

Tracking inventory keeps highly paid techs on the move

Inventory on the hot seat

With 18 employees, Ace A/C & Heating services heating and air conditioning units in and around Fairfax, Va. At its headquarters, the company maintains a warehouse where it stocks the replacement parts its repair technicians need on the job.

With hundreds of items on its shelves, Ace management tried using spreadsheets to track the stock levels of individual parts. This system was ineffective. More often than not, records were not updated when parts were taken out of inventory. As a result, the company unexpectedly ran out of particular items, forcing technicians to make time-consuming trips to a regional supply depot.

Besides the drive time, service technicians wasted time waiting in line to receive the correct parts. In addition, customers were left waiting and wondering when their service technician would return to complete the job.



Adopting a cool solution

Gary Kincheloe, owner of Ace, began searching for a solution. After trying out an inventory management product that did not fulfill his needs, Kincheloe purchased Wasp's Inventory Control

mobile solution. Ace now uses Wasp's inventory solution to manage its parts inventory and keep an accurate count of items in stock.

Using the Wasp mobile scanner, Ace can quickly update inventory counts by scanning the barcodes on replacement parts as they are received. Then, when service technicians take parts from the warehouse for a job, the inventory items are checked out to them. Unlike the old Excel approach, scanning barcodes is easy, accurate, and avoids placing any additional burden on technicians.



CASE STUDY AT A GLANCE...

▶ **INDUSTRY**

Heating and air service

▶ **COMPANY PROFILE**

For nearly three decades, Ace A/C & Heating has provided heating and air conditioning repair service in and around Fairfax, Va. The company employs 18.

▶ **SITUATION**

Ace maintains a warehouse full of parts needed to service various air conditioning and heating units. In addition, the company keeps certain items in stock on its service vehicles. But without an inventory tracking system, the company frequently ran out of replacement parts needed to complete certain jobs. Technicians then were forced to visit a regional HVAC supply depot, wasting at least 20 hours each week.

▶ **RESULTS**

With the Wasp Inventory Control solution, Ace now has accurate inventory counts, as well as insight into which parts are needed most frequently. The company maintains the correct level of replacement parts at its warehouse. Technicians no longer spend time traveling to and from the supply depot, saving more than \$40,000 a year in labor costs. Furthermore, Ace customer service has improved because technicians can finish jobs faster. By saving 20 hours a week, Ace also can schedule additional service calls, which grows the company's revenue without incurring the additional fixed cost of new hires.

▶ **PRODUCTS USED**

- InventoryControl



The company immediately began to see results. Kincheloe uses Wasp's inventory software to create reorder reports, which inform him when stock becomes low in a particular item and provide recommended reorder quantities. Further, Kincheloe can look at inventory reports to gain insight into which items are selling and which are not. This enables him to adjust his inventory, ensuring he has in-demand items on hand.

"This saves a lot of time and helps me keep the right quantity and right stock in my warehouse," Kincheloe said. "As a result, we simply don't run out of parts. I don't have to pay my techs for the time they spend travelling to the supply depot and waiting for help. Rather, I pay them for the high-value work of repairing air conditioning and heating units."

In the past, Ace technicians spent approximately 20 hours a week obtaining parts that were not in the warehouse. These employees earn an average of \$40 per hour. Using Wasp Inventory Control, Ace has virtually eliminated this problem and saves approximately \$800 per week, or more than \$40,000 per year. In addition, Ace now can accommodate additional service calls during the 20 hours technicians used to travel to and from the supply depot.

"The product paid for itself in three weeks," Kinchloe said. "Not only did I save money, I'm able to make more money without incurring the fixed costs of additional technicians. As a business owner, I'm pleased to have found a solution that positively impacts both my bottom and top lines."

In addition, Kincheloe now has greater visibility into the quantity of each part he uses each month. He can use this information to negotiate better prices for inventory items. Best of all, customer service has improved, since technicians are able to immediately find the parts they need to complete a job more quickly.

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Owner of Ace