

BUILDING SUCCESS



featured

- Golden West Marble, Inc.
- Foundation Software

A Hard-Learned Lesson on Patience Takes Business to a New Level

Jacob Margalit, owner and founder of Golden West Marble of Chatsworth, California, is the first to admit that he is a perfectionist who sometimes lacks patience. Since starting his high-end commercial tile and stone installation business in 1998, Margalit's business has experienced rapid growth, unparalleled only by his reputation for high-quality products and workmanship.

Serving the commercial building industry in Southern California and surrounding states, Golden West Marble is considered one of the "architectural jewels" of the construction industry. Among their many high-profile projects, the company has installed custom stone and granite in the Broadway State Building in downtown Los Angeles and the Hollywood & Highland Mall (home to the Academy Awards®). Recently, the company began importing pre-fabricated products directly from the Far East, creating a unique niche for itself in the face of changing market demands.

Despite its successes, Golden West Marble began to experience major growing pains several years ago. By 2002, the company had a solid list of reputable clients, employed up to 40 people at any given time and was working hard on many jobs. But all was not well. "My business life was a roller coaster," Margalit said, "and I started to lose control. I recognized the problem as my lack of organizational skills; namely, we had no financial plan at all."

Since the beginning, Golden West Marble used an off-the-shelf accounting package, which had served the company well, performing simple payroll, invoicing, and general ledger functions. It allowed Margalit, a hands-on type who was used to managing all aspects of the business, to do the bookkeeping tasks himself.

However, as the business continued to grow, it became obvious to Margalit that the current system could no longer keep up with their needs. "We needed better control of our accounting system, including inventory and tool allocation to specific jobs, and we wanted to start managing projects by different people. We had a hard time drawing conclusions from the data that we had in the old accounting system. Finally, our old system could not help us translate our history into competitive yet profitable cost estimating."

THE CHALLENGE

After some initial research, Margalit focused on three construction-specific software products for consideration. He found himself gravitating to FOUNDATION® for Windows® for numerous reasons.

"The person demonstrating the software did an outstanding job, and he was a straight shooter. He did not dodge any question or pressure me to make a quick decision," Margalit said. After comparing

CUSTOMER



CORPORATE PROFILE

Golden West Marble, Inc.
Chatsworth, CA
Commercial Tile & Marble
Employees: 40
Annual Revenue: \$2 Million

SYSTEM PROFILE

Foundation Software Modules in Operation

- Job Costing
- Payroll
- General Ledger
- Accounts Payable
- Accounts Receivable
- DataGenie Designers
- Inventory
- Project Management

BENEFITS

- Accurate data and reporting features allow freedom to manage the company
- Precise tracking of expenses identified "bleeding" elements of the business
- Compared to the competition, a much better value for the money
- FOUNDATION changed the way we do business... for the better!

companies, Margalit was impressed to learn that Foundation Software had been in business a long time and was dedicated to serving its clients. "At the end, I decided to select Foundation because it was an American-based company with support personnel in the USA."

Excited about his new software purchase and the impact it would have on his business, Margalit prepared for the conversion process. He and two support people from his office began the training process, and as things proceeded Margalit began to feel anxious about learning a completely new program. A few months later, he made plans to attend Foundation's User Conference, a decision that "completely changed my way of thinking as a business owner."

At the User Conference, Margalit met hundreds of people who were not only happy with the product but also eager to learn everything it had to offer. He had his "a-ha! moment" at an afternoon session that focused on integrating FOUNDATION with popular office products for more efficient business operations. From that point on, he understood the software's potential and his role as a business owner. "I understood that growth and complacency rarely go together, and I realized what it would take to bring my business to the next level," Margalit said.

THE SOLUTION

Immediately after returning from the conference, Margalit began to implement FOUNDATION to fit the needs of the company. Within weeks, he began to learn and understand the exact costs of his business.

According to Margalit, Golden West Marble has become a much more organized company.

"Implementing FOUNDATION forced upon us a level of discipline we did not have before and helped us grow our business. We budget jobs very precisely now, which was not the case before, and we are tracking the actual vs. the budget at all times."

These days, Margalit deals with all his accounting issues as an executive instead of an operator. His staff produces regular job reports from FOUNDATION so that he can make informed and timely decisions based on real costs. Although he still manages some projects himself, Margalit says he has more time to bring creativity and leadership to the business. In addition to helping him understand the true cost of operating his business, Margalit said FOUNDATION has changed the way they bid and budget jobs and, as a result, it has made them more competitive. Most importantly, they've increased their margin of profitability.

Finally, Margalit had this piece of advice to offer contractors in search of accounting software: "Every business is unique, and not all solutions will fit each business. I would recommend first learning your needs, and then incorporate those into your business plan. Finally, bring on board the necessary people to handle the implementation and the operation of the software you choose."



Immediate access to accurate financial data gives Jacob Margalit the confidence to make better business decisions. Thanks to Foundation Software, he now spends his time managing his growing company instead of handling day-to-day operations.