



Case Study: Mackay Boats

Smooth sailing with Microsoft Dynamics 365 Business Central

With a sixty-year pedigree of crafting best-in-class competitive yachts, the expert team at Mackay Boats are no strangers to success. The 30 Olympic and 120 World Championship sailing medals that have been won aboard Mackay vessels prove the company's engineering expertise and capability.

Based in Silverdale, Auckland, Mackay Boats has earned international recognition in an industry where quality and performance are the only true measures. The business not only builds around 150 world-class vessels per year but manufactures competition-standard parts that are dispatched worldwide.

General Manager John Clinton says that as the company's range of Olympic standard yachts continues to achieve global success, demand for the very best has increased substantially.

"We've grown to 28 staff, each one an expert in their field with very specific training. We largely operate on a four-year cycle and the two years running up to an Olympics gets extremely busy, however we identified reduced demands in the other two years," he says.

Clinton was no stranger to ERP solutions and the advantages they can provide; having deployed them in previous roles. He recognised the need for additional visibility and workflow management that can lead to increasing productivity and fewer lost opportunities.

He says, "We operated a Microsoft Outlook and Excel spreadsheet-based business and though well-designed and maintained, it was clear that our requirements needed something more sophisticated. The data was there however it wasn't all being turned into useful information on which we could confidently make decisions."

Clinton identified that the financial and manufacturing sides of the operation were in greatest need of additional system and

process management, so began looking at the various platforms on offer and their suitability for Mackay Boats.

"With Microsoft Word, Outlook and Excel already core tools for the business, it seemed obvious to look into the Microsoft ERP offering. I'd deployed Great Plains in the past and the timing worked out well as Microsoft Dynamics 365 Business Central had been recently released," says Clinton.

The right partner

Mackay Boats engaged the services of Microsoft Dynamics specialists, Acumen Consulting, headed by Michael Furness. Clinton says that Acumen's expertise in the financial aspects married perfectly with his strengths in the manufacturing aspects.

"Michael and his team delivered a level of consulting that fit perfectly with my own knowledge. They helped us see the upgrade as an investment in the future despite the disruptive process. We knew what to expect and were able to prepare well and minimise the pain-points," says Clinton.

Acumen Consulting's Senior Consultant, Michael Furness determined that Mackay Boat's deployment of Microsoft Dynamics 365 Business Central should begin with the financial side of the business before including the inventory and supply chain aspects and finally the manufacturing modules.

"Mackay Boats had pushed its existing financial package well beyond its capabilities. The fact that the company conducts business all over the world, buying and selling in multiple currencies meant that a robust and tailored financial system was crucial to its smooth operation.

"Each new boat designed and manufactured brings a raft of new products and monitoring requirements for the business. Our team immersed ourselves in Mackay Boat's customer engagement and delivery processes, then designed a tailored solution that will maximise visibility and productivity, while remaining scalable and customisable moving forward," says Furness.

Long-term value

John Clinton recognises three key areas in which Acumen's solution delivered considerable value:

Ensuring continuity of supply – The flow of raw materials, parts and tools is a crucial part of Mackay Boats' manufacturing operation. Delivering reliable supply-chain data in real-time allows the manufacturing team to forecast and manage inventory requirements confidently and efficiently. Production volume had grown to a point where interrogation of individual tasks and jobs wasn't always practical or feasible.

"Operating on a reactive basis with a range of suppliers and customers sometimes uncovered costs or delays after it was too late. We'd often be forced to fly parts out at significant cost however with real-time supply chain visibility these issues are a thing of the past," says Clinton.

Accurate pricing and job costing – Previously Mackay Boats priced work based on similar jobs previously completed. External factors such as varying exchange rates or changing prices from suppliers introduced inaccuracies in costing and forecasting. The new solution manages the costs of each job individually with real-time accurate pricing and time management, providing confidence with every quote and invoice.

Clinton says, "material costs can creep up incrementally and without managing these in real-time they can be quite a surprise and seriously affect margins and our ability to confidently price our products. Now we are able to see how every price change impacts our margins."

Business Value – With such a rich history and renowned product offering Mackay Boats is a valuable business, however being able to accurately visualise this can now be done with accuracy. The ERP solution provides vital sales pipeline information along with far more accurate bill of materials, labour recording and total cost of sale visibility for every product.

"Acumen Consulting provided valuable insight into perceiving our business beyond standard due diligence. At its core, the ERP solution needs to be fed with the right information. We acknowledged that if you put rubbish in, you get rubbish out. Acumen not only provided us with the best vehicle but showed us how to drive it most effectively," says Clinton.

True Horizon

Mackay Boats produce vessels for a range of competitive classes. Some are based on strict competition specifications whereas other ranges are customisable and manufactured based on specifications from racing teams.

Delivering products that consistently perform in a competitive marketplace requires information that is always visible, reliable and



accessible. John Clinton says moving to the cloud was a no brainer.

"Our team need to be plugged in to our company wherever they are. This would be a nightmare without having our data in the cloud. We're constantly mindful of security and the backing up of our data, however the advantages are clear."

One thing Clinton makes clear is that embarking on an upgrade like this is disruptive and not without pain, but the advantages are well worth it.

"There's no doubt we're on a continuing learning curve but even simple things like searching and filtering our data easily surpasses the way we've worked in the past. The support we get from Acumen in this respect is excellent, and one of the main things I've learned is that you have to have a point-man who lives and breathes the process and can see the outcomes from the start" says Clinton.