Tiger Tool

Founded in 1984, Tiger Tool designs and manufactures precision tools used in the maintenance and repair of light- and heavy-duty trucks and commercial autos. Starting out with a universal joint puller as its first product, the company has gone on to develop a diverse line of specialty tools that can be found in truck and auto repair facilities throughout North America and Australia.

Tiger Tool headquarters in Abbotsford, British Columbia, Canada.

Finished Tiger Tool products ready to move off the shelves.

Have you ever tried removing a seized universal joint on a 30,000-lb. truck – without damaging yourself or any other components on the truck? It can be a difficult and frustrating process, even for experienced technicians. Fortunately there are companies like Tiger Tool to make it easier and safer.

Headquartered in Abbotsford, British Columbia, Tiger Tool distributes its products through a catalog, website, and a network of dealers in Canada, the U.S and Australia. Standard products include drive shaft pullers, yoke pullers, wheel stud removers, pin and bushing kits, and more. The company also makes adaptors for many of its tools, allowing them to service a wide variety of vehicles. And it can also modify existing tools to meet the unique repair needs of individual customers.

In 2008, company management looked ahead and, seeing rapid growth on the horizon, recognized the need for a more integrated business management system. After exploring several comparable ERP systems, they chose Global Shop Solutions ERP software for two main reasons – its excellent fit with Tiger Tool's manufacturing environment and its superb integration between applications.

"We wanted a system where data flowed seamlessly from one module to another," says company Controller James Blair. "The other ERP systems we looked all required some manual transfer of data. Global Shop Solutions did not, making it an easy choice."

Big Reduction In Inventory Carrying Costs
Previously, Tiger Tool struggled to effectively manage inventory for raw materials and finished parts. This resulted in high carrying costs and ongoing back-order problems. Since implementing Global Shop Solutions ERP software, Tiger Tool has reduced inventory carrying costs by 27%, and back-orders from 3% to zero. Interestingly, they've done it without using the barcoding and mobile features so popular with many ERP users.

"Our inventory is concentrated in about 4,000 square feet of shop space," explains Blair, "We don't use the barcoding or mobile capabilities because most of our inventory is readily available and easy to count."

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" As we continue grow, we may need to explore those technologies at some point," he adds. "But for now we use the basic inventory module, in particular the ABC counts, and it's very effective for us. More important, having real-time access to all our inventory data makes it easy to know what we have. We can pull up an inventory report at any time and see what we need, what we have too much of, or what we haven't used in a year and need to get rid of."

R&D Tax Credits

To spur technological development, the Canadian government offers R&D tax incentives to qualifying manufacturers. Global Shop Solutions ERP software's ability to precisely track costs by project enables Tiger Tool to participate in the program and receive tax credits for much of their R&D work.

"Prior to Global Shop Solutions, we couldn't track those expenses, especially labor costs, with any degree of accuracy," says Blair. "Now, we can track employee labor on R&D projects down to the minute. When the government audits our claims, we simply pull up our records and show them our costs. Not once in five years have we been questioned about our documentation."

"We do the same thing with inventory and parts usage, setting up a separate R&D category in Global Shop Solutions," he says. "When people take something out of inventory or purchase raw materials for an R&D project, the cost goes into that general ledger code. Again, we've never had any issues at audit time."

Fast, Accurate Month-End Closing

As Controller, Blair oversees the financial side of the business. However, he spends much of his time using Global Shop Solutions ERP software's non-financial modules to track key metrics on the production side as well.

First thing every morning, before people can make any changes to inventory, he checks the company's inventory value to make sure it matches the general ledger. Throughout the day he checks job costs to make sure they align with estimates. He performs daily balancing for the shop floor staff. He creates labor and overhead batches, then compares them to make sure the numbers match in terms of work in process and finished goods. If not, he launches an investigation to find out why.

On the financial side, he makes extensive use of the ERP software's accounts payable, accounts receivable and general ledger features to handle different accounting tasks. He especially appreciates the software's robust reporting capabilities.

"With Global Shop Solutions, we can quickly and easily to pull up a financial report," he says. "We can sort by client, vendor or any number of criteria to zero in on the specific data we want to see. Also, the reports allow a high degree of customization in terms of how we want to format the data for review."

A Mori Seiki NLX2500 lathe with a DualVertical mill in the background.

A Tiger Tool employee working on a Mori Seiki DualVertical 5100 mill.

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Global Shop Solutions ERP software also helps close the books more quickly. At closing time, Blair exports data from the month-end reports into an Excel spreadsheet. He then copies and pastes the spreadsheet into a special month-end form, which allows him to generate financial reports in a wide variety of formats.

"When I first started at Tiger Tool, it took me four days to close the books," he recalls. "Now I can generate most of the month-end reports in one morning. The key is Global Shop Solutions' ability to export the data. Crystal reports is great for looking at the data. But when you can export the data into an Excel spreadsheet, it gives you great flexibility while speeding up the closing process."

Real-Time Costing

Precise job costing is essential for turning a profit in today's highly competitive manufacturing markets. According to Blair, Global Shop Solutions ERP software's ability to track costs in real time plays a key role in maintaining Tiger Tool's competitive standing.

"When we finish a job and close a work order, we can instantly see the cost per part," he says. "We can also compare it with previous work orders to find out exactly where we gained or lost efficiencies on any project. Things we did better, we can apply to other jobs. Things we did worse, we can find a way to correct. We know the data in Global Shop Solutions is accurate, so we can make those kinds of decisions with confidence."

Tiger Tool also uses the historical data in Global Shop Solutions ERP software to analyze current projects. From time to time, Blair will pull up an old work order and compare it to a recent one for the same part. If the old work order shows a significantly lower cost for the part, Blair can pull up more historical data to determine what caused the price increase.

"In today's cost-conscious environment, you have to be able to see your costs and know what's driving them," he adds. "With Global Shop Solutions, we can monitor inventory levels, labor costs, and everything that contributes to the eventual cost of a part. And we can do it all in real time, giving us a powerful competitive tool."

Growing Sales: Now and In the Future

Since 2008, Tiger Tool's sales have grown a remarkable 345%. Blair attributes most of the growth to having a solid management team, skilled workers, and delivering quality products at competitive prices. But he also credits Global Shop Solutions ERP software with helping to create the right environment to support that growth.

"Global Shop is a reliable system that allows us to concentrate on our business," he says. "Our old system used to crash a lot, causing us to rebuild data, re-enter work orders, and repeat work we had already done. With Global Shop Solutions, that's not an issue. Instead of focusing on what's wrong with our IT system, we now invest our time and resources in developing new products, growing sales, and doing all the things you need to do to grow."

"Moreover, we know that Global Shop Solutions has the ability to grow with us," he concludes. "They constantly update the system to keep up with changes in the manufacturing world. And they're always adding new features to further simplify operations on the shop floor. We don't anticipate ever having to replace our system. Even if we double our business in the next few years, we know that Global Shop Solutions can handle it with ease."

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