

Diamond Products Sharpens Business with Open Text Fax Server, RightFax Edition

Cuts Document Delivery Costs by More than 50 Percent



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– Don Morris,
Administrator and Programmer,
Diamond Products

Ohio-based Diamond Products (www.diamondproducts.com) is a leader in the manufacturing and distribution of diamond tools and equipment, providing a wide selection of masonry saws, core drill rigs, diamond blades and bits.

Diamond Products first implemented Open Text Fax Server, RightFax Edition in 2003. Don Morris, administrator and programmer for Diamond Products, recounted the original issues that first prompted the company to install Fax Server and discussed its continued value, flexibility and cost savings.

The Challenge

During the year 2002, executives at Diamond Products scrutinized fiscal year profit and loss statements with reduction in mind. "We were certainly feeling the sting of a recession year," Morris said. "There was a lot of pressure to find ways of saving money." As team members reviewed expenses, one line item "stared everyone in the face," according to Morris: **Postage: \$50,000 per year.**

Like many in the construction industry, Diamond Products manually processed and mailed business-critical documents. In addition to statements, purchase orders, order confirmations and shipment notifications, the company handles up to 400 invoices per day for a total of more than 100,000 invoices per year. It invested in an envelope stuffing machine to save employees the hassle of sorting, folding and inserting mail by hand. "While we conquered the mechanical battle of handling so much paper, we still needed to deal with the mailing costs," Morris said.

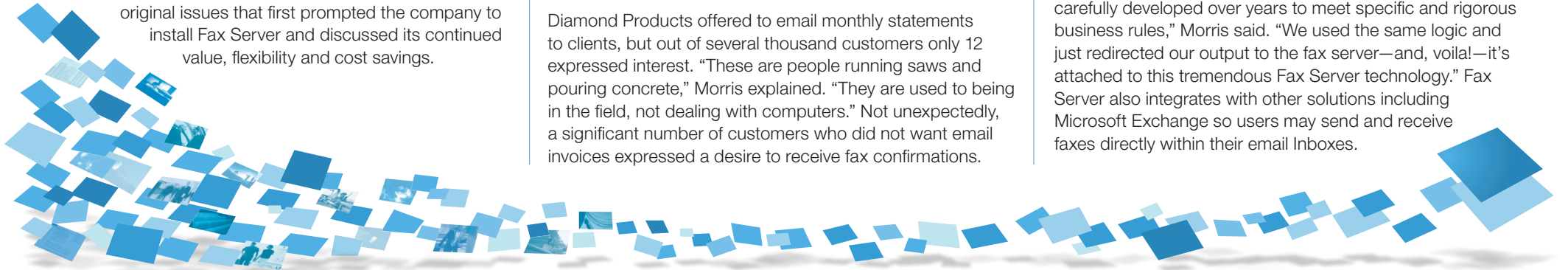
Diamond Products offered to email monthly statements to clients, but out of several thousand customers only 12 expressed interest. "These are people running saws and pouring concrete," Morris explained. "They are used to being in the field, not dealing with computers." Not unexpectedly, a significant number of customers who did not want email invoices expressed a desire to receive fax confirmations.

Morris looked into faxing options. He considered attaching modems to the company's Solaris UNIX manufacturing system. "To turn out several hundred faxes per day, documents would sit in the queue and wait for hours," he said. "They could take all day." Diamond Products needed an electronic document delivery solution that would speed communication while decreasing related costs, integrate with and leverage a legacy manufacturing system, and free employees from leaving desks to transmit faxes by hand.

The Solution

Diamond Products implemented Fax Server based on impressive payback estimates. "We found the actual savings for just nine months would equal close to what our investment was for purchasing Fax Server," Morris related. "As the Diamond Products general manager said, 'Getting Fax Server was a no-brainer.'"

Fax Server enables Diamond Products to leverage its legacy UNIX manufacturing software. "Existing logic has been carefully developed over years to meet specific and rigorous business rules," Morris said. "We used the same logic and just redirected our output to the fax server—and, voila!—it's attached to this tremendous Fax Server technology." Fax Server also integrates with other solutions including Microsoft Exchange so users may send and receive faxes directly within their email Inboxes.



The Results

By implementing Fax Server and staying up-to-date with upgrades, executives at Diamond Products have noticed positive changes in profit and loss statements. The company estimates cutting document delivery costs by more than 50 percent, close to \$30,000 per year in savings. Though not tracked on financial reports, influence on customer relations and internal communication has also returned benefits. “The impact of improved communication upon our business is hard to estimate,” Morris said, “but efficient, automated communication with customers has got to be forging permanent bonds of loyalty with them.”

After years, Diamond Products continues to realize efficiencies and cost-savings using Fax Server. The company started by using it to send invoices, credit memos and statements. As Fax Server proved flexible and reliable, Diamond Products automated other document types. It now uses Fax Server to send purchase orders, promotional flyers, order and shipment confirmations, sales reports and more.

Invoices, Credit Memos and Statements

Thus far, Diamond Products converted 40 percent of its invoice distribution to Fax Server. Of the \$30,000 saved, an estimated \$20,000 came from a reduction in the need for postage, envelopes, paper and toner in 2004 alone. Diamond Products also estimates labor savings at more than 85 man hours, when compared to stuffing machines. With Fax Server, invoices reach customers two days faster which carries potential to enhance payment turnaround.

Purchase Orders

Compared to manual fax methods Morris reported conservative time-savings of at least one minute per fax, totaling 120 man hours over the course of a year.

Promotional Flyers

Previous labor and cost requirements restricted the marketing team to two or three mailings per year. With Fax Server, Diamond Products has kept its products in front of customers every month.

Order and Shipment Confirmations

Since Diamond Products uses Fax Server to expand auto-confirmation for orders and shipments, employees in the customer service department report a reduction in customer calls.

Sales Reports

Fax Server has expanded distribution of auto-reports to sales representatives and warehouses by 15 percent, according to Morris. “The flow of information within our Sales staff has a far-reaching affect in terms of efficiency and knowledge ability.”

The Profile

Customer: Diamond Products

Industry: Manufacturing

Business Solution: Open Text Fax Server, RightFax Edition and Fax Server Connector for Microsoft Exchange

Business Challenge: Mailing invoices and other business documents was costly and time-intensive

Integration: Microsoft Exchange; Solaris UNIX

Results: Saved \$30,000 per year by reducing document delivery costs by over 50 percent; reduced annual labor by over 200 hours; paid for itself in close to 12 months

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