

# CASE STUDY

Costimator®

Case Studies

Service Machine

## Estimating Software Removes Guesswork for Service Machine, Co., Inc.



### The Client

[Service Machine Co., Inc.](#) offers a versatile selection of CNC equipment that allows for the machining of a variety of components ranging from small lot & high-volume production parts to prototyping. Additionally, the company uses manual Proto-Trak milling machines that can cost-effectively make fixtures, prototype and repair parts. The company has enjoyed a 40-year track record of consistently meeting and exceeding their customer's standards for both quality and on-time delivery.

### The Problem

Prior to implementing *Costimator*, Cost-estimating was a genuine challenge for Service Machine Co., Inc. Their employees were being asked to do a lot – from calculating cycle times quickly to making sure they were as accurate as possible. In the past, Service Machine had relied heavily on its more experienced staff members to do the estimating for them. The system had worked well for a number of years, but as time went by and some of the more experienced employees left the company, leadership began to recognize and experience inefficiencies within the process, making an already challenging situation that much more daunting.

“We were using history of like-parts, and on newer items, our supervisors were using their experience to come up with cycle times,” said Mark Kneller, Service Machine Co., Inc. President. “Sometimes, we’d program the machine ourselves to come up with a time. The result was a time-consuming process that featured a lot of guesswork, so we found ourselves under and over estimating jobs. That cost us jobs we could have won but lost because we were quoting too high, as well as taking on jobs that we underpriced. Something had to change.”

Service Machine Co., Inc. needed a solution that would not only increase the accuracy of their quotes, but also greatly improve the speed with which they were delivered.

### How Costimator Helped

Service Machine Co., Inc. employed *Costimator* in June of 2011 and has noticed significant improvements in the day-to-day operations, including:

- Benefitting from cost models that provide consistent, timely, more accurate quotes as well as improved estimating cycle times.
- The ability to quote more complex jobs that were previously too time-consuming to realistically undertake.
- An improved ability to store, track and reference previously estimated parts in to an easily searchable system.
- A central storage system that makes it easier to track, store and access information.
- A fully customizable solution that has allowed them to incorporate their formulas into the system to insure the best possible fit with their existing business practices.

“*Costimator* helped us out a lot when our previous estimators had left. It allowed us to not only improve our own internal processes, but allowed us to begin estimating more complex parts and components that previously took up too much time to do,” remarked Kellner. “Without a program like *Costimator*, our process would be that much more time-consuming and error prone.”

Mark Kneller, [Service Machine Co., Inc.](#)