



MGM Timber branches out across Scotland with Datafile and Microspec



Since 1996, MGM Timber has used Datafile as its core accounting and business management system, supplied and supported by specialist resellers, Microspec. The installation has been remarkable in its ability to adapt and expand over the years from two branches to twelve and five times the number of users. In 2005, MGM Timber was acquired by the £100 million turnover James Donaldson Group, and the new parent company is just as impressed.

Company:	MGM Timber www.mgmtimber.co.uk
Established:	1991
Location:	Perth, Scotland
Turnover:	£30M
Employees:	145
Products installed:	Datafile Premier
Users:	80
Live Date	1996
Company:	Microspec
Established:	1982
Location:	Falkirk, Scotland
Datafile Reseller Since:	1991
No. of installations	70

Few companies have added ten offices, over 60 new users and been acquired, yet retained the same accounting software. On top of that, MGM Timber's initial Datafile system was installed and configured in less than six weeks, and although the number of users has increased dramatically, the support needed has gone down.

This remarkable track record is a real life demonstration of the adaptability, longevity and robust nature of Datafile's flexible account and business management software. Ably supported by specialist reseller, Microspec, Datafile has helped MGM Timber go from strength to strength since the system was first installed in 1996.

At the time, MGM Timber had one head office in Perth and a second timber outlet in Grangemouth. David Pettigrew, MD at Microspec, recalls his introduction to MGM Timber: "We were introduced to MGM Timber by the FD of another client. This company had customised the system extensively in-house and were impressed that this didn't lock them out of future Datafile upgrades.

"MGM had reached the stage where its accounting system couldn't keep up with the growth of the business. They needed more flexibility, better functionality and a system that could expand easily. Microspec's service levels and our technical capabilities to migrate vital data from the outgoing system into Datafile without days of re-keying were also important factors in MGM's final decision to move to Datafile."

"It would be difficult to overestimate the contribution that the Datafile accounting software and Microspec's support has made to us over the years. Head Office and all the branches rely entirely on the system for the smooth running of the company and the high standards of service we provide to hundreds of customers every day.

"The system is the core of our business and has played an absolutely vital role in our success."
David Mansell, FD, MGM Timber.

Key to success

Being able to supply a wide range of timber in a variety of section sizes and lengths has always been a key part of MGM Timber's success with customers. Known as the "timber tally", MGM Timber calculates prices based on the total amount of timber purchased rather than pricing individual lengths. However, for stock control purposes, it has to know exactly what quantities of different section sizes and lengths are being sold - and from which location - to be able to re-stock quickly.

Of the five accounting solutions that MGM Timber reviewed, only Datafile could be configured to work in exactly the way MGM required. With assistance from Microspec, MGM Timber selected Datafile Premier, the most customisable accounting and business suite in the Datafile range. Users have complete control over database, screen and report design as well as access to additional configuration parameters and highly adaptable management reporting facilities.





Microspec installed, configured and provided training on Datafile Premier at MGM Timber in less than six weeks. Over 3,000 items of stock were loaded on the system, including physical stock information to accommodate the company's second branch at Grangemouth.



Microspec tailored the new system so that individual timber products are itemised on orders, invoices and receipts, but pricing is based on the total volume sold, MGM's unique "timber tally". The same principle applies to stock control at each branch and stock valuation reporting.

Over the years, MGM Timber has opened ten additional branches throughout Scotland in Dundee, Dunfermline, Edinburgh, Glasgow, Glenrothes, Hillington, Inverness, Oban, Prestwick and Wishaw. Each branch location - with up to eight users per branch - has online access to the central Datafile system at MGM Timber's Perth Head Office via a Citrix network.

Speedy entry

Another important requirement of the Datafile system was the speedy entry, processing and receipt of payments from customers at trade counters in the branches. Each outlet uses the customised sales order processing system to enter customer orders, and print invoices and receipts on the spot.

In 2007, Microspec helped MGM to add the same facilities into its purchase order processing system. Because each branch is linked directly to Head Office, MGM Timber can manage its own ordering and restocking at branch level and across the entire company. MGM Timber has central visibility of orders with its timber suppliers which has led to better traceability and more efficient restocking.

David Mansell, FD at MGM Timber, looks back on the contribution of the Datafile/Microspec system to the business:



"It would be difficult to overestimate the contribution that the Datafile software and Microspec's support has made to us over the years. Head Office and all the branches rely entirely on the system for the smooth running of the company and the high standards of service we provide to hundreds of customers every day.

"The system is totally reliable; we just take it for granted. It's easy to use - whether you're on a trade counter or sat behind a desk - and it's intuitive to learn. The only other software we use is MS Office, email and Citrix. The Datafile/Microspec system is the core of our business and has played an absolutely vital role in our success," David concluded.

In a friendly acquisition, MGM Timber became part of the £100 million family owned James Donaldson Timber Group in 2005. Its new parent company has needed complete visibility of MGM Timber's financial position, ad hoc management reports and new regular reporting to help Donaldson's integrate MGM Timber's business into the Group.

Chief Executive, Neil Donaldson, is the fifth generation of the family to run James Donaldson Timber Group. His management team has been entirely impressed with MGM Timber's ability to meet all their accounting and information needs since the company was acquired.

As MGM Timber starts an exciting new phase in its life as part of the James Donaldson Timber Group, the future still looks bright for its Datafile system as Neil Donaldson explains:

"The flexibility and robust nature of MGM's Datafile accounting and business management system could play a major part in the success of our plans, particularly if we acquire more timber merchants as part of the Group."

