

Using BuilderMT's New BPM Solution, Morrison Homes Goes Wireless with its Variance Purchase Order Process

The company achieves ROI on its software purchase in just one week!

Morrison Homes is one of Canada's leading home builders. In 2007, a record year, Morrison Homes completed 590 homes. In 2008, they will see that number decline due to prevailing market conditions, but they still expect to put up at least 300 homes. Morrison Homes builds in the Calgary area, and their home sizes vary widely, from starter homes of 1,000 square feet that cost under \$300,000 (Canadian dollars) to large custom homes of more than \$2,000,000 that range upwards of 6,000 square feet. The company has been a Calgary-area builder for 45 years, and they have a great reputation.

With 100 employees, Morrison Homes allocates most of them to back office processes, and carries 12 site supers, 12 in sales, another 12 in design and drafting, with a strong reliance on subcontractors. Together, they construct homes sold through the Company's show homes and through an up-market website where visitors can download floor plans and photos of available homes primarily on a custom/presale basis.

To manage its operations, the Company runs Timberline office for accounting, Timberline Estimating, and BuilderMT's WMS (Workflow Management Suite). It also runs a dynamic new software solution from BuilderMT called Business Process Management (BPM), which has enabled dramatic savings of money, time, paper, and aggravation.

Philip Robichaud serves as Morrison Homes' Information Technology Manager, and he's been with the company 3 years (he's got 15 years all totaled in the business), and one of his recent tasks was to take the inefficiency (*and paper*) out of the variance purchase order (VPO) process. On the job site, due to variable conditions, Morrison Homes issues a fair number of variance purchase orders, for such things such as extra truck loads required during excavation or extra loads of fill and gravel. Other reasons for VPOs are on-site damage and vandalism. Across 590 starts in 2007, Morrison issued 5,300 VPOs, or around 8 to 10 VPOs per home.

"We determined exactly what each VPO was costing us," said Philip Robichaud, "because we knew from analysis that the whole organization was spending 19 minute on each one, as it had to be hand-written and manually processed in the back office. Then we had the back office staff faxing the VPOs to the vendor and manually entering the data in the various back office systems. After the vendor came back with a price, a new PO was created

and sent out. Some of our employees spent their days just standing by the fax machine sending out VPOs, a costly habit."

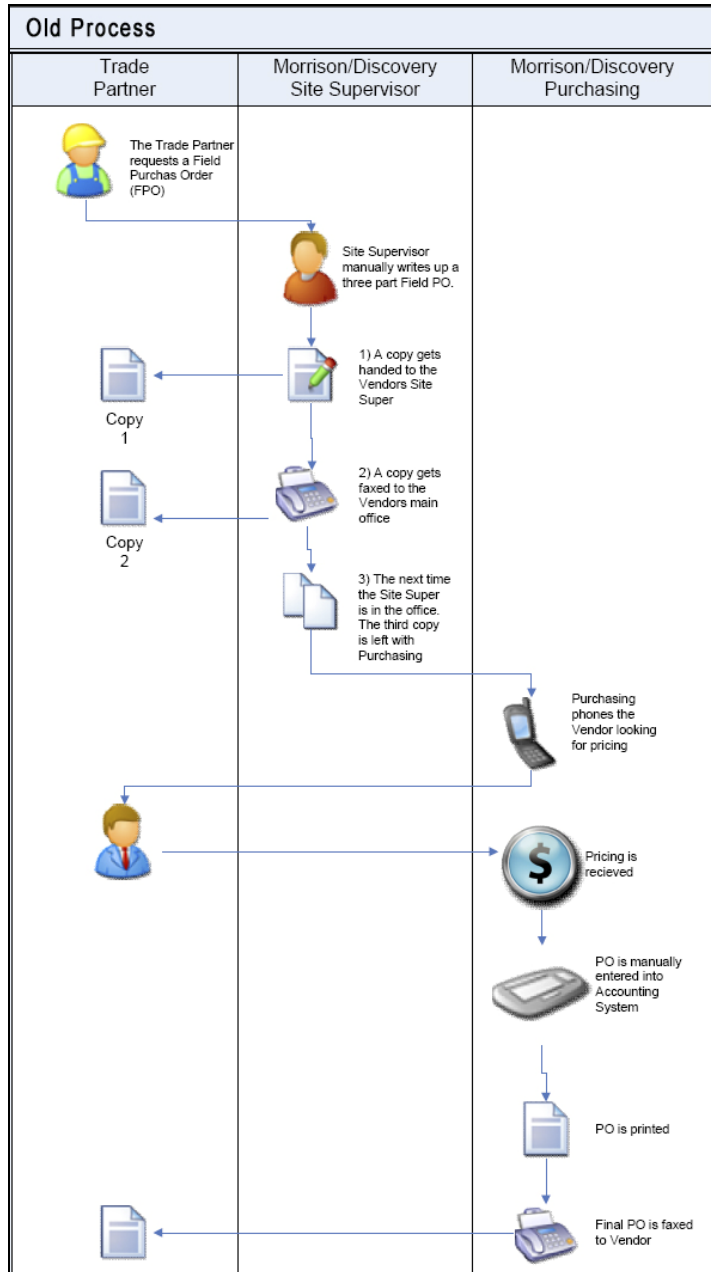
Philip Robichaud and Morrison Homes has since take the process entirely paperless, and the data exchanges among supers, back office and vendor are now entirely electronic, with no reentry of data. "It has saved us a great deal of money already," explains Robichaud. "Our cost for BPM was around \$30,000, and we soon paid for the software platform with just this VPO process, and we have plans for several additional BPM processes in the works."

Offered exclusively by BuilderMT for the construction vertical, BPM works this way: Using icons on a screen, Business Process Management lets any authorized user "drag-and-drop" components that represent activities along a visual critical path of home building, from preconstruction and contract flow, through construction, punch list, and warranty. As components are aligned on the screen (or moved to optimize processes over time), they create deep, back-end processes that can generate contracts, reports, information for pricing, schedules, notifications, purchase orders, and even payments. The effectiveness of BPM has been supercharged for Morrison Homes because they run BuilderMT's WMS and Timberline systems. (Indeed, prior to the release of Business Process Management, Morrison would have had to incur custom code costs to digitize their VPO process.) Today, process customization can be done with a graphical drag-and-drop interface that allows users to adjust the process or add and remove steps, such as notifications, file transfers, or even the authorized insertion of data directly into Morrison's back office system *or even the vendor's* back office system.

"We were able to design and map our new VPO process in BPM in just eight to ten hours," said Philip Robichaud. "Now, when a super wants to create a VPO, he uses his Blackberry (through the Canadian Telus system) and accesses a VPO form to enter a Job Number and a description of the work to be completed. He then picks a vendor from a list, and sends the VPO. An email goes off to the applicable subcontractor, who is provided with a web link. They hit that link, land on a web page, submit their pricing, and notification is automatically made to Morrison Homes purchasing department. The subcontractor's price is approved or denied, and if approved, an email is sent to the supplier with the PO attached as a PDF and the VPO is converted to a text file for the accounting department,. The entire process is entirely paperless, digital, and

automated. There is no data entry required beyond what the super does on site, and we can insert information directly into a vendors ERP system, if we need to," said Robichaud.

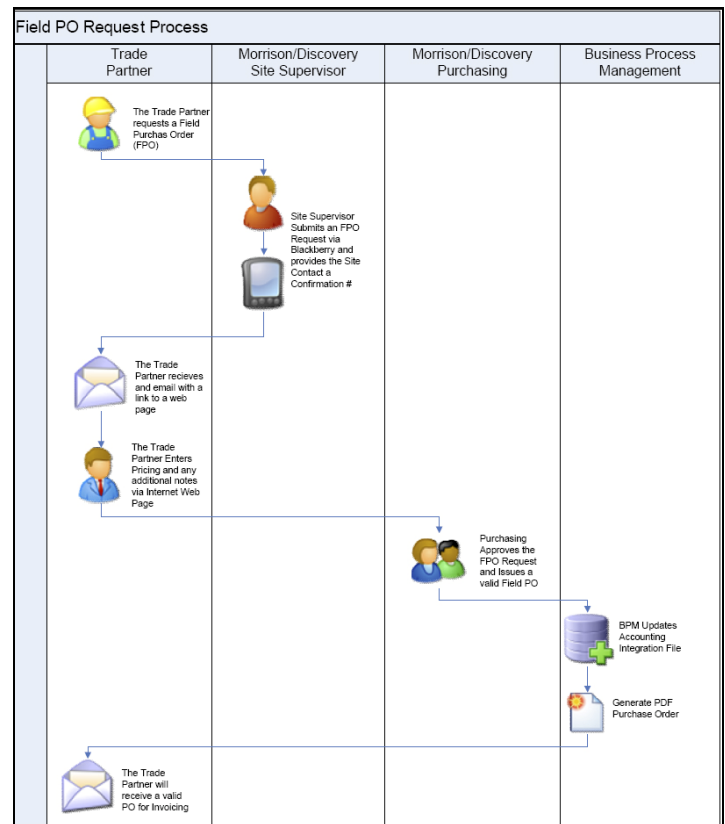
Before BPM, Morrison Homes' former, manual process:



Philip Robichaud is now so comfortable with the BPM solution that he is working with other Morrison staff and fellow managers to map other new BPM processes including a process to automate and take paperless the dumpster administration *and* the process

of moving a home buyer through the option selection and design processes, with similar savings projected.

After BuilderMT's BPM was implemented:



About BuilderMT

For large and medium-size home builders in the \$250 billion home building industry, BuilderMT provides highly customizable building process management software that works in tandem with Sage Timberline Office accounting and estimating software, systems used by one in four of the Builder 100. BuilderMT systems have been purchased by nearly 700 corporations and 7,500 individuals that manage nearly 300,000 housing starts annually, more than 20% of the new-home market. BuilderMT is widely recognized as a leader in process-driven, best building practices for builders, as well as customer service, warranty applications, online training, and innovative wireless applications. Since its inception in 1999, BuilderMT has maintained its status as a debt-free, highly profitable company that invests its profits back into infrastructure and software development. To learn more, visit www.BuilderMT.com, or call (888) 757-1991.

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Recent Awards for BuilderMT

BuilderMT has established itself as the best-selling, most award-winning software suite for residential home builders of nearly any size, with year-on-year growth that outpaces all of its competitors, combined. Recent awards for BuilderMT include:

- ConstrucTech Top Product 2007
- ConstrucTech Hottest Company of the Year 2007
- ConstrucTech Vision Awards for 2007—Eastwood Homes
- ConstrucTech Vision Awards for 2007 overall Team Award—New Urban Builders
- Tom Gebes named to Builder list of the Fifty Most Influential People in the Home Building Industry, 2006
- ConstrucTech Hottest Company of the Year 2006
- ConstrucTech Vision Awards for 2006—Graham Hart Home Builder
- ConstrucTech Vision Awards for 2006 overall Team Award—Generation Homes
- Home Builder Executive Magazine 2006 Award for Scheduling Software
- Home Builder Executive Magazine 2006 Builder Technology Innovation Award
- Tom Gebes, President of BuilderMT, Ernest and Young Entrepreneur of the Year Finalists for 2006
- ConstrucTech Vision Awards for 2005—Delcor Homes
- ConstrucTech Hottest Technology of the Year 2005
- TecHomeBuilder High Impact Products of the Year 2004

About Morrison Homes

Morrison Homes has been an integral part of the Calgary and surrounding area for 47 years. Founded in 1961 by Frank Morrison, a cabinetmaker and finishing carpenter, Morrison Homes quickly earned a reputation both with customers and within the industry for quality construction and exceptional value. Since 1983, Al Morrison continues to build upon the family tradition, fundamental values and business practices.

As they have expanded and grown, Morrison Homes has brought in some high caliber people who have all contributed to the Company's success. That success was not created by one individual. It's very much a team effort. It's the cohesiveness between every member of their organization, from the president to the trade people, that has earned them the reputation for building exceptional homes.

Their basic home standard is a high standard. They sell very high-value homes, rather than homes that are sold at low prices. They've been using many of the same trades for a number of years because of their commitment to quality and service. It is with these valued partners that they are able to produce a very-high-quality product.

A commitment to quality and service has earned Morrison Homes many awards and designations over the years. They are one of the founding members of the Alberta New Home Warranty Program. Most notably, they are the six-time Calgary Builder of the Year and the prestigious Customer Choice Awards winner four years in a row. They've received multiple architectural design awards and Certified Master Builder, to name a few.

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