



American Coatings



Fire Reveals the Indomitable Spirit of American Coatings



American Coatings has provided quality interior and exterior coatings to industrial manufacturers, contractors, tank builders, floor coating applicators and equipment owners throughout the United States for the past 24 years. The company has earned a reputation for innovative coating products that are exceptional in terms of use and performance. American Coatings staff has industry-leading expertise in formulation, quality control, manufacturing, purchasing, and technical service create an exceptional total service package.

The company's motto is "It only takes a little longer to develop the impossible." About 40% of American Coatings products are stock items and 60% are formulated specifically to customer's performance-specific requirements. Markets served are primarily chemical plants, refineries, transportation, packaging, product finishing, general industrial, oilfield, pipeline and concrete floor coatings.

The company's products include acrylics, alkyds, baking finishes, latexes, abrasive resistant linings, degreasers, rust converters, polyesters, acrylic polyurethanes, multiple epoxy formulations, heat resistant coatings, zinc rich coatings, acrylic epoxies, silicone alkyds and strippable coatings. American Coatings' research emphasis is in development of low-VOC and environmentally-friendly coatings.

It is not by accident that this company's main phone number ends in "1776" and its name begins with "American." They have always prided themselves as having that good old American "Can Do" attitude. This was certainly evidenced by the company's resurgence from the complete destruction by fire of all its facilities, plant, equipment and physical records in a spectacular 16-hour blaze in Tomball, Texas on Saturday, July 17, 2010. Fortunately, there was no loss of life and no serious injuries to go along with the total loss of plant and equipment. With the help of its "partners" BatchMaster and Microsoft, American Coatings was conducting business again - although not quite "as usual" - the following Monday. It's truly a modern day "Declaration of Independence".



The only "Capital" Left was Human Capital

It's a daunting and heartbreaking chore, sifting through smoking ashes to try to salvage anything of value left after a quarter-century of business. It was a foregone conclusion that the only assets remaining were the people and what they knew. And although that knowhow was the backbone of the business, what about the thousands of transactions that were a record of the business, past and present? After loss of life, the next greatest risk was loss of that database that stored virtually all American Coatings' important records. Fortunately, a recently-updated copy of the database was safely stored offsite. Most every conceivable record, including the all-important formulations and manufacturing instructions, qualified sources for materials, Material Safety Data Sheets, specifications, materials histories et al. were all in their BatchMaster Manufacturing database, ready to access. Just reinstall and launch. American Coatings has no offsite hardware to host this database, however, and outsourced much of its IT. So they called upon BatchMaster Software to provide a temporary off-site hosting solution.



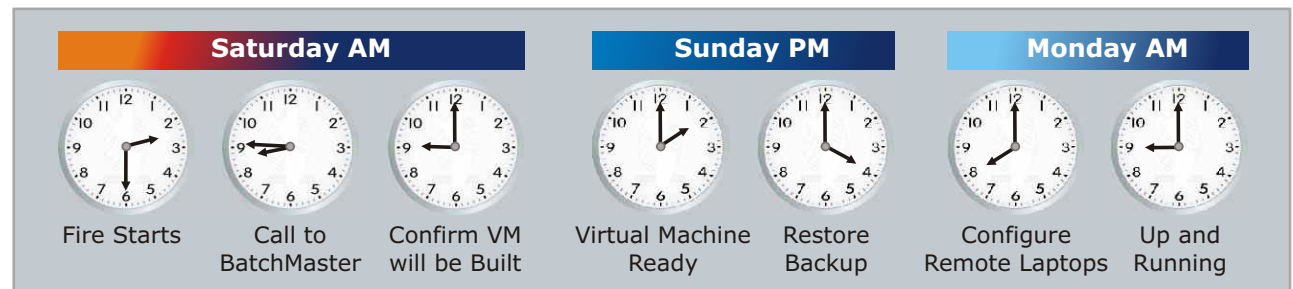
“When you’re down and out, that’s when you find out who can be relied upon. We didn’t lose anything crucial to the core of our business with the fire – people, knowhow and company data”

John Burton, CFO

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The fire began at 2:30am Central time Zone on Saturday July 17, 2010. American Coatings' Chief Financial Officer, John Burton, called BatchMaster Project Manager Bruce Stovall at 8:45am the same day, while the flames were still climbing over 100 feet into the morning air, and asked him what could be done. Bruce swung immediately into action, documenting the requirements and communicating them to the Support Team at BatchMaster within 10 minutes. Support Team Leader Bhavana mobilized the Tech Team and Customer Services to assist, and was able to confirm by 9am CT that BatchMaster would configure a Virtual Machine to match American Coatings working environment, at their Laguna Hills, CA, offices. By 2pm Sunday, BatchMaster Support had established a VM with the identical setup to American Coatings, including custom reports. By 4pm Sunday, a web session was underway to upload American Coatings' latest backup to BatchMaster's FTP site. On Monday morning, the BatchMaster team helped American Coatings staff to configure their laptops (the only computer equipment that survived, because they had taken them home) to access the remote server, and to print to a local printer in Texas.



“When you're down and out, that’s when you find out who can be relied upon,” noted John Burton. “We didn’t lose anything crucial to the core of our business with the fire - people, knowhow and company data. It was like the body was burned away, but the soul persevered.”



What has an advanced BatchMaster Manufacturing ERP solution, and BatchMaster's support, done for American Coatings? According to John Burton, “Having everything in BatchMaster and having our database backed-up and secure offsite will save us many months in the recovery process. And that means it will save peoples’ jobs, too. We expect to be at 100% of our highest level of operation within a year and are aiming for a lot more later, when we have our new plant and equipment in place. We see this disaster as an opportunity to reappraise how we’re running our business. There are a number of things we expect to change. *But not our reliance upon BatchMaster.* Like our people and their knowhow, it’s an enduring investment that continues to provide an outstanding rate of return.”



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Like a Phoenix from the Flames

What is American Coatings doing to serve its customers during the rebuilding process? The company had access to a South Houston plant with the capacity to produce about half of what American Coatings could produce in its own plant. American Coatings arranged to use this other plant, about 50 miles from its Tomball operation. But the plant and equipment, even with the addition of experienced employees, was not enough in itself. **“We had to know what to buy and then what and how to produce our finished products. With over 1,500 finished products, we had to be able to rely on the formulation and manufacturing instructions, information and qualified sources and contract terms we'd built up in BatchMaster.”** A friend in need is a friend indeed.



Outstanding Support Acknowledged

John Burton is full of praise for the BatchMaster Team: **“BatchMaster Support is always great, however on this occasion they really excelled! I cannot speak highly enough of Bruce Stovall and the BatchMaster Team who pulled off this recovery in record time, and over a weekend.”**

For Bruce Stovall, this task was personal. American Coatings was the very first site he worked at after he joined BatchMaster Software. He has built a close relationship with many key personnel at 'his' customer, as is true of all of BatchMaster's consultants - building a long-term relationship with the customers is crucial to the success of any ERP implementation. Any credit, however, is quickly deflected by Bruce: **“In a situation like this, you don't stop to analyze or consider the options - you just get on with it, it's the right thing to do. It was Bhavana's team who did the hard work, and they did a fantastic job, especially over a weekend.”**

Lessons to be Learnt

What can we learn from American Coatings situation?

- Always have a daily backup off-site.
- Make sure the backups are actually recording your critical data by testing them often, including performing a full restore to a different location.
- Consider hosting your ERP Application off-site - “Software-as-a-Service”.
- Make sure your ERP provider has a Support Team with the dedication and ability that BatchMaster's does!

Talk to BatchMaster about what **real** support is, before risking your critical business elsewhere.