

McCabe Lumber Generates Precise Take-Offs in Half the Time, Freeing up Sales Staff for Growth

EXECUTIVE SUMMARY

- Cincinnati-based McCabe Lumber has a staff of 120 and \$40 million in annual revenue. Customers are predominantly high-end custom production home builders and professional remodelers.
- McCabe Lumber implemented SAPPHIRE® *Supply* to get highly accurate, take-offs, while freeing up the sales staff.
- SAPPHIRE *Supply* is a single-source software solution that combines complete materials take-off, EWP, and structural frame design.
- SAPPHIRE *Supply* incorporates McCabe's product SKUs to create a complete quote.
- McCabe can now complete take-offs in SAPPHIRE *Supply* in *half the time* it took using their old process.

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– Dave Renchen, Estimating Manager McCabe Lumber

McCabe Lumber is the envy of the Cincinnati-regional lumber and building materials industry. They have a stunning showroom, a long list of interior and exterior building products, and an in-house truss and wall panel component manufacturing operation. With a staff of 120 and around \$40 million in annual revenue, McCabe serves several hundred regular customers, where McCabe sees a high concentration of custom and production home builders.

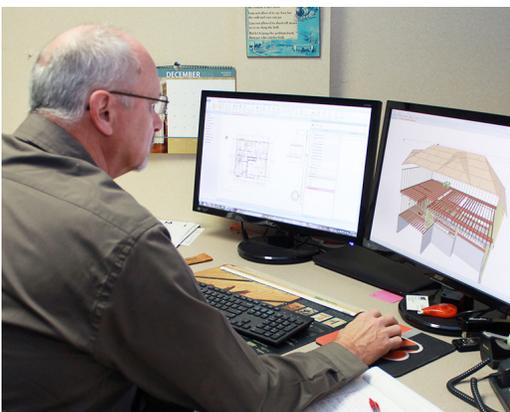
McCabe Lumber is a company that’s always trying to improve, and it recently solved a bugaboo that plagues so many lumber and building material companies of its size. Instead of focusing on sales and developing new relationships, McCabe’s 12-member outside sales staff was spending as much as 50% of its time creating estimates for home builder customers.

“Compounding that problem,” said Jerry Tepe, VP of Sales (with 17 years at McCabe), “many of the estimates getting turned in were inaccurate, in part because they were rushed. If the framing package or other material phases went out missing materials, we’d have to run the missing items to the jobsite. That’s time and money. Worse, if the estimate had overage, the unused materials would degrade on site, and we’d have an issue with the builder when material was picked up for credit, even though it was unusable. More time and money.”

“Adding to the material accuracy problem,” added Dave Renchen, McCabe’s estimating manager (40+ years in the industry), “if the delivery staging wasn’t right, and there was bunching on the site, the framers would often pick from the wrong pile, or end up misusing the materials, like cutting up pricey lumber lengths for blocking. From the customer perspective, McCabe potentially looked bad by putting the right products on site too soon, or putting too much material out there, or even just putting the wrong material on site, where they’d be subject to return. It was a costly way to do business, and it hamstrung our ability to grow new business.”



Because of McCabe’s use of SAPHIRE® *Supply*, its estimates are very quickly getting a market reputation for accuracy. “And that,” said Jerry Tepe, McCabe’s VP Sales, “is its own selling tool for new business and customer retention.”



McCabe discovered that SAPHIRE *Supply* can also incorporate McCabe’s product SKUs to create a complete quote, including for non-MiTek products.

A BETTER WAY TO DO A TAKE OFF

The team at McCabe had to find a better way to create a material take off. The new approach had to free up the outside sales team to do what they were hired to do: *develop relationships and sell*. But the estimating method had to offer McCabe extreme accuracy and efficiency. A tall task, indeed.

McCabe Lumber has been a long-time user of MiTek’s SAPHIRE® *Structure* software suite for designing and manufacturing roof trusses, floor trusses, and wall panels. A team of 10 McCabe employees was already working with SAPHIRE *Structure* on a daily basis for the component operation.

McCabe soon began using SAPHIRE *Supply*, an integrated estimating solution. SAPHIRE *Supply* is the latest module in the continuum of SAPHIRE’s award-winning solutions.

SAPPHIRE SUPPLY: WHAT IT DOES

Designed specifically to meet the needs of lumber and building material dealers like McCabe, SAPHIRE *Supply* is a single-source software solution that combines complete materials estimating, EWP, and structural frame design. Just what McCabe was looking for.

Moreover, McCabe plans to use SAPHIRE *Supply* to import its quotes with SKUs into their point-of-sale system, while performing analysis and design on a wide range of structural products, including leading engineered wood products (EWP), dimensional lumber, and metal connectors and hangers, even trim packages.

“SAPHIRE *Supply* uses a single shared structural model, and that offers McCabe a unified solution for efficient, consistent and accurate modeling, estimating, and order fulfillment across their organization,” explained MiTek’s Brian McCormick. “SAPHIRE *Supply* eliminates the classic problem of inconsistent sales estimating within an organization, because it delivers accurate modeling and estimating on every structure.”

“As we learn more about SAPHIRE *Supply*, we are just now realizing the true power of SAPHIRE *Supply* to change our estimating operations,” said



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Dave Renchen. “But two immediate effects are already evident: First, our sales team are not spending hours on an estimate; instead, they are selling more jobs and expanding relationships, often by using SAPHIRE *Viewer*, a free download for reviewing SAPHIRE models. And secondly, our material counts and delivery stages are so accurate that we see a clear path to reducing the error and waste rate from as much as 8% down to 2%, which represents more than 50% waste reduction. We feel that 2% is essentially near-perfect accuracy, because that’s how much unusable material is in the average order, even when the counts are perfect.”

“Best of all,” Jerry Tepe added, “we are able to complete the estimates in SAPHIRE *Supply* in *half the time* it used to take us to work up estimate through our old estimating process, and Dave’s team is working on the estimates, not the sales staff. We are really achieving impressive order processing velocity.”

THE SAPHIRE BIM MODEL

“With SAPHIRE *Supply*, we create lot-specific BIM models for every job,” said Dave Renchen. “If the builder sends us a PDF, or a CAD file, the conversion to a SAPHIRE BIM model is really easy to execute, and once we have the model – not just the rough shape of the structure, but the model – that only accelerates our accuracy. With SAPHIRE *Supply*, I can move from panels to stick frame with a click of a mouse. Plus, with a customer profiling tool, I can associate certain practices with certain customers, say, moving easily from 16 OC studs to 24 OC studs, depending on the customer’s preference.” By using SAPHIRE *Viewer*, McCabe is able to show where every item in the quote is going to be used. This becomes a take off everyone can agree on.

“Best of all, now the McCabe estimates are very quickly getting a market reputation for accuracy,” said Jerry Tepe, “and that is its own selling tool for new business and customer retention. When a new prospective builder customer gets shown the BIM model and sees how accurately we are pulling quantities, that’s just very impressive, and nothing beats that.”



ABOUT SAPPHIRE SUPPLY

SAPPHIRE *Supply* creates the most complete and accurate 3-D structural frame in the building industry. A wide range of product solutions can be designed across roof, floor and wall applications, including:

- Leading Proprietary EWP Products
- APA Rated EWP Products
- Dimensional Lumber
- Metal Connectors



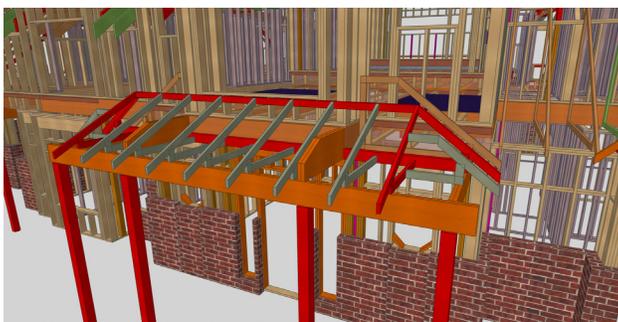
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WHOLE-HOUSE ESTIMATING

Since SAPPHIRE *Supply* is based on the geometry of a structural model, the software can also generate estimates for non-structural materials, such as drywall, house wrap and even millwork. SAPPHIRE *Supply's* flexible formula-builder gives users the power to define their own accumulation rules to achieve accurate materials counts.

Designed specifically to meet the needs of lumber dealers, SAPPHIRE *Supply* is a single-source BIM software solution that offers the most complete and accurate “digital structural frame” in the homebuilding industry. With SAPPHIRE *Supply*, a wide range of structural products can be designed and specified into the roofs, floors, and walls of residential structures, including leading proprietary engineered wood products (EWP), APA-rated EWP products, dimensional lumber, and metal connectors.

Additionally, SAPPHIRE *Supply's* automated framing tools allow users to quickly evaluate alternative framing scenarios, since multiple structural product solutions can be simultaneously designed for the same framing member, leading to a choice among optimized solutions.



SAPPHIRE *Supply* also offers precision load distribution, from the ridge to the foundation, and it displays how those loads pass through the entire structure. Load paths can be visually traced in either 2D or 3D view.

Since SAPPHIRE *Supply* is part of the SAPPHIRE *Suite*, SAPPHIRE *Supply* allows dealers who are suppliers of USP Structural Connectors and their MiTek component manufacturers to collaborate by sharing common Building Information Models (BIM). The release of SAPPHIRE *Supply* follows the release of another remarkable software solution from MiTek, SAPPHIRE *Viewer*, which allows users to review any SAPPHIRE models in plan and 3-D views, using zoom and pan. All the SAPPHIRE solutions have been built from the ground up just for residential building.

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