

Sage 500 ERP | Customer Success

Trican Well Service Hits a Gusher With Sage 500 ERP

Oil and gas wells require expert maintenance for optimum productivity. Industry giants like Chevron and BP Amoco turn to Trican for cementing, fracturing, coil tubing, nitrogen pumping, acidizing, and polybore services that are utilized during the entire life cycle of an oil or gas well.

During the last five years, Trican Well Service has initiated new capital investments in equipment and operating facilities totaling over \$143 million. With this investment, Trican enhanced its existing services and added new technologically advanced offerings. The company is a significant player in the Canadian-based oil and gas service sector, and is currently expanding into international markets. Trican Well Service Ltd. is publicly traded on the Toronto Stock Exchange.

Getting Buried in Business

What a difference going public can make! In 1997, Trican's first full year as a public company, revenues were just over \$28 million, and small-scale information and accounting systems worked just fine. Then the company experienced phenomenal growth, and revenue topped \$182 million in 2001. Suddenly Trican needed a robust Windows® NT environment, powerful relational database, and a full-featured business solution.

"Our criteria for an accounting system included flexibility through add-on modules," explains Mike Baldwin, Trican's manager of finance. "We required that the software manufacturer have a presence here in Calgary. We also looked for excellent fixed assets, project accounting, and multicurrency capabilities."

Striking Profits With Sage 500 ERP*

Trican struck oil when it discovered Sage 500 ERP. The end-to-end enterprise solution now handles all of Trican's accounting needs, in addition to providing sophisticated reports and analyses for management.

*Sage 500 ERP was named Sage ERP MAS 500 when Trican Well Service Ltd. initially implemented this solution. The product names have been updated in this case study to reflect current naming.

Challenge

To provide the finance team with the tools they need to manage the company's exponential growth from \$28 million revenues to over \$182 million in just four years.

Solution

Sage 500 ERP with Project Accounting and Sage Fixed Assets modules.

Results

Powerful tracking, budgeting, and analysis tools; strategic management of capital; streamlined access and processing of data; improved accuracy and reliability of all vital financial records and reports.

Customer

Trican Well Service Ltd.

Industry

Oil field services

Location

Calgary, Alberta

Number of Locations

15

Number of Employees

60

System

Sage 500 ERP



One of the greatest benefits to Trican has come from the Sage 500 ERP Sage Fixed Assets module. “We’re an equipment-intensive business, so a huge percentage of our capital is tied up in fixed assets,” Baldwin explains. “Each unit is custom-made, and they’re very expensive. Sage Fixed Assets provides us with a subledger for depreciating on a unit-by-unit basis. It’s precisely what we needed.”

Baldwin is also enthusiastic about the Project Accounting module, which Trican depends on for key business metrics. Project Accounting tracks individual equipment units as projects and then allows Trican to allocate construction and material expenses accordingly.

“Building one piece of equipment can take up to six months,” Baldwin says. “Project Accounting allows us to track units as the assembly project progresses. We create a budget for each unit, then charge invoices against it—easy to do because the module is integrated with Accounts Receivable and Accounts Payable. In addition, Project Accounting provides up-to-date cost information that allows our managers to monitor the project’s progress against its budget. This information is very valuable from a cost control perspective.”

The Sage 500 ERP Multicurrency Management module will become more important as Trican expands its international operations in the future. The module currently translates payables and receivables from U.S. to Canadian dollars. It will soon be used to translate foreign operations into Canadian dollars for consolidation purposes.

Sage 500 ERP has greatly enhanced both the type and quality of reports Trican can produce. “We code charges on our income by segment, letting us create reports by division, base, service line, or department,” he says. “In addition, we can mix and match column layouts and do formatting exactly the way we want. As a result, our reports are more timely and much more reliable than ever before.”

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**Mike Baldwin,
Manager of Finance
Trican Well Service Ltd.**

Baldwin says that one of the primary goals in adopting Sage 500 ERP was to access and process as much data as possible without adding staff. The system has done just that—plus much more. “Sage 500 ERP has allowed our finance team to catch up with the growth in our business. Before, we were bursting at the seams. Now our accounting records are more up to date, our capital asset records are more complete, and reports for fixed assets under construction are significantly more accurate,” Baldwin concludes.

About Sage

Sage North America is part of The Sage Group plc, a leading global supplier of business management software and services. At Sage, we live and breathe business every day. We are passionate about helping our customers achieve their ambitions. Our range of business software and services is continually evolving as we innovate to answer our customers’ needs. Our solutions support accounting, operations, customer relationship management, human resources, time tracking, merchant services, and the specialized needs of the construction, distribution, manufacturing, nonprofit, and real estate industries. The Sage Group plc, formed in 1981, was floated on the London Stock Exchange in 1989 and now employs 12,600 people and supports more than 6 million customers worldwide. For more information, please visit the website at www.SageNorthAmerica.com or call 866-996-7243. Follow Sage North America on Facebook at: <http://www.facebook.com/SageNorthAmerica> and Twitter at: <http://twitter.com/#!/sagenamerica>.