



# Partsledger Demo with Quality Air Mechanical, Inc.

Brett Griffith with Quality Air Mechanical, Inc.  
Recorded on 10/25/23 via Zoom, 1 hour 5 min.

## Participants

### **SERVICETRADE**

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### **QUALITY AIR MECHANICAL, INC.**

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# Topics

<i>Purchase decision</i> .....	0:39
<i>Parts management (inventory)</i> .....	1:24
<i>Access to information</i> .....	2:03
<i>Parts management (inventory)</i> .....	2:25
<i>Parts management (purchase orders)</i> .....	2:52
<i>Parts management (inventory)</i> .....	3:28
<i>Assets</i> .....	6:38
<i>Parts management (purchase orders)</i> .....	7:06
<i>Access to information</i> .....	8:08
<i>Parts management (purchase orders)</i> .....	9:08
<i>Quote templates</i> .....	9:48
<i>Parts management (purchase orders)</i> .....	10:16
<i>Customer engagement (quoting and invoicing)</i> .....	11:38
<i>Parts management (inventory)</i> .....	12:15
<i>Parts management (purchase orders)</i> .....	13:06
<i>Parts management (inventory)</i> .....	14:43
<i>Parts management (purchase orders)</i> .....	18:27
<i>Parts management (inventory)</i> .....	19:06
<i>Parts management (purchase orders)</i> .....	19:50
<i>Parts management (inventory)</i> .....	20:23
<i>Parts management (inventory)</i> .....	21:13
<i>Parts management (purchase orders)</i> .....	22:05
<i>Parts management (inventory)</i> .....	22:55
<i>Parts management (purchase orders)</i> .....	23:18
<i>Parts management (inventory)</i> .....	27:47
<i>Parts management (purchase orders)</i> .....	28:43
<i>Parts management (purchase orders)</i> .....	30:03
<i>Parts management (inventory)</i> .....	31:47
<i>Parts management (purchase orders)</i> .....	32:08
<i>Parts management (inventory)</i> .....	32:32
<i>Parts management (purchase orders)</i> .....	32:53
<i>ST app contracts and pricing</i> .....	33:59
<i>Pricing</i> .....	35:51
<i>ST app contracts and pricing</i> .....	36:09
<i>Parts management (purchase orders)</i> .....	36:48
<i>Parts management (inventory)</i> .....	37:11
<i>Parts management (purchase orders)</i> .....	37:54
<i>Pricing</i> .....	38:15
<i>Parts management (inventory)</i> .....	38:34

<i>Pricing</i> .....	39:54
<i>Parts management (inventory)</i> .....	40:24
<i>Parts management (purchase orders)</i> .....	40:44
<i>Parts management (inventory)</i> .....	41:47
<i>Parts management (purchase orders)</i> .....	43:55
<i>ST app contracts and pricing</i> .....	44:47
<i>Parts management (inventory)</i> .....	45:11
<i>Parts management (purchase orders)</i> .....	47:17
<i>Type of work</i> .....	48:12
<i>Parts management (purchase orders)</i> .....	48:30
<i>Parts management (inventory)</i> .....	52:59
<i>Purchase decision</i> .....	53:22
<i>Purchase decision</i> .....	55:28
<i>Parts management (inventory)</i> .....	56:43
<i>Implementation and ongoing support</i> .....	57:10
<i>Purchase decision</i> .....	59:52
<i>Accounting</i> .....	1:00:18
<i>Accounting integrations</i> .....	1:00:44
<i>Type of work</i> .....	1:01:02
<i>Pricing</i> .....	1:02:04
<i>Pricing</i> .....	1:02:55

# Transcript

*"This English transcript was generated using Gong's speech-to-text technology"*

ADAM

0:00 Adam?

BRETT

0:00 How you doing... good? Hey, Luke?

LUKE

0:04 All right. How are you doing?

BRETT

0:06 Good. How are you guys?

LUKE

0:08 Good, wonderful.

BRETT

0:10 Cool. You have everyone in the room again this time?

LUKE

0:11 We have Mesa and dug in here today.

BRETT

0:14 Okay, cool. Well, guys, welcome. This is Adam strong. He is our sales engineer. He's also the creator of our pleasure that I was talking about on our first meeting. So, I like to describe you now, but this is Luke, Vanessa and Doug with quality or mechanical. Luke's their it guy, Vanessa, he said office manager, correct?

LUKE

0:35 Yes.

BRETT

0:36 Okay. And do the warehouse manager.

--- Purchase decision ---

BRETT

0:39 So today, we're gonna go over really getting into the nitty gritty of parts or our po management, inventory management solution that does integrate with service trade prior to us getting there. I do wanna, I have a couple of questions for you guys. We did a pretty deep dive on service trade. I know I sent you guys the recording. Have you had a chance to share that recording with Dan?

--- *Purchase decision ends* ---

LUKE

1:01 He hasn't watched it, but he has access to it.

BRETT

1:04 Okay.

LUKE

1:05 Okay.

BRETT

1:09 Got, I'm sure. He's planning a lot of catch up after that cruise the other week.

LUKE

1:14 Dan's, also the last one, you pretty much have to send him an e-mail and go over and tell him. Hey, I sent you an e-mail this is how you're gonna watch this?

--- *Parts management (inventory)* ---

BRETT

1:24 I can work on that too. Cool. Okay. So, I think, the biggest question is what do you guys remember from last meeting when we went over the part side of it? Do you remember us going through the technician physically doing the stock, look up, generating the po and transferring the parts?

--- *Parts management (inventory) ends* ---

LUKE

1:47 Yes. And no, not so much on the, on falling stock, your number generating. So.

BRETT

1:54 Okay. So, I'm just thinking of Adam, maybe if you can show that again, just to go a little refresher and then kinda get into the back office from there? I think that would be beneficial.

--- *Access to information* ---

ADAM

2:03 Show show what the technicians doing?

BRETT

2:06 Yeah, just kinda jog their memory. It has been about a week and a half since we met for our initial demo, the mobile app.

ADAM

2:12 Can I think I can do that? Let me first, you know, while I'm setting up the mobile app, I wanna get, the triangle up on the board.

--- *Parts management (inventory)* ---

ADAM

2:25 It's a nice little map of the world... when service trade talks about parts management, what we're talking about specific, this picture that should be coming up on your screen that I like to call the parts management triangle. And so the whole point of what we're trying to do is help you sell parts.

--- *Parts management (purchase orders)* ---

ADAM

2:52 You don't wanna miss them on work orders. You don't wanna miss... that revenue by not having them on the invoice. You don't wanna lose them. You don't want to forget to pay your vendors. So, so what we do is, you know, our whole focus is to get them on the service trade jobs so they can get on the invoice and most of our customers, especially in the mechanical space, they buy their parts directly for a job and so not going into inventory in the classical sense, but arriving, getting on the job, getting cost to that job.

--- *Parts management (inventory)* ---

ADAM

3:28 Just kind of one easy path from here to there. Some of our mechanical customers and a lot of our fire life, safety are really heavy in the space is buying parts so that they're stored. And so that as service trade jobs pop up that need those, they are already here so that the technician can pull them from that warehouse source and put them on the job. And, you know, the unit cost of what they were originally purchased at flows from the po, to the receipt to inventory first and first out rules or average costing, then sends that unit cost to the service trade jobs so that you have accurate costing and, you know, margins, and invoicing and all that. Now, I mentioned that you have a decent amount of inventory and inventory parts. Is that, is that accurate?

LUKE

4:26 Yes, we have hundreds of.

ADAM

4:32 Okay. So when you say hundreds of parts, you're referring to like hundreds of different part numbers... you know, like hundreds of quantity kinda tell me a little bit more about, that layout.

LUKE

4:48 Yes. So we have several 100 different part numbers and then depending on the part, we'll keep 50 to 100 on stock, whatever it is. Some of those stuff flies off the shelf.

ADAM

5:04 Got it. Okay. That sounds good. The, what types of, you know, filters and belts and refrigerant, and that sort of thing.

LUKE

5:17 Yeah. And then, you know, anything from PVC fittings, copper fittings, black iron clinic. So a little bit of everything. Yeah.

ADAM

5:27 Got it.

LUKE

5:28 Duck for furnaces, water eaters.

ADAM

5:33 Okay. The... you probably kind of receive them into a main warehouse. Are you also tracking these things on vehicles?

LUKE

5:45 We would like to.

ADAM

5:48 Got it.

LUKE

5:49 Yeah, it's definitely not something we do now, but we definitely want to.

ADAM

5:54 Okay. All right. Some software updates came out today and my phone is yelling at me because I apparently don't have them all.

--- Parts management (inventory) ends ---

ADAM

6:07 So let's I want to, I've got this job. I need to add myself as a tech so that I can see it on my phone.

ADAM

6:24 I want to schedule.

BRETT

6:25 It...

BRETT

6:30 Yeah. If your phone's wacky too, you can add me to it and I can pull it up.

ADAM

6:34 Yeah, no, it'll be all right.

--- Assets ---

ADAM

6:38 I was in a different account moments ago. So I'm just kinda getting here. All right. There we are. So let me, you've kinda gotten a sneak peak. I've got, this filter on this service for this particular customer asset. It has some of my labor on it, but it also has some filters and some belts that I want to order.

--- Parts management (purchase orders) ---

ADAM

7:06 And I can order that from the office kind of before I switch to the tech view, I'll show you from the office view of part the ability to, you know, kind of take like a service trade job service trade job number here's. A list of all the parts demand that I have across my entire account. I'm going to filter this down to just the job that we're looking at and I have the filters in the belts they show up here. I can click this, create a purchase order, pick my vendor, all of that right from the office. And it's super fast... if you have... if you want to, from the office point of view order for, you know, the entire week's, jobs, I want to get all the filters and belts for all the jobs across the entire week.

--- Parts management (purchase orders) ends ---

ADAM

7:59 This is a great way, to do that and then make sure that each quantity is assigned to the right job too... but I'll show you what that looks like from the technician point of view here.

--- Access to information ---



ADAM

8:15 So when I go in here, I know I need to share my screen. But again, I wanna make sure that I am... in the right account. I stop sharing here and start sharing the tech view.

--- Access to information ends ---

ADAM

8:39 You see my phone? Okay. Cool. So this sacred hard hospital job that's the one that we were just looking at... scheduled for today and assigned to me, which is why I can see it among, the two that are here. So I'm gonna open this one up and you'll notice, you know, I've got the one asset that we're looking at today, but also have three different job items, the labor, the filters and the belts.

--- Parts management (purchase orders) ---

ADAM

9:08 So now I wanna put this on a purchase order. And so I tap the open parcel button and there's all my job information. Of course, the labor disappears because I'm not gonna order that from a parts house that wouldn't make any sense, but I can pick some or all of these items. And I'm gonna start typing the name of a supplier. There's. Acme supplies, one of my favorites. I was like to say here. If you want me going to home depot to get parts, you can include home depot in the list if you do not want me going home depot, that's easy by just not including that on the list.

--- Quote templates ---

ADAM

9:48 So the office has a lot of control here. So I'm gonna create a purchase order. You can see the two different items here. If I need to add more, I can one of the things that is really helpful. We don't like to slow the technician down. So if there are, you know, let's say there was like a little repair that I needed to do or the scope of this is larger than just changing out some PM material.

--- Parts management (purchase orders) ---

ADAM

10:16 I've got 45 different line items that I need to get at this parts house and get on the job. But it is not worth my time as one of your field technicians to type all that stuff out. I'm going to do box of stuff... and, you probably saw as I was typing... what it did was it was looking at parts that had a B, and then when I got to the X, it didn't match anything. But let me keep typing. I can type whatever I need to get that on the po. So if you don't have a part number with that exact string of text that's okay. We're not gonna slow anything down a, what a lot of customers do with the box of stuff workflow is they'll either put a Penny as like a clear placeholder cost or let's say, I know the total of this po is a 1,000 dollars. I'll put a 1,000 dollars quantity of one, add that to the po. And then I'm going to be able to take a photograph of the receiver that has the 45 different line items. And so the office is going to see that right on the

po, and the office can choose whether or not that's worth itemizing. So if I'm gonna invoice my customer one line item for all of the parts.

*--- Customer engagement (quoting and invoicing) ---*

ADAM

11:38 Probably not worth my time to break that in 45 different things just to hide it later. But if I am going to show all the parts used, then the office can easily itemize that those items will show up on the invoice. So the customer can see it.

*--- Customer engagement (quoting and invoicing) ends ---*

ADAM

11:52 But the technician doesn't have to know or care that any of that's happening. They're already on in the next appointment. So that's a pretty easy workflow. Of course, if I needed to, you know, have another item that had a, you know, an item code. I could have just tapped on one of the things that shows up.

*--- Parts management (inventory) ---*

ADAM

12:15 What a lot of excuse me, what a lot of our customers find. Handy. Is, that library of parts, whether you have hundreds, thousands, 10,000, tens of thousands of parts, just start typing a couple of characters. And even if those characters show up in the description, not like, the item code itself, that part is going to be filter two and you can tap on it really easy.

*--- Parts management (inventory) ends ---*

ADAM

12:42 So, a lot of our customers, they have the item codes that make sense for their business. But then the descriptions that makes sense to the technician. So they can just start typing, you know, a filter size or mere eight or something like that. And it's gonna drill right down to the couple, that map that description... does.

*--- Parts management (purchase orders) ---*

ADAM

13:07 That all sound like, you know, when you guys are talking about purchase orders and part numbers, like does that all make sense for how you guys are doing things today?

LUKE

13:19 Yeah, I think so.

ADAM

13:21 Okay... cool. So the other thing that's really handy is I can take a photograph of that receiver. So I'm gonna take a photograph. I don't have a receiver on my desk, but I do have this work laptop that I need to finish setting up. And so I'm gonna upload that to the po. And then we'll see when we get to the office, that shows up and it's real, really easy to use. So that is that piece. And you'll notice that my job items updated to include a source that says parts vendor, acme, live PO7 34. And so that seven 34 was visible on the previous screen. I forgot to scroll up and show you. But each of these job items, both the office and the technician can see that these are on that order. And that box of stuff also showed up even though it wasn't previously on the service trade job. So there's no double data entry that you have to do. Just get it on the po, link it to a job and it's going to be there. And, you know, as we'll see from the office point of view, edits to the po, show up on the job without, you know, without having to do anything... any questions about that so far?

--- *Parts management (inventory)* ---

LUKE

14:43 So with that, for our technicians that are not service techs, the guys that are just doing commercial jobs, what would that look like for them to be able to order parts from the warehouse because they want to be using that service dispatch?

ADAM

14:58 You want them to order parts for the warehouse?

LUKE

15:01 Warehouse. So they're yeah.

ADAM

15:04 Pull from the warehouse yep exactly. So, let me show you that, because that's if you remember, that trying to go ahead up on the screen, what we did was that path one directly from the vendor to the job?

LUKE

15:18 We're...

ADAM

15:19 Gonna do the path to, I wanna pull from the warehouse to the job and that's super easy to do. I just add an item to my job and I just, I choose which warehouse I'm pulling it from... a really nice way to save time and improve accuracy is if I'm one of your text and I drive truck two, assign me truck two in my service trade profile. Now, I don't even have to worry about it. I'm saying I got these filters. I've got these belts and it's assigning truck two automatically so that I'm pulling from that source. So let me show you what that looks like before we do. I need to remind myself how many of this filter type I have in stock. So let me, I'm on this 14 by 20 by two. Okay. I have 16 in truck two and five on truck one can't remember which truck I'm assigned right now. So if I do three, it'll be okay. All right. So I'm gonna add a part. And so I start typing mini, see how that's in the description. I just get the two that fit that description. You add this part quantity of three. Yeah. Truck two. Got it. See how it

pick truck two for me without me having to touch anything really handy. So I'm adding three to the job and you can see it's a second line item in my job so far. And it says warehouse PL truck two. And that PL truck two is just what however you want to describe the truck. Some of our customers still name their vehicles after the technician that drives it. But then they end up kind of getting in a little bit of trouble if Brett and I switch vehicles. Now, we also have to rename the truck. It's just much easier to name the truck after, the machine itself and then switch who has switch truck in our profiles, right? So that's always like when we onboard customers, you know, we give those recommendations because we've seen a lot in the years that we've been doing this with mechanical companies. So I had, I think it was 16 in truck two. So I just wanna see... how many I have in truck two. Okay. There we go. So I have 13. So I've reduced that quantity by three... perfect. So notice how that quantity that's live. So if Brett was looking for some trucks, he's not going to see what I put on the job. So some of our customers, they like to stage things in their warehouses. So what they'll do is they'll assign... the they'll assign, the parts on the job, that warehouse which takes them out of inventory and puts them on the job. And then, so, if I'm setting up my job, Brett is setting up his job, he's not going to be able to use the parts that I reserved.

*--- Parts management (purchase orders) ---*

LUKE

18:27 Right. Because they're yeah.

ADAM

18:29 Yep. Now the tech hasn't used them yet. So I can go in and I can put a used on date on my parts to say, you know, okay, well, Monday, I put them on the job, but I didn't actually use them on the job site until Thursday. And so we're able to see that difference also if I decide I don't need them. If I delete them from the job, they just go right back to that warehouse. If I didn't need three, I only need two and I change that number and service trade. The one is gonna go back to the warehouse and it'll be available for Brett to pick up.

*--- Parts management (inventory) ---*

LUKE

19:06 Okay. So when guys bring parts back from a job, say a job that might be several months long, they bring back a box of miscellaneous parts, what's that look like?

ADAM

19:16 Yup. So the inventory parts all have these item codes, that NTL box of stuff that's it because it is a miscellaneous that's a direct order only item. Because what would it mean to have a quantity of two of these miscellaneous things? I wouldn't be able to know kind of what's in there. So in that case, what we do is we'd itemize all the stuff that's in inventory. So when we put it back, we know what we're putting back and how much it costs and all of that.

*--- Parts management (purchase orders) ---*

ADAM

19:50 That said if I don't need that box of stuff anymore, and I want to return it to the vendor. That's easy to do from the office point of view. Okay?

ADAM

20:04 So, I think it's pretty much everything from the, excuse me, everything from the tech, I can start showing you, the office again. Can you see your technicians using that workflow, to order parts?

--- *Parts management (inventory)* ---

LUKE

20:23 I think they would... I mean, most of the time they're getting parts from the shop anyway. So, if they could order it and we would know about it and pick the parts and have waiting for them, I think they'd like that a lot better. Yeah, great. Even technically order them from each other of truck. Your trucks got this many filters one.

--- *Parts management (inventory) ends* ---

ADAM

20:54 Yup, a lot of our customers do that. If, if Brett and I are working, on a job site together where he's close by closer than the main warehouse, I can use that app to say he's got some, let me call him up, see if I can have some.

--- *Parts management (inventory)* ---

ADAM

21:13 I didn't show you, but you can do warehouse transfers from the technician app. Some of our customers feel very strongly about not allowing them to do that. So that's a configurable turn that on and off. But, you know, if he and I are working on the job site together or I need some stuff off his truck, he's given me permission to do it, I can change that warehouse source from my truck to his just for that one line item so that it disappears from his talk and into mine.

--- *Parts management (inventory) ends* ---

ADAM

21:47 Now all that stuff is in the record. So if I'm stealing from him, he's gonna know and I'm gonna get in trouble... but that's a, that's an easy way for people to pair up, and just not be not have their hands tied behind their back because the app won't let them do something.

--- *Parts management (purchase orders)* ---

LUKE

22:05 Right. So.

ADAM

22:08 Let me show you... the po that we just made... here. It is here's, my service trade job number. I can see it's for truck two. I go in here... the two part numbers, the box of stuff. I've got this image of my laptop as a reminder to finish configuring it. Notice each one of these line items is linked to that service trade job. So this proves to me that when I receive it, they're not going to be received in inventory. They're going to be received to that job. It's following path one on this triangle here. If I wanted to order for truck stock... all I'd have to do is unlink that and then where's it going to go?

--- *Parts management (inventory)* ---

ADAM

22:59 It's going to go in warehouse, truck two, which I can change and I can divert but that's kind of it's default of where that's going to be received to.

BRETT

23:08 And Adam, if I can interrupt you real quick, Luke, this is kind of the cross stocking workflow you were talking to me about in the first demo, what Adam just showed you? Yeah.

--- *Parts management (purchase orders)* ---

LUKE

23:18 Yeah.

BRETT

23:19 Okay. Great. Good to go.

LUKE

23:22 Yep.

ADAM

23:24 So, in this kind of story, I'm a technician, I went to the parts house myself. I physically have them all. So, you know, this po wouldn't have a split shipment receipts or anything like that. What's really convenient about partsledger is you can go in and edit things. I'm gonna change this quantity to five. And I'm gonna increase the unit cost of this to there. And then the box of stuff is wasn't actually a box. It was a red compressor. So I'm editing a bunch of stuff on each line to show you what that means. It's all right here on the service trade job that we saw earlier... done a bunch of stuff too. So we'll make sure we've got the latest... here. We've got quantity in five. This is 49 95. And this box of stuff description should flip to red compressor here in just a couple of seconds. But what's important is I edit the purchase order, the service trade job refreshes with that information automatically. And I have the source here with the status of ordered but not yet received. And this is great for all kinds of different workflows. You know, I'm not gonna invoice this job until everything has been received or maybe I'm not even going to schedule it until

everything has been received. And there are some searches and filters and reports in service trade that let jobs appear and disappear out of queues based on the status of this stuff. So just by receiving a purchase order, I can trigger this whole workflow chain where now the, this job is all stocked up, it's ready to be scheduled. The scheduler sees that adds it, you know, and does all that stuff just because I click the button. Yeah. And this says red compressor that happened while I was talking that's cool. So let's go ahead and receive it. I've edited this purchase order. I'm really happy with it. I'm going to put my stamp of approval on it. We're really big on audit trails especially when it comes to this sort of thing. So if there are any questions about why this po is the way that it is, my name is on it as the issuer. And of course, this is kind of, what the vendor might see. This form is customizable. So you put your own logo here and my vendor might have different part numbers for each of these items. And so, rather than having 40,000 different part numbers for just a handful of things, I've got my number here on this side and then their part number. Right here. So it's that's pretty handy. But now, okay. So I want to receive it. We're really big on having the button that you need to click right underneath your fingertip when you need to click it. So we have this big received purchase order button right on the, so I can put in my shipment receipt or whatever documentation number I need to put in this reference field, the date that I'm receiving it and then click submit. And so I'm gonna do... that number. Now this po is fulfilled, everything's marked received, all this cost has gone over to the job and we'll probably be able to watch it happen in real time. The these boxes will flip to green just like I mentioned. This job will show up in, that filter. Yeah, there's that first one. The other two will happen right after... if I needed to do a split ship and receipt. There is a more complicated version of receiving where you go up in here, and you pick the line item that you have and the quantity that you have, and you can receive off of the po as many times as your vendor sends you material.

--- *Parts management (inventory)* ---

ADAM

<sup>27:47</sup> What's nice about that? I can actually show that to you and maybe let's do a different po from a different vendor. We'll do that through the main warehouse. I'll do this larger size filter quantity of 10... and I want to link it to that service trade job.

LUKE

<sup>28:16</sup> That would be the same process as if you're ordering parts for shop stock, right? What you just?

ADAM

<sup>28:22</sup> Yeah, exactly. And actually since I know that I think it was truck one was a little low. I could order some truck stock for truck one on this po. If that's a part of my process.

LUKE

<sup>28:32</sup> Okay.

ADAM

28:33 What I want to show you here is... I have that new line item has shown up on the service trade job here's.

*--- Parts management (purchase orders) ---*

ADAM

28:43 That larger filter quantity of 10 different vendor, different po number. So what happens if I receive seven out of 10? So I issue it instead of clicking this button, I go up here and say I want to receive this line item. So I've auto, fill, the unit cost and the quantity. But I want to change that to seven. Is that's all I have? I can receive this as part one?

ADAM

29:23 And then this updates with the remainder. If I go back to the po, it shows is partially fulfilled. So if you're looking for split shipment receipts, it's very easy to find them because they have their own unique status. The other thing that I really like about how we did this is that I split this line item into two.

*--- Parts management (purchase orders) ends ---*

ADAM

29:42 So I have all seven out of seven and I don't have any of the three remaining. The reason why this is important is because over in service trade, we wanna show the folks in the office that some of those parts are here. Some of them are not. And so we do that by splitting up those lines too.

*--- Parts management (purchase orders) ---*

ADAM

30:03 This job is not going to show up in a report that has all parts received because we don't have all parts received. However if you can do some of the work with some of the parts, we want your team to be able to know that and act on it, and maybe get some of that work done while you're waiting for the rest of the thing. So depending on what you're able to do... we wanted to make sure that, you know, the logistics side of the business was always in tight communication with the service delivery side of the business, so that those decisions could be made. And so as soon as that three comes in, this box turns green, it's gonna jump into that other queue. But right now it's in that middle stage so that you know, you can kinda do whatever you can with that.

ADAM

30:55 So... I think that's all I wanted to show... with the purchase order creation both from the field and from the office at least as it relates to, you know, kind of this path one... I wanna show you this... might be a little kinda in the details. But when we walk down one of these paths, we post what we call a stock adjustment of a certain type. So whenever we get anything from the vendor and put it in our hands, that's called a receive anything that we take from our hands and put on a job that's called to fulfill, you've seen some of the words before.



--- Parts management (inventory) ---

ADAM

31:47 If you go the opposite way, it's called an unfulfill and then a return. And so each one of these stock adjustment types is written down in our audit log. And, I have a view of this kind of reverse order. So newest at the top with basically everything that we've done already today.

--- Parts management (purchase orders) ---

ADAM

32:08 And I want to show that to you here are here's the pairing of, the filter that we got off that po, we received seven and then put it onto a job... earlier, we got, the red compressor, the belt and the filters. We received those quantities and put them on a job.

--- Parts management (inventory) ---

ADAM

32:32 We also did this thing out of inventory. So I only have this one fulfill, of this filter type from truck to on the job. And so that was this item right here. We bought it at some point. We put it in inventory at some point in the past.

--- Parts management (purchase orders) ---

ADAM

32:53 But today is when we took it out of inventory and put it on the job at that quantity of three. This unit cost flipped to two dollars. And I mean, I don't remember when I bought it. That seems like a low cost here's. That two dollars. I click on this. I can see I got that a while ago and if I want to know what vendor I got it from, if I want to know who received it because maybe that's the, you know, somebody typed in the wrong amount, I can go to the stock adjustment and find out exactly what po, who issued it?

--- Parts management (purchase orders) ends ---

ADAM

33:32 Who received it? When I have some questions, I know who to call. So there's just this huge audit trail of everything going on. And, you know, this is over a year ago now that's crazy things were a lot cheaper back then. But yeah, that's it's been sitting on my shelf at that carried cost. And now it's on that ServiceTrade job.

--- ST app contracts and pricing ---

LUKE

33:59 Okay. That kinda just my next question when it comes to markups, how do you handle that dispatching that kind of stuff jobs? Yup.

ADAM

34:13 So you're referring to mark ups, the price that you charge your customer?

LUKE

34:16 Yeah. Yep.

ADAM

34:18 So, all of that is handled in service trade on the job because it's typically, it's based on your relationship with your customer. So in service trade, you have a lot of very powerful ways of doing mark up. Maybe it's a percent markup. Maybe it's a band of, things that cost between this dollar amount and this dollar amount get marked up to this dollar amount. You have a number of different options. What's important is those contracts are stored per customer and location. And so you've got your main company contract that has kind of your default rules. And then if you have a special agreement with this particular customer, you can configure those two. So partsledger is going to tell you your true cost because at one point you paid two dollars each from a vendor service trade is going to say, okay, well, when you use it with this customer, we charge this much. And so it might do, it might do a two X mark up on, the two dollars or... oftentimes, if you're doing quoted stuff you might say and that I should show you this... just add that part to the job. This five dollars shows up and this is service trade standard cost.

--- Pricing ---

ADAM

35:51 So this is what I think these parts typically cost. And so when I build a quote, I'm gonna mark up off of this dollar amount. So I'm gonna charge you 10 dollars each. If I pull them off of truck too, when I know they're cheaper, they're gonna cost me two dollars each.

--- ST app contracts and pricing ---

ADAM

36:09 But the quote is still going to remain at 10. So my margin is fatter... there. This is hopefully, this is clear because we have a lot of different kinds of nuances here. But... my quoted price is going to win. And so if I can get a cheaper part, I'm still gonna charge you the same amount. I'm gonna have more margin if I have to go to the store and get this and it's six dollars. I'm gonna have a smaller margin and we've got some ways of protecting you in those cases too. Did that make sense?

LUKE

36:44 Yeah. Yep. Okay. Now, correct me if I'm wrong.

--- Parts management (purchase orders) ---

LUKE

36:48 When we order parts, we would enter the price. And then the price that is reflected in the po would be the average of the parts we have on hand based on previous orders or is it just price that you paid last?

ADAM

37:05 Good question. So it depends which arrow we're following here.

--- *Parts management (inventory)* ---

ADAM

37:11 If you're doing the direct order, the price is going to be the exact price on that linked po, right? If you're doing this one, it's going to be based on my account is set up first in first out, but you can have it set up average. So what that's going to mean is, when I fulfill, where is it? When I fulfill this quantity out of this warehouse? I'm going to have an average cost in that were in that warehouse. And that is what's going to come out here.

LUKE

37:45 Gotcha.

ADAM

37:49 And so with kind of all this, you might be wondering like how do I know what my stuff is worth?

--- *Parts management (purchase orders)* ---

ADAM

37:54 This is where this stock summary page is really helpful. I'm gonna filter down to, yeah, I'll do that one. Here are all the different locations where this 14 by 20 by two are stored. Here are my quantities. And we saw this earlier in the tech app quantity of five quantity of 13.

--- *Pricing* ---

ADAM

38:15 Here's my total dollar value for what's in this warehouse. And so at any point in time, I can tell you not only what I have in inventory but how much it's worth. And then if you're looking at this 26 and you're saying two dollars each, that doesn't seem right.

--- *Parts management (inventory)* ---

ADAM

38:34 Prove it to me. That's when I can go into stock adjustments and show you that entire history. But we can see, you know, this one is just a little bit more than two dollars each. And some of these others... I can't do that math in my head but some of

the more expensive parts, are certainly resting in those locations affecting that dollar amount. Another really helpful thing too especially for those who do a lot of inventory is your, you know, let's say your controller saying, look, I have on, my sheet, we have 500,000 dollars of inventory at the end of September and I have some questions, show me what we had at the end of September. I can go up here. I can go to the end of September and then these numbers change there's you know, that went back to 16. This is Bright red to show you that you're no longer looking at current data. You're looking at something in the past which ideally you did on purpose, but you can export, this snapshot, send that to your CFO or controller and say these warehouses had these parts at these dollar amounts.

--- Pricing ---

ADAM

39:54 And this is where that 500,000 dollars is coming from. So that's a really helpful way of validating what's in the system with, you know, with financials and other stuff. So before I forget, I'm gonna bump this back to today. Otherwise we'll be all sorts of confused.

--- Parts management (inventory) ---

ADAM

40:24 Let's see. So you might also, you know, some of these parts that are looking a little low. I wanna show you what a part looks like real quick. So I've got my default purchase price. I've got my location in every single warehouse. But I also have my vendor part numbers.

--- Parts management (purchase orders) ---

ADAM

40:44 So this is where I can have one kind, a commoditized part that I can get from multiple locations or multiple vendors. So that when I'm ordering from parts and things, I'm using this number on when I'm ordering from acme, I'm using this number on my po, but when I put them all in a warehouse, they just tally up into one bucket that anyone can use, which is really helpful. A number of companies, that come to us. They have a unique part number. Like each one of these is a different part number. And then, you know, say, how do you know, how many of these filters are on a vehicle? Like we have to tally them all up.

--- Parts management (purchase orders) ends ---

ADAM

41:23 And it's a nightmare. And so we help them kind of bring in this structure so that they no longer have that nightmare.

LUKE

41:31 Yeah. So with that, can you set locations for each part number? Or where you just put that as your general bucket? Like for each 14 by 20 by two filter is gonna live in this location?

LUKE

41:47 Would that be a separate line item or would that just be your basically your part number? I'd like to do it by location. Yeah.

ADAM

41:56 Yeah. I'm not sure. I'm not sure what you mean because, this part number can live in multiple different warehouses with their respective quantities. The, the idea is once I receive, you know, let's say this 1,310 of them. I got from parts on things. Three of them. I got from acne supplies. By the time they hit my warehouse, I no longer care where they came from as long as I'm tracking the dollar value which I am, I just need to know that I have 13 available for jobs. What, what is it that you're describing?

LUKE

42:31 Within the main warehouse, he has it divided into areas. So can say, okay, there's five of these in the main warehouse. They'll be able to see where it's at. So they can just go in and get it. Like, so we have one tech that's on call nights and weekends each week. So if one happens to be here, he needs to know where to find it.

BRETT

42:53 Yup.

ADAM

42:56 So some of our customers with kind of those larger warehouses, they use fields on each part. So they might be like a custom field that says where it is. I do want to stress that within this warehouse, you cannot have... 200 of them to the left and 208 of them on the right. They're just, they're all in one thing you can do, you can do sub warehouses, but almost all of our customers use that kind of family relationship of warehouses to have a main warehouse and it's child vehicles and create like those hub and spoke models for different markets. I would probably advise against having main warehouse left main warehouse, right? Unless those are, you know, just really distinct divisions.

LUKE

43:55 Yeah. And the way I would do it if I know I have a quantity of 400, my physical location will have let's say 50 on the shelf like loose parts. If they come up, they can take 10 and let's say they take all 50 of the box is empty, but I still see 350 but I know they're going to be near by in a cardboard box somewhere. So that's not a problem.

ADAM

44:21 Okay. All right.

LUKE

ADAM

44:26 Good question. The other thing I wanna show before we leave here is you might have seen some of my prices updating as I was putting them on a po. I have prices set for my different vendors. Acme supplies apparently charges me more than parts and things.

--- *ST app contracts and pricing* ---

ADAM

44:47 They have a flat rate for any quantity but parts on things has break point pricing. So my line item has, you know, a lot then I can get my unit cost down. And if you have that data, you can put it in parts and benefit from it. If you don't you know, like you saw me, do you can type in the price?

--- *Parts management (inventory)* ---

ADAM

45:11 Wanna show the warehouse structure a little bit because we do have some min max levels. It's not terribly common in the mechanical space. The fire companies do this a lot so... but that's fine. I mean it's right here. What we do is for each warehouse, you can set a min max level for each part. And as soon as this quantity drops below, find one that where that's true, seems to be a well stocked warehouse. Right? Now... soon as that quantity drops below your min, you can... add it to a refill po to get this quantity up to the max. And so that way you can just quickly order stuff. You need to get back to that level. Your min max levels can be different per warehouse. So obviously a big warehouse is going to be able to carry more things than a vehicle. So your vehicle can have its own concept of what full looks like different from the main warehouse. One thing that we do with again typically the fire companies is if you have that main warehouse and then the children trucks, you can flip the switch on all these numbers, update to include the warehouse and the trucks. So it might be the case that like this, somebody has a huge amount somewhere. We're well over our max. But in this case, maybe you don't need to reorder anything. Maybe you can just do a transfer instead of having to buy more material. Brett has been kinda hoarding a bunch of refrigeration, I'm too low in my truck. I can just get some from him or you can transfer it from his truck to mine without me having to create a refill po to get back up to full.

--- *Parts management (purchase orders)* ---

LUKE

47:17 When you're doing refill po, let's say you get a quote from three different vendors... XYZ parts and let's just say hypothetically, you wanna do five parts to one vendor and 10 to another vendor. And you do that in one po, or that be two separate POS. How would that work out here?

ADAM

47:38 Have to be two separate POS because each purchase order is linked to only one vendor. But, and there's nothing stopping you from doing that in the two different POS.

LUKE

47:51 Right. Okay. Now, part line there's a separate application altogether, right?

ADAM

47:58 Yeah, it is, it's and you know, as you saw it, it's integrated tightly with service trade. So if you're doing something in parts of your service trade, just getting updated in the background. But yeah.

--- *Type of work* ---

LUKE

48:12 So, the reason I ask is because we have like I don't know 40 guys out on commercial and residential and not doing every day service stuff. So they won't have any need for the service dispatch side of things. So they can get on partsledger just the same and make those orders.

--- *Parts management (purchase orders)* ---

ADAM

48:30 They could. Okay?

LUKE

48:33 Yep. That's one of, my biggest points to hit on is having those guys be able to see what's in stock. And then, yeah, and order it. So when we do get an order from the field, what's that look like in the office? Do you get an e-mail or a notification?

ADAM

48:51 You can set up. I had this on my screen, as a tech, you can set up... an e-mail notification. When the tech creates a po. The other, the other thing too is, you know, right, from this queue, you see them pop in and you see the job number, if they're ordered. If, if a tech does it service trade, job numbers automatically pasted right to that reference for them so that you can see which jobs are ordering which parts from what vendors in real time.

LUKE

49:26 Gotcha.

LUKE

49:32 Yep. Okay. So another question I had, we have let's say we have 26 PMS coming up here in the winter time before the winter time, and we wanna order filters for all of these clients we have, but we don't want to keep 4,000 filters and stock. Is there a way to see exactly what filters we need for those PMS just order? But.

ADAM

49:58 Yep. So... as an example, I added, this one filter this 14 by 20 by two. I meant to remove it but it's there. Now, if we go to... our fulfill tab, this is showing all of that demand. So let me clear that filter. This is showing every part on every service trade job and there's that filter quantity one that has no source. And so I can either source this from a warehouse which is, you know, kinda that main screen right here... or I can choose to put this on a purchase order. And so that was one of the things that I showed earlier saying like, yeah, let's get this entire thing. Maybe this is a little excessive. Let's get this entire thing from acne supplies. And so... what I'm able to do... is create one purchase order that's going to order all of these quantities for all these different jobs. And you can see these numbers are different. So they're going to different service trade jobs. And, you know, I can have that one purchase order to many if I need to. I can also do one purchase order for one job. It's of course, a couple more clicks, but... that's one way of doing it. The other way of doing it is to... yeah, I don't wanna save it. That's okay. The other way of doing it is to use, the quantities here and create a po for the total amount. So I'm gonna have one purchase order with the combined total of all of the filters I need. And then once I receive that, I can go back here and I can say get that from the receiving warehouse. That way the service trade jobs staying up to date with the four I needed here, the five I needed there, the two I needed there. But you're able to order, you know, kind of one line on the po and then receive it into that warehouse. And then from that point distribute it.

--- *Parts management (purchase orders) ends* ---

ADAM

52:16 So it's really just a matter of, you know, do you wanna walk down this path or do you wanna walk down this other one and they amount to the same thing? It's just kind of whichever workflow, is the most effective or natural for how you do things?

LUKE

52:32 That would definitely be helpful because we have all the PMS typically seasonally or, you know, quarterly or whatever it might be. And Dan, our dispatcher will order gazillion in filters and then they're all over the place if we get this or for the specific PMS and, you know, exactly what you need. Then when you need them, you take them allocate them and they're gone. Yep, that'll be super nice.

--- *Parts management (inventory)* ---

ADAM

52:59 The other thing too with doing it that way and having them linked to the service trade job, someone walks in. They see all these filters and like, great, I can use these because I mean, surely, like you're not gonna miss five, but if they're all allocated for stuff, I can go right to, the tech app and say, no, none of these are available. They're all committed already. I can't have any.

--- *Purchase decision* ---

LUKE

53:22 Right. Yeah, that'll be great.



ADAM

53:28 Yup.

ADAM

53:34 Yeah, I think that was everything that I had on my list to show you guys based on the conversation I had with Brett. What did I miss?

LUKE

53:45 I don't think so.

LUKE

53:53 Think boxes there.

ADAM

53:55 A great.

ADAM

54:01 And of course, there, there's a lot more that, I could go through in terms of like its capabilities, but kinda during onboarding, we've got training and certification and that, that's really the time to go through, and like, you know, get your hands on it, like go through and connect it, and like learn, the software and how that works. Yeah, it sounds like based, on the types of things you guys are doing as a more inventory heavy mechanical shop, that, yeah, it's a good fit. I don't think there's any, anything that I'm worried about or that I feel like I need to show you right now. Yeah, Brett, I think kinda back to you.

BRETT

54:48 Yeah, I think I'm gonna turn that question around on you guys. How do you feel that service trade and part of our fit your guys workflows? Is there anything that we're missing?

LUKE

54:58 Definitely. I think you're there. My biggest thing is having you guys in the field be able to see what's in stock, what we have, and I don't want to hear salesmen saying, I didn't know that was here.

--- Purchase decision ends ---

LUKE

55:10 So we have like you said that almost like that cross to here on the floor it's allocated and, but it's not actually in stock so they can look on the computer. See, yeah, it arrived on Thursday and then they can't know us for not making a 1,000 phone calls their.

--- Purchase decision ---

ADAM

55:28 Yeah.

BRETT

55:29 It's typically the case unfortunately.

LUKE

55:31 Yeah.

BRETT

55:33 Okay. So, guys, as far as next steps, I know you told me you didn't really have a timeline or anything. You said, you were looking at a bunch of other software programs. What else are you guys looking at?

LUKE

55:45 So, the only other company that's in your realm called BuildOps, have you heard of them?

BRETT

55:51 Have heard of them? What are your thoughts there?

LUKE

55:54 What are your thoughts?

BRETT

55:56 You go first?

LUKE

55:59 Well, we don't really know yet. We're meeting with them for inventory next week, that will probably be at the deal maker or deal breaker, inventory side of things.

BRETT

56:09 Okay. I don't like to talk bad about my competition by any means. However, I have heard build up inventory. Just have them show you everything specifically that you wanna see if that makes sense. And don't just get the final product. Have them show you everything kinda like Adam. Did? I think that'll be crucial for your meeting?

LUKE

56:32 Yeah, definitely you guys because your presentations are much more in depth and that's what I wanna see before I purchased the software.

LUKE

56:43 Yeah, from what I know about their inventory. I don't think it's quite as in depth because most mechanical companies our size don't carry the stock that we do. So they're kinda a different role, but we will find out that.

BRETT

57:00 Yeah. Now, I would agree with that. I think that's I know that's why it's partsledger is built on its own ledger system and I know Adam can talk more to that I need.

--- Implementation and ongoing support ---

ADAM

57:10 Kind of the, that I would add Brett or sorry for cutting you off. But to the team here is that we, because we've been doing this for a long time, everything that we show is live in production. This is a real account. It is demo data in it, but it's the exact same software that you would be using when you went live and that tons and tons of other customers are using right now.

--- Implementation and ongoing support ends ---

ADAM

57:42 Not everybody presents their software that way but we don't present things that aren't out yet or are in beta. This is all stuff, that mechanical contractors are using like as we're talking.

LUKE

58:01 What do you have in... where do you see, your software going? Do you have anything up and coming that you think would be interesting or is that, am I overstepping on that?

ADAM

58:13 We have tons of stuff that, that's coming out that's really exciting. But, you know, kind of in that theme, like we don't wanna make promises, of future stuff. And so we usually keep that kinda close to the chest that said we have a whole bunch of customers that are in our early adopter programs and beta programs. The, the customers that have beta stuff dropped on them signed up for it, which is a big difference that, you know, I like the way we do things, the mechanical contractors just like you, are in those groups and helping us with the next versions of things. And so if that's something that you could see yourselves doing in the future, you know, we're all ears and our support team and account managers and all that, are just constantly checking in with you and making sure that things are going well, and that's how we're able to refine this stuff and really make it specific for your industry.

LUKE

59:15 Awesome. Yeah. More comfortable to.

BRETT

59:20 Luke, do you think it would be valuable for you? Do you wanna speak to a customer reference?

LUKE

59:30 That's I don't think we really need to. I mean, the biggest part with you guys were actually talking to the developers that makes a big difference in my eyes. Talk about your product, knowing about your product and not just knowing what someone told you about your product source.

--- Purchase decision ---

BRETT

59:52 That's that's why I brought Adam.

LUKE

59:54 Yeah, sorry, I do appreciate that.

BRETT

59:57 Absolutely. Okay. So you guys have BuildOps, you said next week really guys, the final step from our side as far as functionality might be integration with Foundation. I know you said on our first meeting, you might want that you might not have, you made any Progress into thinking further about that?

--- Accounting ---

LUKE

1:00:18 I would say yes only because BuildOps is not compatible with Foundation. I have to import and export everything. And to me, that just is gonna create more of a headache because I'm gonna be the one that's gonna end up doing it.

BRETT

1:00:38 Okay. Yeah. So I mean, we definitely have, and we have a connection with Foundation.

--- Accounting integrations ---

BRETT

1:00:44 It's not going to be a real full time, you know, integration. However we'll be able to get data from ServiceTrade to Foundation and I'll send you guys more information on that. But that said, I think it would make sense for us to meet next week some time with our accounting expert kinda Adam for the accounting world to show you how that might work.

--- *Type of work* ---

LUKE

1:01:02 Okay. That works for me. And I forget, do we service trade? Does it, is it strictly just service or can we add our commercial and residential jobs on there also?

BRETT

1:01:19 Yeah. So service trade itself, we were built for commercial service work. That said, I know when you guys say commercial, you're talking about your installations, right?

LUKE

1:01:31 Installation?

BRETT

1:01:33 And those installs, I know you guys have work that is GC project work that you do Aia billing on. Is that all of it? No, no. So, some of its new Construction, some of its owner projects, correct? Okay. The owner projects are something that ServiceTrade can handle when you get to the GC work, the Aia building billing, excuse me, that is not something we can handle, but your six month project that's fine.

--- *Pricing* ---

BRETT

1:02:04 Okay. So I guess just to confirm you said you had six guys on service for commercial service. How many guys are doing those owner short project?

LUKE

1:02:19 35 40?

LUKE

1:02:20 A lot. Okay?

BRETT

1:02:22 A lot of helpers, right?

LUKE

1:02:24 Correct. Yeah. And that's kinda where we were leaning towards not because rather than buying 35 licenses. Yeah, as long as they have access to inventory there's more of, a win. An.

--- *Pricing ends* ---

LUKE

1:02:36 Yeah. That makes more sense. We pretty much have, our Installation down packet on Foundation because it's not guys go in here and go in there constantly. It's they're going to be here. This job is done. Then they go to another job.

BRETT

1:02:53 Yeah, we talked a little bit about that.

--- Pricing ---

BRETT

1:02:55 On our first meeting. We, we suggested potentially giving those guys helper licenses so they can also track their time. That's something we'll need to iron out. And just, for your guys, knowledge helper licenses are half price as the normal license because there's less functionality. I don't want to charge you the full rate there.

--- Pricing ends ---

BRETT

1:03:14 I wanna get you updated pricing, maybe I wait till after our Foundation meeting to determine if you need the connector or not just to give you everything to take back to your owner. Does that work? Yes. Okay. So that said let's find a time to meet with Tania, our accounting expert, and we're pretty busy this week, but I can meet with you guys as early as Monday. Is there a day that works best?

LUKE

1:03:42 No, Monday will work?

BRETT

1:03:46 Will or won't?

LUKE

1:03:47 It will.

BRETT

1:03:49 One PM.

LUKE

1:03:51 Sure. So.

BRETT

1:03:53 Okay. All right. So I'll send that invite out to you guys. In the meantime, Luke, I know you've been playing around in the recap workspace. The shared workspace.

I'm gonna include a section for Foundation. I'm gonna include, I think we have a video and like a one pager on how that integration works, just so you guys can prepare for that meeting a little bit. But yeah, we'll go over exactly how ServiceTrade is gonna connect with Foundation, what information is gonna move over? We kinda talk about that further based on your guys workflow. Does that work?

LUKE

1:04:25 Perfect. Yeah, that sounds great.

BRETT

1:04:27 Okay. I'll send you the invite right now, update the recap space, and I will talk to you guys Monday afternoon.

LUKE

1:04:33 Thanks guys.

LUKE

1:04:34 Thank you, Adam.

ADAM

1:04:35 Nice meeting you guys.

BRETT

1:04:36 Bye take care guys.

*The End*