

CASE STUDY

CLIENT:	Toby's Estate
INDUSTRY:	Wholesale and Retail
LOCATION:	Australia
PRODUCT SUITE:	EXO Business
MYOB ENTERPRISE PARTNER:	Kilimanjaro

New software gives coffee brand visibility over the true cost of goods.

Overview

Toby's Estate delivers freshly roasted coffee to cafes, restaurants, delis and offices throughout Australia on a weekly basis.

The company was established by Toby Smith in 1998 as a boutique supplier of distinctive high altitude Arabica coffees. As well as wholesale, they now run training courses for baristas through an Espresso School, as well as several retail café outlets. They also sell a wide range of both domestic and commercial equipment.

The taste of change

For a number of years, Toby's Estate had been using Quickbooks for general ledger and financial reporting. But as business grew, their need for a more detailed level of information and consolidated reporting also grew.

Working with the right partner

MYOB put Toby's Estate in touch with MYOB Enterprise Partner Kilimanjaro Consulting, who started by explaining their low-risk implementation methodology.

Then, they drew up plans for the migration of old data to the new system – as well as the customisation of certain reports and functionality.

According to Belinda Fife, Finance Manager at Toby's Estate, Kilimanjaro's structured approach really appealed.

"They were terrific," she says.

"As well as obviously knowing their stuff, they were friendly and hugely adaptable, which is exactly what you need with an implementation of this complexity."

New beginnings

There was little resistance to the new system once it was up and running.

"People were ready to move on from Quickbooks, which helped," says Fife.

"We also did a pretty good internal sell, involving staff in our decisions along the way."

Fife admits they could have done with broader training and advice on troubleshooting in the beginning.

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"In a business like ours," she says, "we need to be a little more multi-disciplinary than just handling accounts payable or receivable.

"But most people are up to speed in most areas now."

Improving efficiencies

Aside from data volume issues, a major factor influencing Toby's Estate's decision to move away from Quickbooks was the need for more robust inventory management.

"It's not that Quickbooks doesn't do inventory management," admits Fife, "but we didn't really have the know how at Toby's Estate to work out how to use it to our advantage. Inventory management in EXO, on the other hand, needs less explanation.

"Now, instead of doing a stock take once a month, we can do it whenever we want, at the touch of a button – and that gives us a much clearer view of how efficient we are with our manufacturing."

Another efficiency improvement is the ability to handle multiple currencies.

"Previously we purchased all our stock in Australian dollars from domestic suppliers. Now we're importing from international suppliers and buying in foreign currencies – and not even having to think about exchange rates," says Fife.

Knowing the true cost of goods

Summing up the benefits of the new system, Fife says it's nice to have early wins, but the jewel in the EXO crown has been the ability to calculate the true cost of goods.

"We've got over 120 products," says Fife.

"Previously we weren't able to figure out exactly how much each of those products costed us to produce – because we weren't accounting for every single element. As a result, there were lines that weren't actually making any money.

"Since running EXO, we've cut a third of our tea range and rationalised our coffee range by 20-30%, adjusting our prices on the lines we want to keep.

"That visibility really has made a huge difference," she concludes.

Client and Enterprise partner details

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