



Success Story Craft Oil



Company Facts

- Location: Avoca, Pennsylvania
- Industry: Petroleum
- Number of Employees: 100
- Website: www.craftoilcorp.com



Success Highlights

Challenges

- Help an Avoca, Pennsylvania-based petroleum products distributor implement technology that will stay up-to-date even after its programmer is gone

Benefits

- Acquired a product team dedicated to meeting the unique needs of petroleum distributors
- Implemented industry-standard database architecture that will make seamless integration with suppliers and customers easier
- Adopted a real-time system that works well with a just-in-time delivery model

“By implementing Prophet 21®, petroleum distributors will realize significant efficiencies down the road that will more than justify the expense.”

Bob Mills, President | Craft Oil

“If it ain’t broke, don’t fix it.” This simple advice has probably saved distributors untold money and headaches over the years.

But what happens if the person responsible for fixing it when it breaks goes away? Then, even if it ain’t broke, it might be time to consider replacing it anyway.

That was the situation Craft Oil Company found itself in with its custom-built enterprise solution. “We had been with the same programmer who had written our legacy system for more than 20 years,” said company President Bob Mills. “The software had been written exclusively for us, and it grew as we grew, and the programmer spent a lot of time and energy on keeping our system up to date and in good working order. “But we knew there was a risk in staying with this solution. What if the programmer got into an accident? We could run it as it is, but what if we needed to improve it? We needed to explore other avenues and find out what was out there.”

Things Are Different Around Here

As a petroleum products distributor, however, Avoca, Pennsylvania-based Craft Oil couldn’t just buy software off the shelf. “The petroleum business is different from the normal distribution business,” Mills said. “We sell liquid products to customers who have bulk tanks at their sites. We own the equipment and deliver the product on behalf of the major suppliers.”

“Because we use automated delivery schedules to distribute a product for which demand and prices vary widely and frequently, we may deliver only a portion of what we’re scheduled to offload on a scheduled delivery date—we don’t know how much product we are delivering until we get to the customer and they take some.”

In addition, the frequent price fluctuations do not mean more money in Craft's pocket: "Just because prices go up, it doesn't mean our profits go up—it only means the price of the commodity went up," said Mills. Hence the need to keep track of several changing variables in order to squeeze every last cent of profit out of the operation. In addition, Mills noted, there are other functions petroleum distributors must perform that are unique to their industry, including routine conversion of weights to volumes, processing loans to customers for purchases of equipment and product, and scheduling deliveries to customers whose tanks are to be kept as full as possible at all times.

The Future Is Open

Because petroleum distributors have these unique needs, Craft Oil started its search for a new enterprise solution by considering several packages created specifically for the petroleum industry. Then Mills heard from executives at another distributor that they were considering Epicor® Prophet 21. "We were close to signing with DM2 [a custom package] when PetroLiance® told us that they were looking at Prophet 21 and that they were developing features for petroleum distributors."

Craft Oil changed its mind on the strength of that recommendation alone, mainly because the company wanted a solution that could work with many common applications. "We liked the fact that Prophet 21 was based on SQL Server®," Mills said. "DM2 wasn't, and we knew that an open database would be important for us in the future."

"The live, real-time updating—that's also an important feature it has. And data on customers and inventory—there's a lot of information this system can handle, and it's easy to export it into other applications with Crystal Reports."

Mills was equally impressed by the people Epicor had dedicated to developing petroleum functionality for Prophet 21. "They have a commitment to the industry," he said. "We liked all the people we met on our visit, and they were also genuinely interested in learning the business."

Technology + People = Results

Mills admits that adopting Prophet 21 has proved to be a learning experience for both Craft Oil and Epicor, but he also notes that this will be beneficial in the long run because distributors are driving technological innovation that will improve the industry. "The product is top-notch, and it's evolving," he said of Prophet 21. "And a lot of the major oil companies we distribute for aren't ready for the kind of integration we want to achieve. We're at the forefront of pushing the majors—Shell, ExxonMobil, BP, Pennzoil—to develop seamless interfaces with their distributors. Doing this will make handling processes like delivery scheduling and buyback much simpler and faster." The Prophet 21's SQL Server® database architecture, Mills says, will make such integration easier to accomplish than it would be with a custom solution.

It will also save distributors money in the long run. "We're recommending this system to others in our industry," he said. "Some of them are worried about spending so much money, but we know that because Epicor has people committed to listening to petroleum distributors, learning the industry, and speaking its language, by implementing Prophet 21, they will realize significant efficiencies down the road that will more than justify the expense."

About Epicor

Epicor Software Corporation is a global leader delivering business software solutions to the manufacturing, distribution, retail, and services industries. With nearly 40 years of experience, Epicor has more than 20,000 customers in over 150 countries. Epicor solutions enable companies to drive increased efficiency and improve profitability. With a history of innovation, industry expertise and passion for excellence, Epicor inspires customers to build lasting competitive advantage. Epicor provides the single point of accountability that local, regional, and global businesses demand. For more information, visit www.epicor.com.



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