



Customer Success: ASCO USA

Procurify: ASCO USA

We interviewed:

David Osterhout, Project Buyer at ASCO Industries USA

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Industry

Manufacturing

Company Size

200+ employees

Location

Stillwater, OK

The remarkable story of ASCO Industries, a world leader in aerospace manufacturing, began more than 50 years ago in Belgium, the brainchild of entrepreneur Emile Boas Sr.

In its early days, the company was primarily a sub-contractor for aircraft construction titan Airbus. In the ensuing decades ASCO has grown into a renowned international company with locations in Germany, Canada and the United States and an impressive roster of clients that includes giants Bombardier, Boeing and Embraer.

ASCO and Procurify have a long history together: ASCO's Canadian facility was Procurify's very first client. But our companies have also grown together over the years – ASCO's newest location in Stillwater, Oklahoma is a member of the Procurify family as well.

We spoke with David Osterhout, project buyer at ASCO USA, about how Procurify has helped ASCO set up its latest facility and streamline its inefficient procurement process.



David Osterhout

*Project Buyer
at ASCO Industries USA*

 From an outsider's perspective, the scope of your company's procurement/purchasing process is staggering because of the sheer size of what you build. So, you can describe the size and scope size of that process, and who oversees it?

 We are using Procurify for what we call non-aero materials. Since we are a startup here in Stillwater, everything we are buying is for the first time. So, that is everything from new machines to new capital equipment – everything is pretty much new.

We've placed almost 400 purchase orders since we began using Procurify. Our rate is, about, 150 purchase orders per month, all of which are non-aero materials. We're buying cutting tools, oils, chemicals, plus **we're also using the software to assign purchase orders for our big capital**

investments. An example of a big capital investment order would be our heat treatment ovens, which is more than \$1 million procurement.

There are a number of people involved in the process. We primarily have requesters – the part of the team that figures out what they need to order. Then, we have the approval process, which is handled by our management team. My role, once requests are approved, is to actually issue the purchase orders.

What pain points did you historically experience in your purchasing process? What was going wrong?

 The difficulty was, primarily, in tracking the requests. Previously, requests were done on an Excel form that was typed up, printed out and handed to me with a signature on it that told me 'okay, this is approved.' It was really easy for those kinds of documents to get knocked off a desk or thrown in the trash and never reach where they were supposed to. Plus, there's no way to keep track of aging requests. Prior to Procurify someone could tell me 'well, I put the document on your desk eight months ago,' and I could say 'well, you just gave it to me yesterday.'

With Procurify we have an electronic trail of everything from the minute a request is entered, to when it is

approved, to how long it took to purchase it. Because we are a new facility and we don't have everything spec'd out yet, when someone decides they need something it usually pretty urgent. **Time is of the essence in that regard and Procurify allows us to keep track of that.**

The second major issue for us was there was no way to tell when things actually showed up. That caused two problems for us – it was hard to keep track of when things arrived and to pay invoices. **Before Procurify there really was no way to know if items had even showed up.**

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ASCO



How else did Procurify help?

 It has documented all of our requests for purchase; there is now a time stamp when all of those requests were made. We also have a trail from the person that made the request all the way to when it was approved. Also, **Procurify eliminated all of the paper copies of our requests and approvals** – it completely eliminated those. On the purchasing side, it eliminated the need to type a purchase order. Previously, I would use a Word document and type the order. Procurify has made everything electronic.

Now, we get an email when something has been approved, an email when that product has been purchased and an email when it has been received. That has saved us a lot of time walking around trying to figure out where the requests are, whether things had been ordered and when they were going to arrive. **Procurify gave us a new level control.**



 So, now that some help has arrived what does that allow you to do? Does this open up potential capital cost savings down the road? Or, have savings been found in areas such as increased employee efficiency or a decrease in admin time?

 On the purchasing end, **Procurify has probably cut the time it takes issue a purchase order by about 80%**. I can go through about eight purchase orders in the time it used take me to do one. So, that has definitely **allowed me to focus more on value added things** such as negotiating with suppliers for better prices.

On the planning side, it has **allowed for a much more stable view of when things are going to arrive** – fixtures, cutting tools, just any kind of equipment we need. Also, it really **saves the staff time**. Instead of running around trying to figure out where things are, users can simply log in and check when an order was placed, who placed it and when it was received.

 ASCO USA is not the first branch of ASCO to use Procurify. Can you elaborate on the benefit of seeing others in other branches of the company use the software? Did reviews of Procurify from colleagues play a role in your decision?

 Absolutely. The reference to use Procurify by our Canadian facility (ASCO Canada has been a long-time client of Procurify) definitely played a role in us using the software. One of our Canadian employees actually came to Stillwater to help set up the software, in particular, with the account codes. Now, our Canadian and American account codes are all the same.

That continuity is a huge benefit. **It has definitely helped us in standardizing the way Canada and the U.S. do business** because we have the same account codes now. We are also working on having the Canadian supplier information sent to us so we can use the same suppliers and assign supplier codes as well.

 Was there anything in particular about Procurify that most impressed you, or was most beneficial?

 The **main benefit is that Procurify is cloud based**. I can log in from anywhere and I don't have to have software loaded on a local server or on my physical computer. Now, I can log in from a library and place purchase orders. Our plant director was just on holiday in Belgium for two weeks and he **was able to still approve requests using the phone app**.

 We were thrilled to see that ASCO's headquarters in Belgium recently had a visit from U.S. President Barack Obama. Can you tell us what that was like for the company as a whole? Was it a great feeling to see what your works means in the bigger picture?

 President Obama visited our Belgium facility, but it definitely concerned our U.S. facility. There is a plan to bring foreign companies to the U.S. to make investment and he specifically singled out ASCO as an aerospace company that has come to the U.S. This facility is a major win for the U.S., Stillwater and the state of Oklahoma. The facility we are located in was originally a mercury-marine plant that was consolidated to

a location in Wisconsin. So, there was 850,000 square feet sitting empty, along with several hundred jobs with it.

It was really an honour to be recognized by the President of The United States and to know the investment being made here would bring that level of attention.

 If you could distill your thoughts on adopting Procurify as your procurement/purchasing solution, what would it be?

 It really comes down to **Procurify being low cost, easy to implement and readily available**. We didn't need months of training or to download a bunch of software and have it configured. **It was as easy, basically, as the flip of a switch and completely self-explanatory.**





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