerce strategy work alongside our business processes. Hose assembly and welding fabrication can't be handled by Amazon. But, our eCommerce solutions can handle that. As a result, it's the perfect combination of industry-specific technology for our business", says Jones.

Today, the company is easily able to measure Key Performance Metrics and execute essential tasks, such as kitting, to improve processes throughout the business. Most importantly to the team at Gopher Industrial, Inform continues to improve with each new version.

"I've been using Inform for a long time now," said Huebel. "And we've been through several different versions. We continue to experience product updates that really improve functionality and make things more efficient for us."

Improving Workflows

Specific areas where Gopher Industrial has benefited from using Inform include the accounting department.

> *"The perfect combination of industry-specific technology for our business."*

"We're able to do more in our accounting department with fewer people because of the way the matching functionality works with Inform," said Jones. "With our previous technology, items would need to be matched line by line against the purchase order. Now our accounting team can just look at the totals and kick it back to purchasing to reconcile if there's a difference."

Batch invoicing functions have further improved workflow efficiencies. "With Inform you can send out 50 invoices in 30 seconds if you want. And if you set them up correctly, you can send them by email," continued Jones. "You don't have to print them, put them in an envelope and all that. Little things like that go a long way."

Enhanced reporting capabilities also help Gopher Industrial's leadership team keep their eyes on meaningful business metrics. Capturing high-level data such as a general ledger report down to specific product costs, Inform allows assigned users to pull the information they need, when they need it.

"I use the Advanced Report Writer a lot for inputting and exporting product cost data," said Huebel. "Our product catalog represents over 600 brands and over a million SKUs. I'm able to update cost information easily by batch updating—it could be a thousand products at once—so that saves me a lot of time."

Open Communication Channels

As is critical with any long-term relationship, the Gopher Industrial team says that clear communication is essential to making a partnership with a software provider work. When questions or issues arise, they know exactly who to call to find the answers they need.

"The last relationship we had was like a bouncing ball," said Huebel. "We could never find the right person. We keep an open line of communication with support staff at DDI System, and we have direct points of contact we can call. That has been very helpful."

Jones agrees, emphasizing the importance of doing your research before you're locked into the relationship. Having this relationship in place, he says, is key to long-term success.

"You've really got to understand the product, who you're partnering with, their background and how long they are in it," he said. "People will call you all the time to promote their software, and that's the last thing I want to do—turn the ship around and start doing something else. So when you do it, you want to make sure you do it right with a partner who is also focused on the future and helping you evolve. Inform continues to do well for our business."

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