

CASE STUDY

TransAmerican Strukturoc (TAS) Managing Growth While Mitigating Risk

THE COMPANY

Founded in 1992, TransAmerican Strukturoc (TAS) manufactures exterior metal wall panels for all segments of the commercial building industry. Its Eagan, Minnesota manufacturing facility produces the TAS wall panel systems featuring proprietary stucco finish for customers in the U.S. and Canada.

TAS has expanded its product line from the original Strukturoc panels to include other unique materials. The potential of the TAS panels to eliminate up to 40 percent of the cost related to traditional masonry products has driven the demand for TAS products. Its client base has grown beyond the commercial metal building industry to include customers in the commercial wood frame, modular, renovation and mini storage building segments.

THE CHALLENGE

Growing Pains

As the company grew and expanded during the decades, the process of mitigating risks associated with taking on new clients became exceedingly time consuming. One of the prevalent issues the growing company faced was feeling comfortable in accepting new customer orders.

Walt Ullrich, Controller of TransAmerican Strukturoc, commented, "New clients pose an unknown risk on ability to pay their bills or if they pay in a timely fashion. Trying to find as much information as possible is extremely time consuming." Verifying bank information, current lines-of-credit (LOC), and vendor references can be a difficult and frustrating process if the references fail to respond.

"The construction industry is known for having a big appetite," said Ullrich. He added, "Their bank statements may reflect very little in bank deposits, yet they may be asking for at least \$50,000 in credit. The less we know, the higher the risk and a new unknown customer and contract may not be worth losing money."

In addition to determining how much credit to issue, TAS was challenged with determining what the domestic or international customer's payment habits were in terms of paying their bills and how much credit the customer had been previously allocated. As two to three new client order requests began coming in each month, TAS required a streamlined process of vetting new clients' payment histories and credit worthiness.

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*All in all, AR Surveillance™ provides a trusted resource for extending credit that I
have enjoyed using – and used – many, many times.*

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~ Walt Ullrich, former Controller, TAS

THE SOLUTION

AR Surveillance™

TAS leadership was introduced to Argos Risk® and AR Surveillance and soon realized they could more effectively and efficiently analyze each customer's credit. Their Controller has been using AR Surveillance for more than 8 years for risk analysis and continues to learn as new features and functions are added.

"AR Surveillance is efficient, easy-to-use, and provides a green-yellow-red color coded assurance that we are making sound business decisions based on the information provided," said Ullrich. "We also enjoy the customer service, data, and reports provided by Argos Risk."

"We want to trust our customers and potential customers. We tend to be creative, flexible, and generous in extending as much credit as possible," Ullrich said. He added "we feel AR Surveillance provides us the confidence to formulate an accurate reading of our customers in terms of their payment history, habits, and potential risk – and extend them the appropriate amount of credit."

Although TAS hasn't broadened their use across departments, Ullrich said "the sales department could certainly benefit with the easy-to-read data provided in AR Surveillance."

He added, "sales teams would like to know who a good customer is, who is paying their bills on time, and if they should factor those habits into their price quote. Also, it may help them to determine if a purchase order should be delayed."

Some of the data on the Alert Report includes Board of Directors and executive changes, earnings, government contracts, branch/division closings, and litigation. This is in addition to the data supplied showing average and high credit offered, the likelihood of consistent payment, and the overall business health index. "These alerts provide excellent leverage to break up orders and secure payment," said Ullrich.

He recommends anyone accepting purchase orders for new construction or renovations on sports facilities, churches, schools, office or retail buildings, manufacturing facilities, or even residential construction should be using Argos Risks' cost-effective AR Surveillance.



Strukturoc

TransAmerican Strukturoc (TAS) was formed in 1992 to manufacture exterior metal wall panels for all segments of the commercial building industry. Beginning with a single manufacturing facility in Blue Earth, MN, TAS has since moved to Eagan, MN. TAS wall panel systems utilize a proprietary stucco finish system and are currently sold to customers in the U.S. and Canada.

TAS was originally created to manufacture a unique wall panel system in a single panel offering named Strukturoc. Recent product introductions include the "Classic" Kynar embossed finished wall panel and the "Force Five" wall panel capable of withstanding winds over 170 mph.

TAS wall panel systems help eliminate up to 40 percent of the cost related to traditional masonry products. Long life, durability and visual appeal are hallmarks of the wall systems success. Additional advantages of TAS product include faster installation and application under most weather conditions.

Demand for TAS products has grown beyond the metal building industry to include customers in the wood frame, modular, renovation and mini storage building segments.

TAS takes pride in offering an industry best 20-year warranty, as well as the most complete service in the industry.

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