NorthBoundary Renewal Review

Logan Engel with Jackson Mechanical Service
Recorded on 7/21/23 via Zoom, 28 min.

Participants

SERVICETRADE

Logan Engel
Account Manager

Skip Mangum
VP of Account Management

JACKSON MECHANICAL SERVICE

Jimmy Wood
Senior Sales Executive

Topics

Transcript

--- Call Setup ---

LOGAN

0:00 Hey, Jimmy. Give me one second. I'm trying to take my bluetooth off. Can you hear me?

JIMMY

0:06 Yeah, I can.

LOGAN

0:07 Perfect. There we go. Sorry, the bluetooth was on, so it was connected to some headphones of mine. How are you doing today?

JIMMY

0:14 Well, sir.

LOGAN

0:15 Good, good. I have Skip here with me. That way we can go over your questions regarding the Northboundary renewal. So.

SKIP

0:27 How are you doing?

JIMMY

0:28 Just a busy Friday man. Busy Friday.

LOGAN

0:32 My...

SKIP

0:32 Goodness, I totally understand well the weekends just ahead of, I hope you don't have to work over the weekend?

JIMMY

0:38 Gonna try not to.

SKIP

0:40 Is it hot is hot as hates where you are, Jimmy?

JIMMY

0:45 It's been very warm on a second. Let me turn my video on here so you can actually see me. I guess... here we go. All right.

--- Small Talk ---

SKIP

0:54 Great. And, and you're where are you located in?

JIMMY

0:58 One city?

SKIP

1:00 Okay. Yeah, man. I've got a step daughter who's in Dallas for the summer doing an internship and it's been like 110 there. So.

JIMMY

1:10 It's been warm today. We actually had a cool corporate moving through today... and the temperature is aren't too bad. Like right now, currently, it's 74 degrees outside with the high of 85 today.

SKIP

1:24 My goodness. Well, I need to come over there. It's it's 90. So I'm here, but yeah, so good to meet you and glad to answer any questions.

--- Small Talk ends ---

SKIP

1:35 You have Logan, you know, as an account manager, he's kinda responsible for kind of renewals and stuff like that. But I wanna make sure that you feel 100 percent comfortable with direction and whatever we can answer for you.

JIMMY

1:49 Sure. One of my big questions I had is, I guess we, I guess service trade is moving as a acquired Northboundary, they are moving in the direction of a basically a structure of by user payment on that. So what Logan, I guess I explained to me was, is that... it's for actual people, what I would call salespeople or estimators, correct?

SKIP

2:22 Correct. And I'm sure he showed you exactly how that's defined. Did he show you the description? Okay, good.

JIMMY

2:30 No.

LOGAN

2:32 That's where Jimmy that's where I was reading through and explaining how sales users can be assigned leads, opportunities and proposals and other users are more. So the read only.

SKIP

2:44 Let me show you, some people like the visual. So, let me just show you kinda how that's defined. So this is, can you see my screen? Okay?

JIMMY

2:55 I can, sir.

SKIP

2:56 Yeah. So this is basically how it's defined. So sales users are the ones that are going to be assigned to opportunities. They're going to be the creators of proposals. They're going to build out, the project proposals. So those are sales users, office users, people who are supporting the sales users. You just need to see reports and asset data and basically viewers not creators. Those are free. So a lot of times what a CRM will do is they'll charge you whoever has a log in. We don't want to do that. We just want, you know, to be kinda focused on the people who are doing, the big time.

JIMMY

3:46 And like currently, I'm just looking in here to see user management. So right now, the only thing that I have in roles wise, I've got managers and I've got estimators and then outside sales, and then administrators, of course, only vice, president and me that's the administrators we have in the system, everybody has been defined as an estimator per SE just because of the permissions.

--- Pricing ---

JIMMY

4:15 It was easy to set up. So, but if I go back to like my dashboard, for instance, I don't even have everybody checked people that's actually producing quotes, two, three, four, five... six, seven, eight, nine, 10, 11, 12, 13. I've got 13 people including myself that have actually created a proposal with their name on it and that, that's where I would define that. So, because if I look at the proposed that, that's what I've got now, I do have a bunch of users. Of course, I've never generated quotes. What would happen in the instance for let's say, give an example of I have an estimator or outside salesperson and their here for six months and they move on and I have to replace them. Is it still by user or by account?

SKIP

5:15 It's that, yeah, that's a great question. It's simply the number. So in other words, if he leaves and you want to repurpose that to whoever takes his place, that's perfectly fine. So you got just a slot of 13. If if that's the number we decide on, you got a slot of 13 that can be allocated anyway.

JIMMY

5:35 Okay. Got it. And, and that's where I was confused on that part of it again, that's just a number of what I've shown active in here right now. I've got other people that have created proposals. And all that my next question would be is, how is this track? For instance, is administrators the only ones that can go in and add user accounts? Because that's what I would want. Because of course, if we go in, I don't want a salesman going in here and creating things. And it costing me hundreds and hundreds of dollars and I wasn't even aware...

SKIP

6:10 Yeah, no, that's a really good question too. So administrators kinda create the users kind of delete users, all that kind of stuff. So they're going to be the ones that are doing that type of work. The good news is that, you know, we're not sitting. We got, we got plenty to do like you do, we don't sit here and kinda monitor and say, okay, well, he went up by user today. I'm gonna go ahead and send a Bill like mill seconds after you do it. It's it's literally. We do, we'll do a review once a quarter once every six months or so and just take a look. And, if you've truly added a sales user, we'll talk to you about it. We'll say, hey, is this accurate? Is it, is it, we're showing 14 and you had 13 and did you add a person? And you'll say, yes, I hired an extra person and that's when we would, you know, send you an invoice for the prorated amount of that extra person. But, and from a tracking perspective, there's nothing in the system that prevents you from having 30 sales users in there right now and doing stuff. We're we're just gonna track usage. And so if we see that people are, you know, you have way more than 13 creating proposals and generating proposals and being assigned to proposals. And that's when we'll have a conversation three to six months down the line and say, hey, this is what I'm seeing. Is this what you know? Is this accurate? And, and then you might say, yeah, well, you know, I've got them assigned but they haven't been doing that for six months, you know, they left or whatever. And we'll just say, hey, just clean up your user accounts and stuff like that. We're we're not in the...

JIMMY

7:57 I have no problem with creating a role that just says office and they're like I do need one that says estimator and one that says outside things that's and of course, administrator, I have no problem creating a role for office whatsoever.

LOGAN

8:13 And...

SKIP

8:14 Just just so you know, kind of our position, on this for legacy customers, which you are one is we wanna make it advantageous for you guys, somebody coming in off the street. If they had 13 sales users, it would be brand, you know, they would be paying 13 times the sales user price, which is 1,188 per year. And we wanna say, hey, look, let's work with Jimmy and let's say, okay, what is your current usage today?

And let's just establish that baseline. And you just have a small uplift on top of what you're paying today. And then anything above that number that we decide on that's when you'd pay the extra, you know, add on fees, for new things. So you're in great shape. I mean, you know, we're trying to take real good care of legacy clients.

JIMMY

9:03 Can you tell me, do you have access right now to look to see, what did we pay last year? Do you know, I know we had an onboarding fee and all that. I just don't know what we paid last year. I could ask.

SKIP

9:13 You got that handy?

LOGAN

9:16 Yes, I'm not sure if it will let me see onboarding fees and whatnot...

JIMMY

9:21 Don't need to see that. I just need to see what we paid for the actual, you know, what it costs for the software, not the onboarding?

LOGAN

9:28 Gotcha. Okay. Let's see here.

LOGAN

9:40 So, I believe it was 1,541 dollars and 67 cents.

SKIP

9:49 Yeah, I'm showing 1,850, Logan.

LOGAN

9:51 Yeah. Okay.

SKIP

9:53 So that events charged... kind of, a baseline rate of 1,850 for an office. So it's gonna be in that range, but we'll double check that.

JIMMY

10:07 That's fine. I just wanted to rough guess. So the new proposed total that I'm seeing here that Logan had given me in our previous call was 23 1,250.

LOGAN

10:19 Yes.

JIMMY

10:21 Okay.

SKIP

10:22 So, is that for the, Logan, is that for the one year or the three year? So, is that the first year, the three year?

LOGAN

10:29 That is one year proposal?

SKIP

10:31 Okay. So you've got it. Jackson. You've got two options. You've got a three year renewal agreement and you've got a one year. So, the one year will have a higher increase rate and it's around the 25 percent mark. If you go with a three year agreement, will only increase you 15 percent per year instead of 25 percent per year. So, there's a big incentive to go with a multi year. If you feel like, hey, we're gonna stick with Northboundary for at least three more years. That's the way to go.

JIMMY

11:09 Okay. So, so the one here is 2,300 dollars and what is the 2,312 dollars and 50 cents. What does that encompass?

SKIP

11:20 That, that you are gonna get whatever number of sales users we decide on, which it sounds like 13 is the number you are gonna get.

JIMMY

11:29 Somewhere right in there. Yeah, I was just gonna try to pull it up. Matter of fact. Let me look here and just see. All right there's all my users, every single one that's one... six seven eight.

JIMMY

12:04 All right. So, in the past, since we started Northboundary, this is every user we've ever had. I have 16 in here. Now, I have had some that's left, some we added like, you know what I mean? That we replaced all that. But, if you were to get logged into hard work far and look like I said, every user we've got that's actually done a proposal that's what that's the screen I'm looking at. I'm looking at the dashboard and showing the proposed amount. But I mean, like I said, I've got one here that proposed, he's no longer here, but he proposed 43,000 dollars and he was here for two years. Yeah.

SKIP

12:38 Oraclly, what we wanna do is look today, and, you know, if you've got 13 today employed by you, that could conceivably be a sales user, we'll lock into that number and say that's the number that's...

JIMMY

12:53 Probably gonna get us close. Yes, I would say that. Okay, really? Okay?

SKIP

12:57 Let's lock into 13. That sounds good. And, and so Logan will create proposals for him for, you know, one and three years. So, he can, you know, decide which one he wants to go with. So that's what that's gonna get you and that's gonna get you a subscription for the year. Any additional sales users, let's say you go gang busters, want to go hire two to five new sales people. You'll pay that new incremental cost per new sales user. You'll pay the 1,188 per sales user and that it'll be prorated. So, you know, if your renewal is today and you add one, six months from now, you'll pay whatever half of the year for, that new sales person whenever you add them. And then, so, and then we'll you know, we'll renew it going forward. But anyway, that's...

JIMMY

13:51 That works. Okay. All right.

JIMMY

14:03 Okay. So Logan, you're going to be sending me over a quote for this, correct? Correct? Well, I have a like a due date for it because I need to know what, when it's due. I gotta get it turned in. So they have all that. So when is that, can you tell me the date that it's actually our account?

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LOGAN

14:21 Yeah. So that's gonna be September first.

JIMMY

14:24 Okay.

SKIP

14:27 Yeah. So we'll get this all worked out well before that, and what we'll do is once you say, hey, this option looks good to me. I'm comfortable with this. We'll send you a signal, a DocuSign or, you know, something Adobe sign that somebody can just click through, and sign.

--- Pricing ---

SKIP

14:44 Just whenever you say, hey, this is a good one. And the payments, what we typically do on the payments is if you do a three year agreement, you'll have the first year due now, and then the next one will be due next year, and the next one will be due the following year. So it'll just be like that.

JIMMY

15:02 Okay. And he's gonna give me the option one to three year, okay? And...

JIMMY

15:14 Okay. I think that's that answers my questions on that. I know you're not the people to it's more support issue. I ran into an issue the other day and I'm just going to explain it. And then I'm hoping you can guide me on where I need to go with this. It's a, it's a rare currence, but it happened, I actually had an outside salesman take another outside salesmans opportunity and transfer it to himself. The problem I have with that is Northbboundary doesn't record the transfer. It will move it and it doesn't show it in the history.

SKIP

16:00 Okay.

JIMMY

16:01 I know, it's an enhancement as far as that goes, but that is a very important thing that if an opportunity is moved, it needs to say, hey, it was moved by this person on this day.

SKIP

16:14 I totally understand that use case. In fact, I use that capability with our CRM, you know, and like to see that history in the log file. So I totally get it and, we can make that request and put that in for you.

JIMMY

16:30 Okay. I just like I said, I had, it happened one time and we couldn't figure out what happened. So, the outside salesman got caught because he didn't change the proposal date and the date on the proposal. He didn't even work here then. And that's how he got caught.

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JIMMY

16:49 And we were like, wait a minute. This, this shows March of this year. You did not work here in March. How did you do this in March? And then we started back tracking and, we were to do some really heavy digging but we found out that he actually took somebody else's opportunity that doesn't work here anymore and moved it to him. I don't know why we really haven't figured that part out yet but maybe it was just trying to make numbers, I don't know. But we went back to Northbboundary and tried to emulate this to see if we could do it without anything showing up. And sure enough I was able to do it and I said, okay, so that's how it was done. We need to prevent this or at least or at least have a record of something being moved. And that was just one of the things. So we have it locked out where they can't see other people's proposals. But the problem is if you go to the like, if you were to go into a maintenance management or project management into those two modules and you click the move button, everybody shows up, they can't see them. So they have a whole list and it says, what do you wanna move? And so you just scroll through it,

click it and click move and it's done. And there's no record of that. It just, it just happens.

SKIP

18:12 Yeah. So, so I totally get that use case and the, they're two questions. So for me, can we, through user permissions? Can you, can you eliminate the ability for a person with X role to change ownership of an opportunity?

JIMMY

18:33 No, it's not allowed, that option is not available in the settings.

SKIP

18:38 Yeah, that's...

JIMMY

18:39 The first thing I checked...

SKIP

18:41 To myself that's one solution. The second solution is obviously to offer the log file. So, Logan, if you will, you know, submit that my guess is that it's probably been asked for before and just see if we can get that in the queue at some point but totally understand, the ask.

JIMMY

19:04 Yeah... that's all I've got. So... that's pretty much, what I needed.

SKIP

19:17 You guys are using BuildOps for service?

JIMMY

19:20 Yes, that, it's we don't have a choice in the matter. Our private equity firm has selected BuildOps to be used throughout all of our sister companies including us. And we don't get to choose. So it works... there's a lot of things in software that of course, anybody would love to have see changed. It doesn't matter what you're using. I mean, I could open up Microsoft excel right now and find 10 things that I would love to be changed. So it doesn't matter what software you're using, but... I mean, I always say a software is work in Progress. So.

SKIP

19:59 Well, being a software company, I totally understand that. And we, yeah, I was just curious. I knew you're using BuildOps, but we've heard, you know, different things in the market. I'm just curious is who's your private equity? Is that Ryan, is that?

JIMMY

20:14 That's okay. So, Ryan, is there's two different, there's? Two different umbrellas. Actually, there's three now, Al, pine investment groups is the main.

SKIP

20:26 Alpine...

JIMMY

20:27 Yep. They are, they are astronomically huge. So, opine, is the main underneath the umbrella that we fall in is Ryan. And in Ryan group, there's actually different tiers in Ryan. So there's different umbrellas under Ryan. We are part of the Astra group under or... there's a bunch of there's Astra, there's helios, there's a bunch of them.

SKIP

20:59 So, how... did you go through all of the, you know, have you been there long enough to go through all of this fun transition.

JIMMY

21:09 The, very first company to ever be in BuildOps?

SKIP

21:14 Okay. Got it. Okay. So.

JIMMY

21:18 Actually, the first company that they acquired for the mechanical side?

SKIP

21:23 Really? That's fascinating. So they use user for everybody.

JIMMY

21:27 Yes.

SKIP

21:29 And...

LOGAN

21:30 You, you were the one that kinda was the driving lead on Northboundary, even for Ryan groups, other companies, right? Yeah.

JIMMY

21:39 Yeah. I do a lot of training for other companies on your software.

LOGAN

21:46 I...

SKIP

21:46 Well, I hope it's been a good investment. Sounds like it has been, to help you guys sell more. It's amazing to me as we're talking to, you know, at service trade, we've got a lot of mechanical clients that don't use Northboundary yet, but it's amazing to talk to how many people just do it in excel or do it in some, you know, meal fashion. And, and it's a problem that seems to be solved by a lot of people.

JIMMY

22:10 Yeah. And we were excel before this. So we had a worksheet that...

SKIP

22:16 A...

JIMMY

22:16 Lot of different stuff that excel worksheet or workbook. I should say we could actually calculate maintenance out of it so I could go in and select the equipment similar to Northboundary, it was so funny when we first got Northboundary, I know exactly how your tables are set up in the background because I know how a database works because I built one in excel that does the same exact thing. So, when we first got a Northboundary at first, Vince was the owner before you all bought Northboundary... I didn't require any onboarding at all. Vince called me and said, hey, do we need to get your training done? And I said we're already up and running and he logged in and he's like, wow, I know exactly how you built your software. I know how everything works. I said, I was doing the exact same thing you're doing in excel.

SKIP

23:12 Do you have an it background? What's your, what you're...

JIMMY

23:16 Have have no it background. So I'm actually, so I've got a mechanical license. I've been in the field, was in the field for ever. I grew up in the hvac industry.

SKIP

23:29 Okay.

JIMMY

23:29 Completely grew up in, my dad owned an HP actually, to this day, he still owns an HP company. But so I grew up in the industry and I was a technician. So, you know, I guess you could just say that in troubleshooting and diagnosing things, you learned to figure things out like that. And that's the same thing that I did here. I'm like if I can figure out how this works, I can make it do anything I needed to do. And that's what I did. And so, yeah, I had zero. We had zero set up from Northboundary, I

set up everything and we were working and even called me and he went through his training and he's like you've already got everything done and I said, yeah, so.

SKIP

24:17 That's that's pretty cool. That's a great story. And you're right? Folks that grow up in the industry. I mean, you know, you just figure out how to make things work, and know how things work and just have a mind that way that's awesome. You know, we love feedbacks. And so as you kinda use, the platform, you know, and need things, please let us know. We're we're increasing investment in Northboundary, not. So this is not something, you know, where the product gets bought and, you know, goes off to the side. This is, this is kind a key to, our product set. I want to reassure you there. And so, I'm so happy, to get to meet you and talk to you and please let us know how we can continue to improve. We wanna take good care of, our long time, you know, Northboundary customer. So if there's anything we can do, please let us know.

JIMMY

25:11 We'll do, yeah. And as of right now, we're still acquiring companies. So just letting you know there is an opportunity for Northboundary to get in pretty much all of our sister companies. We have 13 sisters in the... Astra umbrella right now. And so, and that's still growing.

SKIP

25:33 Wow, that is amazing. And, and how many of the 13, are all of them using Northboundary now?

JIMMY

25:43 I think about half.

SKIP

25:45 Half. Okay. Is, is, I mean, we can, you know, chat about this later, but if there's anything that we can do to help you as you position it to the other companies that aren't using it or, you know, offer an incentive to get on board so that they're not paying the full, you know, new customer fee because they're part of your group... let me know.

JIMMY

26:13 I can definitely do that. Like I said... I'm not trying to Pat myself on the back but I do have a lot of influence our other sister companies with that because like I said, if they have an issue, they normally just call me and I walk them through. So us being in the first company, yes, we were the Guinea pig, but we've also been extremely successful and a lot of companies are looking at us saying, okay, how did you become as successful as you were? We want to mimic that. So, I mean, I constantly have teams meetings with a lot of our sisters that... we will get went to Northboundary, and I'll see how they've got things set up or how they're doing things and, you know, make recommendations. We don't tell them what to do per SE, but we can tell them, okay, this is how we do it and this is why, and nine out of 10 times that's exactly what they end up do.

SKIP

27:09 That... yeah, I know that some of our sales reps have been talking to at least one or two folks under Ryan, but, you know, I'd like to, I'd like to make sure that we give you guys a good, you know, deal for folks that aren't currently using you're under the same umbrella. You're you're doing a lot of selling for Northboundary, so I wanna take good care of you. So let me see who we've talked to in that suite of 13 companies that aren't using it. And then maybe we can come back to you and say, hey, you know, maybe we can give you kind of an offer to get some of these other folks interested. And yeah, so, so let us work on.

JIMMY

27:55 Okay. Not a problem. So yeah, definitely get back with me and we'll go from there.

SKIP

28:01 All right. So, good to meet you, Jimmy. Thank you.

JIMMY

28:03 Yes, good. Meeting you.

LOGAN

28:05 Right. I'll get those quotes to you and then submit that feature request as well.

JIMMY

28:12 All right. Thank you much.

LOGAN

28:14 Thank you. Have a great day.

The End