# American Cutting Edge depends on Sage to sharpen its business

Ohio-based industrial manufacturer uses Sage products to create an "effortless experience" inside their organization and for their customers

American Cutting Edge is a family-owned machine knife and industrial razorblade manufacturer. Founded in 1965, its product portfolio has grown from a few dozen products 50 years ago, to several thousand standard and custom solutions today. Just as customers demand an effortless experience from the tools they use, they also expect the same in their business relationships. American Cutting Edge understands that customer experience is a reflection of a company's internal processes, and Sage 100cloud has helped the company ensure profitability, growth, and a culture of continuous improvement.
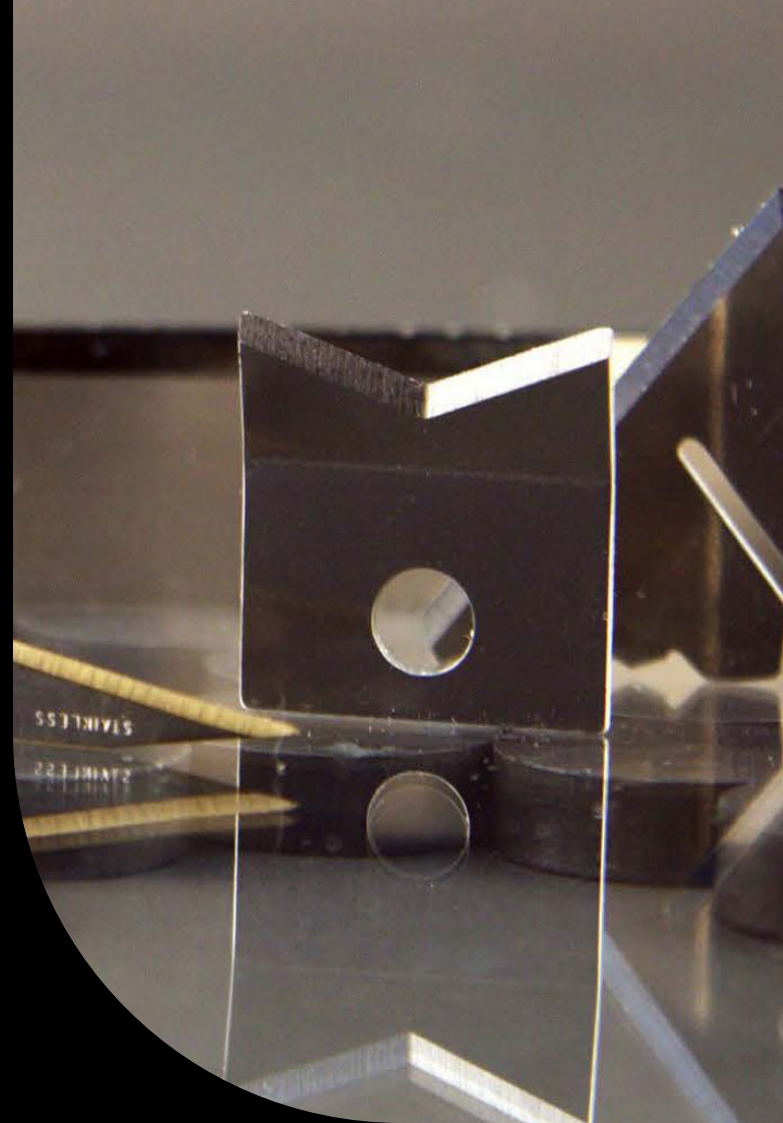
Key outcomes
- Reduced administration and personnel from seven full-time to three full-time and two part-time
- Reduced excess inventory
- Combined with business integration, saved over $100,000 annually
- Cash conversion cycle dropped by nearly half

Company
American Cutting Edge

Location
Ohio, US

Industry
Discrete Manufacturing

Sage Products
Sage 100cloud, Sage CRM, Sage Alerts & Workflow, Sage Inventory Advisor

Implementation Partner
DWD Technology Group

About American Cutting Edge
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Sage

Optimize software, grow efficiencies
American Cutting Edge has been using Sage 100cloud since 2014, and President and COO Gregory Billhardt says they wouldn't consider switching to another platform. He considers his team to be "power users."

Streamlining data with Sage 100cloud
American Cutting Edge was in the process of reorganizing three separate businesses into one legal entity, and the company was very motivated to streamline. Before the integration, business divisions at American Cutting Edge were extremely siloed, and that stifled sales, operations, and accounting. Employees had to switch between companies to see customers, orders, invoices, and customers in other companies. In addition, inventory transfers between companies required purchase orders to be generated, sales orders to be entered, orders to be shipped and invoiced, and inventory to then be received again.

DWD Technology Group helped implement Sage 100cloud and streamline operations. The company saw significant savings in time and resources, and sales teams can now easily sell all products, regardless of the office location. They can also better track who's succeeding.

They have momentum after DWD helped them create prospecting lists under the Sage CRM. "They've just been a great resource. And what I really appreciate about them is their accessibility, but also, they want us to learn. They're teaching us to fish," Gregory says.

Improving efficiency with Sage 100cloud
When American Cutting Edge first implemented Sage 100cloud, employees tried to conform its use to their existing processes. But doing so very quickly revealed how broken those processes were, and Gregory says they weren't making the best use of the software. "We did not cleanse our data. We weren't using fields properly. People just made it up as they went. When everyone does that, you have chaos."

Sage

American Cutting Edge has significantly improved visibility into it's day-to-day business.

Improving processes with Sage 100cloud

American Cutting Edge has significantly improved visibility into its day-to-day business by focusing on data integrity and becoming skilled in using Sage 100cloud. For example, each day they publish a Daily Sales Report (DSR), which shows goals, bookings, shipments, and margin by salesperson. This gives salespeople a better understanding of how they are performing against goals and what course corrections may be required.

With clean data, American Cutting Edge is automating the delivery of statements to customers, along with gentle reminders about outstanding payments. By improving receivables while more effectively managing inventory, their cash conversion cycle has dropped by nearly half, from 250 days to 140.

Increasing visibility with Sage 100cloud

Gregory says having real time visibility is more important now than ever before. "With the economic conditions that we're in, we're publishing a very brief weekly dashboard for the management team. With eight numbers, we know exactly what's going on in our business, and it takes maybe three minutes to update. The ease and timeliness with which we are able to get our information is one of Sage's strong suits.

Advanced analytics with Sage 100cloud

Through well-defined processes and a focus on data integrity, American Cutting Edge has been able to extend its visibility far beyond financials. Thanks to the predictive power of Sage Inventory Advisor, they discovered that they were frequently holding too much in inventory. With greater insight into their supply chain, American Cutting Edge has been able to optimize their purchasing, while choosing better vendors and negotiating better contracts.

Using Sage Alerts & Workflow, employees get the right information at the right time. By automating information processing and delivery, the business has saved time while establishing a strong data-driven culture.

Aligning Sage CRM with Sage 100cloud

Using Sage 100cloud has meant that American Cutting Edge is able to increase its focus on the customer. "We've really built our whole strategy around how we can make the customer experience more effortless. To do that, we've had to look inwards. We've had to ask questions like 'what is the warehouse doing to make things more effortless for sales?' and 'What is sales doing to make things more effortless for finance?'"

Lessons Learned & Best Practices

Implementing a new ERP also means changing culture, and Gregory believes that the best approach is to look for small wins. He recounts an example of how the organization had established an undocumented process to work around a minor problem that cost the business $30,000. That same problem took just 10 minutes to solve using Sage 100cloud. "It's really listening to the concerns of the users and then prioritizing. But you can't do it in a vacuum. You've got to get them working together, showing them we can improve, that we can take on new things and solve new challenges as they arise."

Sage

"The accessibility of the information in Sage100cloud is phenomenal. Once you understand the table structure and how things work, you can mine out anything. And knowledge is power."

Gregory Billhardt
President and COO, American Cutting Edge

Creating an Effortless Experience

American Cutting Edge is fully committed to growing through Sage's ecommerce integration capabilities, and all of their efforts keep this goal in mind. "Millennials grew up with the internet, and they don't want to call someone; they don't want to search unnecessarily. They want to find what they need, buy it, and move on. So the more information that we can provide them up front, the more opportunity we have to win," says Gregory.

Gregory says it all comes together with Sage. The connected tools, including Sage CRM, Sage Inventory Advisor, and Sage Alerts & Workflow, all integrate perfectly to meet the needs of distributors and manufacturers.

"Sage 100cloud is a brilliant solution."

Sage