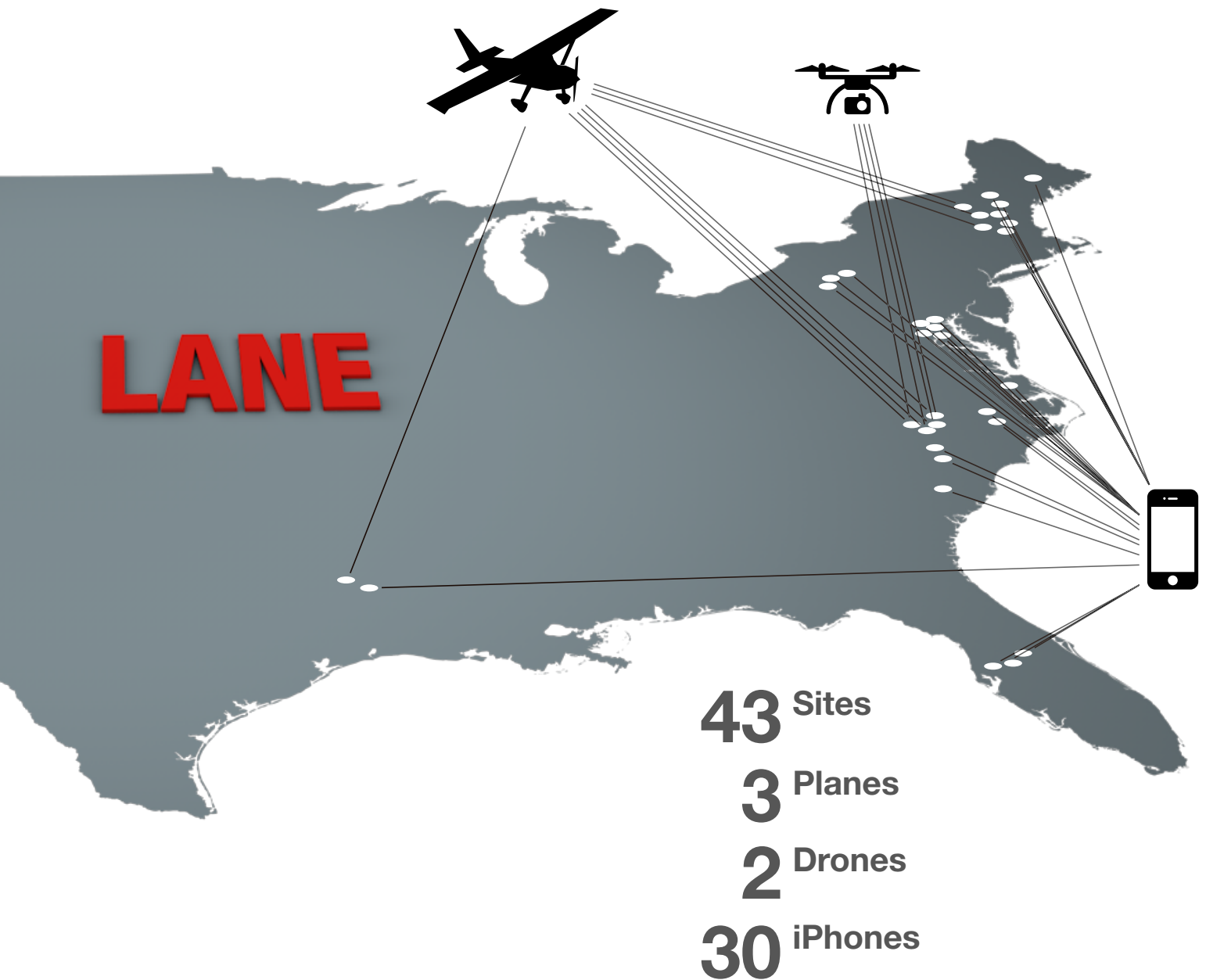


**STOCKPILE
REPORTS**

Enterprise Inventory Management at Scale

A Case Study with Lane Construction



Company Profile

LANE

125 Years in business

13 Billion Annual Revenue

Specialization Highways, Bridges, Mass Transit, Airport Systems, and Power and Energy Sector Construction

Locations Operating in 21 states with 45 plants, 8 quarries, 12 district offices (3 international offices)

Company Size 5,000+ employees

The Problem

Prior to having Stockpile Reports, Lane had a hodge podge mix of inventory measurement processes and tools, across their more than 43 sites. Some sites used their own engineers to measure, others had outside surveyors, some used walking wheels, some used block measurement to determine the volume of current stockpiles.

Measurements were often delayed or took weeks or months to accomplish. Information was segregated by site, with no way to take a look at the holistic picture.

At the end of the year, as the company did budget forecasting and needed to correctly value their inventory, they found their estimates wildly inaccurate. When

“It came down to the fact that we didn’t have accurate, timely info on our stockpiles. It would take half a day or more to measure, then take a long time to turn field measurements to cubic yards. Sometimes measurements were delayed for rain, or staffing issues. We just weren’t getting [the] right information. And not when we needed it in order to make decisions.”

—Mark Crain, VP of Operations

experienced site managers visually assessed a pile and found the corresponding measurements suspect, they had no way to confirm. Piles could change on a daily basis, making it hard to rely on weeks' or months' old data. As all the errors across all the sites were compounded, they discovered they had not produced nearly the amount their records indicated, resulting in a costly write down. In addition, yearly audits by outside parties demanded many hours of searching for requested data, taking key members off other tasks.

The Solution

Lane Construction brought Stockpile Reports onboard in 2015. Their team members across all locations could now download the Stockpile Reports iPhone app, creating an instant team of accurate inventory measurers. The team watched the training video, walked the piles, and were quickly up to speed on how to generate an accurate report in hours, not days or weeks.

One typical new site, with 7 stockpiles, was purchased in the spring of 2015. Surveyors estimated it would cost \$1000 to measure with professional tools, and results would be available in 3-5 days. If there was question or discrepancy, there would be no recourse. Mark Crain, VP of Operations at Lane Construction reviewed the site himself. Using the Stockpile Reports iPhone app, he measured all piles (twice, for good measure) in less than an hour. This process is repeated at every site, and the data is now centrally located for easy access and swift decision making.

Specific Benefits

Speed & Accuracy With Stockpile Reports, Lane Construction has an accurate, predictable, repeatable process they can use to measure more frequently, giving them fresher and more accurate data. This data is then used to make the key decisions that move their business forward, from ordering to pricing, and allows them to stay ahead of their competition.

“Given the results we have gotten, we have now have faith in the measurements, and so we have total faith in our pricing structure.” —Mark Crain

Confidence

A picture is worth a thousand words. The image capture of all piles gave Lane the confidence that they were looking at the correct pile, and that is was the correct material - a problem with previous methods.

“Before, we didn’t have photos of every pile and you had to do a mental picture. But now I look at the report, I can tell it’s the right material. It’s not elongated, it’s not hugely spiked. I don’t have to question. That was a godsend for us.” —Mark Crain

The access to constantly updated photos had another impact: expanding the knowledge base across the entire organization.

“Now we know what 1100 cubic yards should look like. Before, there was a small group of people who might have that expertise. Now they all have it.” —Mark Crain

Centralized Data

Before, inventory took up a huge amount of time, even when measurement was complete. Emails, meetings, file swapping – all the things it took to get data from one location and one person to the other teams that needed it, from accounting to regional managers, consumed man hours that could have been better used in other ways. Now, everyone has the information at their fingertips, at the

Stockpile Reports web portal, eliminating countless back-and-forths.

“When we have to evaluate an issue at a site, we can all go on the website, and see a large amount of data, and all the month-to-month changes. Any issues are resolved much quicker. This is invaluable to us.” —Mark Crain

External Auditors

Before having the platform, external auditors needed many hours of Lane Construction employees’ and executives’ time, as they tracked down reports, and justification documentation. Having one place of centralized information, outside auditors can be given access to Stockpile Reports so they can delve deeper into inventory questions on their own. They have greater confidence in the results, and Lane Construction’s employees are free to do what they do best - making their company profitable.

“I can’t tell you how much time it has saved us as auditors reviewed our year end accounts. We would spend countless hours in January and February tracking down missing information, and sending people to sites to gather info. Having consistent month-to-month data made for one really happy corporate finance team.” —Mark Crain

Ongoing Support

Although Stockpile Reports has greatly simplified the process of taking inventory, there are always oddball or one-off issues that come up. In one case, Lane Construction had a really odd-shaped pile that had been created by dumping over a high wall, obviously making it impossible to walk and measure the pile as usual. With one call to Stockpile Reports, they got the technical assistance

they needed to adjust the model to give them the right result. With other solutions, Lane always had questions that could take days or weeks to get resolved.

“We’ve had site visits from the support team, that have been incredibly helpful. It’s not like, ‘hey, you’re on your own’. Stockpile Reports has been with us every step of the way.” —Mark Crain

Conclusion

With Stockpile Reports, Lane Construction can manage all of their sites, and has streamlined inventory into a fast, efficient and accurate process. They have accurate values so they can properly forecast their budget, set prices, and calculate the dollar values and margins on a site-by-site or company-wide basis. Everything associated with inventory has been simplified, saving countless hours of work, from site workers through finance teams.

“It would be impossible to put a value on the amount of grief and aggravation Stockpile Reports has saved us.”

—Mark Crain, VP of Operations