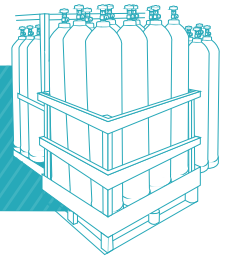


# ..... Distributor zone



## IT challenges and solutions

### Part 1: Reasons to upgrade

AGNES H. BAKER

Contributing Writer

Keeping up with information technology, both in terms of software and hardware, is one of the great challenges of our time and can be particularly daunting for independent gas and welding distributors.

As Bo Martin, CEO of Middlesex Gases and Technologies, explains, “We are in the business of moving molecules, not developing software, which is why, as an independent distributor, we rely on outside vendors to help keep us up to date on IT (information technology).”

As part of our Distributor Zone series on IT challenges and solutions for distributors, gasworld spoke with Martin and the Middlesex Gases team at the recent Computer's Unlimited Users Group Conference in Billings, MT (see “Software as a service: Computers Unlimited unique approach to software development,” gasworld US edition, November 2018, page 22).

In the fast moving world of computer software and applications, it is difficult to know what to choose and when to buy. Middlesex has been an early adapter of technology and is a company that makes decisions on when and where to upgrade carefully. IT at the company started with a home grown system designed in house, which was pretty much the route an independent gas distributor had to take in the early years.

As software and devices became more sophisticated, Middlesex Gases recognized the need to migrate to an industry standard software program and



© Middlesex Gases and Technologies | Middlesex Gases was an early adapter of barcoding

to have someone knowledgeable to head up its IT effort. That someone was Joe Kirmes, who joined Middlesex in 1986, and together with the management team, selected Computers Unlimited's TIMS (Total Information Management System) as their software provider. Over 30 years later, Kirmes is still developing IT at Middlesex and reports that its partnership with Computers Unlimited (CU) has produced the kind of applications that serve as the backbone of the company's business processes today.

#### Reasons to upgrade

For independent gas distributors, the move to new software applications is often customer-related. Kirmes says, “One of my favorite reasons for upgrading is because we have to.” As an example, Middlesex Gases came to be one of the earliest adapters of barcoding when one of its biggest university customers insisted on it.

Middlesex began the process of tagging every rental cylinder in 1987 and by the end of 1988 had 20 key accounts barcoded. With the migration to TIMS in 1998, it began to use the CU product BARZ, then upgraded to CU's Advanced

**“It was a lot of work but cylinder control is our meat and potatoes – that's our industry...”**

Cylinder Management (ACM) program in 2011. Tom Martin, President of Middlesex Gases, says, “When we moved to CU, we decided to include every cylinder, not just the key accounts. It was a lot of work but cylinder control is our meat and potatoes – that's our industry. Today we are ahead of the game. If you didn't start barcoding a long time ago, it's really hard to catch up.”

Another area where Middlesex has had to blaze its own IT trail is in dealing with the procurement practices of large life sciences and university customers, specifically in regard to an application known as “punch out.” Punch out streamlines the purchasing process and allows large companies to better control employee orders. As Bo Martin sees it, “Punch out is following a path similar to barcoding's. We are adopting it because our customers insist we have it and it's a growing requirement for us.”

What exactly is punch out? Kirmes

gives the example of a university with its own in-house marketplace, populated only with vendors it selects. Approved purchasers log in to that marketplace, and select a vendor, such as Middlesex Gases. At that point, they are redirected (punched out) to another site where they can select products. For purchase, the buyer is punched back into the university's system, which authenticates the purchase and generates a PO to Middlesex.

On the sales side, Middlesex Director of Sales and Marketing Ron Perry reports, "Punch out capability enables Middlesex to streamline the order process. The challenge is identifying the system and then creating the link to communicate. From a networking partner we were able to connect with a third party solution provider, and for a reasonable cost, we were able to implement the program," says Perry.

Going forward Kirmes, who sits on the CU Steering Committee, envisions the process becoming even more streamlined, with the TIMS system integrated in with different procurement (punchout) systems.

Another platform adopted by Middlesex Gases at a customer's request was e-commerce. A university client insisted that Middlesex have e-commerce capability back in 2005. At that time, Middlesex chose CU's e-commerce package and had been using it ever since.

With a sophisticated online customer base, e-commerce is important to Middlesex gases. "Customers ordering from labs are a huge market for us," explains Perry. "With our e-commerce system, anything ordered before midnight will be delivered the next day. That's the type of service our customers need." Kirmes adds, "Today's version of e-commerce is much more sophisticated than one we started with and we couldn't live without it now. We promote it to almost everyone."

#### Other upgrades

Middlesex Gases looks at a variety of software providers in addition to CU and chooses products based on suitability to

its business practices. For example, Perry, working with Kirmes, recognized the need for a more robust CRM (Customer Relationship Management) system for the sales team. While CU offered a sales assistant product with lots of mobile capabilities, they were not geared toward the type of tasks the Middlesex team, with its particular niche in life sciences, really required.

Perry explains, "For several years now, the sales team has had the ability to utilize TIMS from their iPads, including a program called Diver, which has been critical to providing them with the ability to analyze data remotely. However, I want my sales team focused primarily on gaining new business, so they are not active in business activities outside of selling, like delivering cylinders or ▶



**KAG**  
MERCHANT GAS

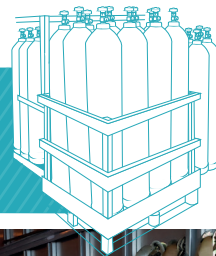
With the largest for-hire cryogenic trailer fleet in the industry, KAG Merchant Gas delivers the best-in-class transportation and logistics services in the safest and most cost-efficient manner.

- ▶ Call and Demand
- ▶ Dedicated Contract/Project
- ▶ Assurance Options
- ▶ Maintenance
- ▶ Equipment Leasing
- ▶ Logistics Solutions and Value-Added Capabilities

800-969-5419 | [www.thekag.com/merchant-gas](http://www.thekag.com/merchant-gas)



# ..... Distributor zone



► tasks done by our internal group, and we don't want them to be. By evaluating the needs of our sales team, we found that Salesforce was a more suitable CRM for us."

## Keeping the backbone strong

While Middlesex is open to other software programs and applications, its TIMS system remains the backbone of operations and the company makes updates on a carefully evaluated, as needed basis. Its most recent upgrade was in 2013 when it moved to TIMS version 6.

"We are really looking forward to upgrading to version 7," reports Kirmes, "because there are a lot of enhancements in it that are attractive to us."

Number one on the list of exciting new products offered in version 7 is CU's new Contract Price Management tool. This application enables distributors to manage contract pricing for gases and cylinder rental rates, including forecasting the financial impact of price changes and implementing those changes efficiently.

"We can't wait to get this," says Bo Martin. "Everyone in this industry struggles with upgrading contracts and pricing. That's how you make your money. For example, if our suppliers increase their prices on January 1, we have to be ready to adjust our pricing the next day or soon thereafter. Right now we're doing this manually with spreadsheets, which is a time consuming process and one open to error. Automating pricing is a game-changer.

Everybody needs this."

The Middlesex Team is also very excited about TIMS Plant, which allows distributors to manage their fill plant from a mobile device and enhances their existing capabilities.

## Linking to other products

CU's continued work in the area of Business Intelligence (BI) is also seen as very important to Middlesex Gases.

Kirmes explains, "Getting data out of your system is so important. Everybody has the data, but accessing it and displaying it in a meaningful way to your business can be a challenge. David Schaer, President of CU, has been working on BI for years and has developed a way to facilitate very sophisticated analysis for our industry using TIMS. Data used to be behind the curtain. CU has done a lot of work to bring it forward."

The newly introduced TIMS interface with Microsoft's Power BI platform enables TIMS users to make sense of their data through interactive, real-time dashboards that unlock business insights. It includes a suite of BI tools, and can connect to many data sources, from which rich reports can be generated. Middlesex's Matthew Sunde is the point person in its operation who helps the sales and management team get to the data and reports they need.

## Critical to success

Kirmes points out, "TIMS is a very flexible software package with hundreds

of system options and thousands of different combinations to set them. If you have 10 companies using TIMS, they are probably using it eight different ways." This is true of most software programs.

So how do you go about choosing and implementing the best software for your business? Bo Martin said that's an easy one to answer – you need a full time IT person on your team. "What is critical in our success with CU is Joe Kirmes in his role as the IT guy."

Finding a company that offers support and a network of people you can turn to with questions are also critical. Kirmes says that Computers Unlimited and its User Group Conferences provide just that. "There are people here [at CU] that I have known for 20 years and who are willing to help me in any situation."

Tom Martin adds that visiting other distributors to learn how they use IT is also important to success. "We welcome people to come visit Middlesex to see how our TIMS products work. Independent distributors are an informal club. We know we are up against companies with more internal resources. We are happy to band together with independents and share our information."

Kirmes concludes that selecting the right company is very important to the success of your IT. "We deal with a lot of vendors and Computers Unlimited is number one on the hit parade for me. CU programs run our business and we depend on them to keep developing the things we will need in the future." 