



# ServiceTrade Renewal Review

Juanita Guzman with Anderson Mechanical Services  
Recorded on 3/31/23 via Zoom, 27 min.

## Participants

### **SERVICETRADE**

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*Account Manager*

### **ANDERSON MECHANICAL SERVICES**

Jonathan Moury  
*Service Operations Manager*

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# Transcript

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*--- Call Setup ---*

JONATHAN

0:00 Good morning. How are you today?

JUANITA

0:01 Good morning. I'm good. It's been a long week. How's your week been?

JONATHAN

0:06 Crazy as.

JUANITA

0:08 Yup, it's our end of quarter this month this week specifically today. So everyone's just like the heads down. I'm just trying to get as much done as possible on top of a couple of formatting issues which I'm sure you guys have noticed in service trade, just been all hands on deck working overnight to fix that. So.

JONATHAN

0:31 Yeah, I've had three tickets in on it.

JUANITA

0:34 Yup. Yup. You're not the first.

JONATHAN

0:38 I started with a customer call, what's these weird figures on my invoice, what we figure?

JUANITA

0:44 What are you talking about? No, yeah. Yeah, that was quite a shock for everyone. But anyway, all right. We're talking renewal.

*--- Call Setup ends ---*

JUANITA

0:55 So I very loosely created this calculator, but essentially, we can just play with the numbers and you too mentioned Jonathan that you had been working on kinda solidifying the numbers for full technicians versus helpers, correct?

JONATHAN

1:12 Yes. And then I finished it, you know, yesterday and then my hour and a half impromptu meeting that started at nine o'clock through a big wrench in it. So I'm back to square one. I'm figuring out how many licenses we'll need, how many texts we'll need and all that. But I did work with some basic numbers on it. I think we can still have a fruitful discussion. Okay? So I pulled up our BuildOps quote. So, and then I wanted to visit the first. The question of, you know, what made BuildOps look so appealing? So, and I pulled out my notes and all that. So there were three keys on what BuildOps, what we thought BuildOps could offer above service trade. And I think after our recent discussions, there's only one left, but it's a big one. So the three keys were project management... aa, or work in Progress billings. And then the third one is being able to write POS directly through the software. So project management, it looks like you guys are have handled that. We've started experimenting with that a little bit. Got a lot to learn. I tried to, I was trying to play with it earlier today demonstrating it for the company president was only semi successful. So I need to keep reading on that.

JUANITA

2:39 Do that if I need to.

JONATHAN

2:41 Yeah.

JUANITA

2:42 But I appreciate you trying to take a step about it.

JONATHAN

2:44 Yeah. Well, we were just, he was like, I, we're here. Can you show me this?

JUANITA

2:48 Yeah, really?

JONATHAN

2:52 Put me on the spot anyway. And then with the budgeting feature through the project management, it looks like we can do work in Progress billings. And if they need a I, a formatting specifically, we just run through pro core so that's an easy solution to a problem. Now, the last one and the big one is cost accounting. So right now, we're writing our purchase orders through Quickbooks, adding it into service trade. And then when we get the invoice or the receipt, we're updating having an entire human update both Quickbooks and service trade to make sure that our costs are accounted for correctly, and that where our reports run accurately when it comes to calculating, you know, profit margin and things like that, you know, that currently we have somebody and that's all they do that's a 50,000 dollar job that we're

currently having to employ in order to make sure that function carries through smoothly. So that's still that's our biggest issue. And the biggest difference between the two platforms is BuildOps communicated by directionally with Quickbooks. Regarding POS, you could write a po in BuildOps. It sends the information to Quickbooks. And then when you update the cost associated, it recommunicates, it's not a one time deal. So that's the biggest difference that we see between the two programs, you know, so... that's where we are.

JUANITA

4:38 Sounds like partsledger.

JONATHAN

4:41 Work.

JUANITA

4:43 Partsledger... two things. So it does inventory management as well as po, tracking. Customers use it for one of the two or they use it for both, right? But yeah, sounds to me like that's the solution there, purchase orders. So the way it works, which version Quickbooks are you all using online or desktop?

JONATHAN

5:10 Okay.

JUANITA

5:13 So how it works, essentially, currently, service trade would be your source of truth for all items, right? We add that to jobs. Whenever we start incorporating, partsledger, becomes your source of truth for, you know, parts tracking and POS, the way it works is, so from the technician mobile app, which is also baked into the service trade mobile app, they can basically do three things. They can look up stock. If you guys hold stock. They would also be able to see where that stock lives, whether it's the main warehouse or perhaps another technicians truck. Maybe they know Jonathan is, you know, working on a job site two blocks away, you know, Anita sees that Jonathan has this piece of equipment that my truck doesn't have. I can, you know, call Jonathan up and say, hey, Jonathan, can I meet you here? So we can make a transfer and text can also log that transfer within the mobile app, so that we're tracking activity as far as like where each part is, right? If it goes from the main warehouse to one is truck to Jonathan's, truck, and so forth. So they can look up stock two, they can request a purchase order. Maybe they're on a job site and they noticed they actually need, you know, an additional piece of equipment that they currently don't have on their trucks or perhaps one broke and they need it replaced. They can request a po in which the office would need to review and approve. And then the third thing that they can do within the mobile app is if they are allowed to, you know, buy parts, maybe from like a vendor or maybe like a home depot, they can attach that receipt onto the job directly in service trade. So that the office, you know, can track it all the way through and make sure we're you know, billing accordingly, so that's pretty much the technician experience. Now, from the office desktop experience, you know, that's where the office can create purchase orders and issue those to send to vendors. And as they are receiving the parts, you know, we track the receiving shipments, we can track any returns. And essentially all that information is

feeding onto the jobs in service trade, say goes partsledger service trade accounting system. So eventually it makes its way back over to Quickbooks.

--- Pricing ---

JONATHAN

8:04 Okay.

JUANITA

8:07 More information I'm so sorry, I know you've been overwhelmed lately with... all things service trade, but we do have the solution.

JONATHAN

8:17 Okay. Now, how much are you selling it for?

JUANITA

8:23 Great question. Let's see. So the partsledger subscription is 5,880 dollars a year, recurring annually.

JONATHAN

8:35 It's a flat fee.

JUANITA

8:37 Yes, there is an onboarding fee involved.

JUANITA

8:45 And then... well, you guys are enterprise. So... so partsledger is kind of a two part, there's a 58 80 partsledger subscription. And then we Bill for technician partsledger mobile licenses. So if technicians do have to do things like look up stock request POS, it's 19 dollars protect per month. However the enterprise subscription, it already includes the partsledger mobile users under that. So it would just be the flat 58 80 for the partsledger subscription and the one time onboarding fee.

JONATHAN

9:30 How much is the onboarding fees at a percentage?

JUANITA

9:33 Have to confirm. I wanna say 1,800 dollars. I will confirm that with you a 1,800. It's a one time onboarding fee.

JONATHAN

9:55 Okay. Because I sat through the north member demo yesterday.

JUANITA

10:00 Yeah.

JONATHAN

10:02 Finally had time for that. I have a meeting. This actually, my entire afternoon is meeting with our purchasing department. So I will talk to them about this and see what they currently have planned. The problem with an additional 6,000 cost is our service group is only, you know, 30 guys and our purchasing department operates on both sides of the house with our 120 new Construction folks and my 30, you know, service guys. So I don't want to ask purchasing to run a whole another program just for 30 guys. So we'll have to figure out if it makes sense. So, but, and it's great that you offer this, but it's included in this, just part of their program, part of the part of their software package. There's no additional charges for it. So... it's a hard sell on your end unfortunately.

JUANITA

11:15 And honestly, I've mentioned it to you before we'd love to keep you guys if it comes down to partsledger, I'm sure we could include it, you know?

JONATHAN

11:25 Well, I'm not sure. Well, the other half is, I'm not sure. I want the headache of trying to set up, you know, additional software right now because I want to get, I've got two goals in mind for first half of 23 with the service department is number one, get my service trade data organized correctly or at least better. So that way the reports that Andrew is helping me run make more sense and I just extended an offer for an administrator to help me do that. And my number two goal is to get projects, you know, figure out how the projects part of service trade works and get that up and running for my project management team. So I've got a new project assistant project manager coming on next week. So I'd like to have him, you know, look at how this works. He's familiar with pro core, look at this, see how it works, figure it out and how can we use it most effectively. So... our goals are limited in scope. So that way we actually have some success.

JUANITA

12:36 Right. Yeah. Take it in by size pieces. And I mean, if you guys, you know, chose to continue the partnership with service trade, it's something we could always add later on. It doesn't have to be, you know, may one when you renew, you have to make that decision. No, we can just, you know, add it at any point in time. And essentially, we were just depending on how we go about the pricing, either pro rated or, you know, you guys wanna stay with us. I'm sure we could work something out.

JONATHAN

13:07 Yeah, we will. And I'm confident that I'm gonna be able to convince everybody to stay mainly because I don't want the headache of moving. I said that before, but I do need to work on this price a little bit, so.

JONATHAN

13:26 I'll figure out the text part of it, but on a per pricing basis. So the TAM cost looks like it went down. Is that because of an onboarding fee?

JUANITA

13:37 No, it's always been 62 40 recurring annually.

JONATHAN

13:42 Okay. Because we were invoiced 72 80 for it last year, and I was wondering what the difference was.

JUANITA

13:48 For TAM?

JONATHAN

13:50 Yeah.

JUANITA

13:51 Let me look. Was that included in the email that accounting sent you?

JONATHAN

13:56 Yes, that's what I analyze this morning.

JUANITA

13:58 Okay. Let me look at that.

JONATHAN

14:06 Pull it up as well.

JUANITA

14:07 I see that 72 80. Let me go over to our CRM.

JUANITA

14:22 The only thing I can think of that would make sense?

JUANITA

14:32 Enterprise.

JUANITA

14:42 Yeah.

JUANITA

15:05 That's strange. I will follow up with accounting. I don't know why... it's 70 to 80. It should be 60 to 40 unless I don't know if there was like an, a gap in payment at some point. I have no idea, but I'll follow up with that.



JONATHAN

15:29 Okay. Because looks like the fee... looks like the invoice came in February eighth. I mean, we, you all received payment on March eleventh. So I don't think we would have been far enough behind to justify a 1,000 dollar like payment fee.

JUANITA

15:51 No, I'm pretty sure we don't Bill for late fees. So I'll tackle that. I will find out why it's showing 72 80 for the TAM subscription when it's 60 to 40 recurring annually.

JONATHAN

16:11 Okay.

JUANITA

16:13 And then, I know you guys had initially renewed for I believe like 24 licenses or something along those lines. And then just mid term added additional licenses, which is why you noticed the renewal at 46 K last year. But now we're looking at 76 because of those additional licenses that were added mid term.

JONATHAN

16:36 Right, right. And I wasn't confident in, at my accounting departments number on that, which is why I asked. So, yeah, I see it looks like September first is when that edition went through no, November eleventh. So I was running this department at that time and I don't remember any communication about that, but, you know, I had just taken over, see what was going on. So on a per technician basis, I know you've got 167 78 listed... per month. So BuildOps was coming in at 160. I don't see any reason to beat around the Bush on that one. And then helpers were free.

JUANITA

17:34 Helpers were free.

JONATHAN

17:35 On BuildOps. So helpers, office staff, we're both free and delivery drivers were also free, but delivery drivers counted as helpers in. We're we consider our delivery drivers, helpers in ServiceTrade, so... the time card functionality was included in the software... not an additional fee. So our overall yearly outlay for BuildOps in the onboarding is quoted at 46,080 dollars for the year... for 24 technicians. So... and then that also included... a three percent price increase cap contracted for 10 years. So that's what we've been quoted... so that.

JUANITA

18:40 You guys aren't actually 32 texts.

JONATHAN

18:42 I still, I need to get final confirmation. So what, what's happened is we've set up an entirely new division of operations called vertical applied controls, and we are a licensed retailer of controls products under that division. So, which makes partsledger actually very appealing because we are going to have pretty significant stock associated with that. So, which is part of why my whole afternoon is meeting with purchasing, trying to figure out how the heck are we doing this. So part of that, our controls team is currently a team of six members and... they are currently in service trade as technicians, but we were talking about moving them over to pro core since all they do is our new Construction jobs, they don't actually do any service work. But now that after this morning, now that I've demonstrated the project functionality of service trade, company presidents like, well, maybe if we use a, if we build controls projects, it would keep our Construction revenue a little bit cleaner because then we could just subcontracted out to ourselves and then it looks nice here on paper. So it's back up in the air again. But if we include the controls guys, there's six of them, that would bring us up to 27 technicians total. So... the reason why I threw out the BuildOps numbers is to give you an idea of where we're at with 24 technicians on their end. So we have a benchmark to work towards. And... I mean, ideally, if we can just stay flat from last year, I think I can sell it but not gonna be able to sell an increase. Okay? Maybe a minor increase but I'll have to that'll be a long fight.

--- Pricing ends ---

JUANITA

21:01 It's okay.

JONATHAN

21:03 And a half impromptu meetings that I don't want to have. So obviously, I don't expect you guys to slip your own throats in order to keep us as a customer. We're not that big, but I appreciate any help that we could do.

JUANITA

21:18 For sure. Okay? So.

--- Pricing ---

JONATHAN

21:24 So, I will work next week on discussing with the... controls manager and we will get numbers hammered out in finality. I'm thinking most of our controls folks except for the Foreman could be helpers, and that would help, that would bring us down to... 24, 23 technicians and six nine, 14 helpers, I think. Plus.

JUANITA

22:01 Text 14 helpers.

JONATHAN

22:04 23 texts, 14 helpers. So... but we've got several offer letters out there for additional folks. So that number may go up or down depending on who accepts our

letters.

JUANITA

22:20 Okay. So, and obviously, it's not my decision to make, right? I have to sell it to my boss and the leadership team, but, you know, it's going to be a little bit easier given the fact, you know, obviously we're up against a competitor. So, some of the things you mentioned... that you would like for us to consider, you mentioned staying flat.

JONATHAN

22:48 Yeah, I...

JUANITA

22:49 Right.

JONATHAN

22:50 I think staying flat is kind of... the baseline. Obviously BuildOps is selling us on a lot better function, not better functionality but just functionality that we're paying for that's outside of our base rate on ServiceTrade that they are including the time cards, the purchase orders the, you know, a billing which you guys are not capable of. So I just, there's several major selling points that they're pushing hard on BuildOps side and for a lower price. So I just... it makes me and hesitate because how can an, a newer company to the jar of, you know, this arena do that without being in the red every month. But I do know they had a lot of large capital infused over the last two years. So something like 300,000,000 dollars infused into their company in the last two years. So maybe they're just selling us low and then they'll Jack it up once we've flipped over. So, but that's not what we're hearing from other users.

--- Pricing ends ---

JUANITA

24:17 Yeah. There's always, you know, two sides to everything and we're never gonna, you know, talk badly about a competitor... if you want the other side, you know, happy to put you in contact with some of our customer base who came from BuildOps and hear about their experience. I don't know if that would help, but.

JONATHAN

24:39 Yeah.

JUANITA

24:40 Yes, you know, you may have been hearing all the great things about BuildOps, but, you know, we've also heard the other side for what?

JONATHAN

24:47 Right. And I'm looking for the other side. I don't like talking to just sales people.

JUANITA

24:53 Right.

JONATHAN

24:55 Because... I love our sales people internally to death, but man, they're so positive in their outlook and I wish positive sometimes.

JUANITA

25:08 No, yeah. We would, you know, put you in front of a customer, nobody from service shade.

JONATHAN

25:16 Yeah. If you could send me somebody who's moved over from BuildOps to ServiceTrade. I'd love to talk to him just to see, you know, what their experience was. Yeah, might help... information is key in any major discussion.

JUANITA

25:33 Yeah. We've also had a few leave service trade go BuildOps and then come back to service trade?

JONATHAN

25:38 Really?

JUANITA

25:38 Yeah.

JONATHAN

25:42 Interesting.

JUANITA

25:43 Write that down. I will get some contacts for you.

JONATHAN

25:48 Okay. We appreciate that. And in the meantime, I'll work on solidifying the numbers here and keep digging into the new features that we weren't even aware of. But I wrote down about partsledger, I'll discuss it this afternoon with our purchasing department as well as everything else we need to go over.

JUANITA

26:05 Okay, awesome. And we can also do like a full demo. You know, I just gave you a super high level, but actually seeing it, I think would also be helpful. So just let me know and we can coordinate that next week or, you know, the following week whenever you all have some time.

JONATHAN

26:24 Okay. We'll see, I know that they've been discussing a program that they purchased to use for their inventory and I just need to talk to them more about it, what it is and what it does and how flexible it is going to be for our service guys.

--- *Wrap-up* ---

JUANITA

26:38 Okay.

JONATHAN

26:40 Well...

JUANITA

26:41 All right. Awesome. So in the meantime, I will get you some contacts for, you know, service trade build ups, and then you can have your conversations and we can reconnect when you've solidified the technician numbers sometime next week.

JONATHAN

27:00 Okay. That sounds good.

JUANITA

27:01 I'm out Monday and Tuesday, but the rest of the week, I'm open just shoot me some times and yeah, we can reconnect.

JONATHAN

27:07 I'm out Monday as well. So sounds good. So probably late next week then.

JUANITA

27:13 Sounds good. Awesome. I appreciate it. Jonathan. Have a great weekend.

JONATHAN

27:17 All right. Thanks you too.

JUANITA

27:18 Bye.

*The End*