

# CASE STUDY

CLIENT:	Big Balloon
INDUSTRY:	Import, Export & Distribution
LOCATION:	Australia & New Zealand
PRODUCT SUITE:	EXO Business
MYOB ENTERPRISE PARTNER:	Exoserv

The right system helps startup toy distributor deal with major retailers like Big W and Target right off the bat.

## Overview

Big Balloon is a Victorian-based distributor of exclusive toy brands like Fireman Sam and Bob the Builder.

In the space of just a few months, the company has secured contracts with some of the largest retailers in Australia, including BIG W, Target, Myer and Toys R Us – despite being a startup.

At the heart of every transaction between the distributor and these retail giants is MYOB's flagship business management software EXO.

## Planning for growth

Big Balloon first heard of MYOB EXO through a business associate in New Zealand.

"Their business model was similar to ours," says Big Balloon Managing Director, Tony Oates, "so as soon as we saw how suitable EXO was, we decided to check it out for ourselves".

Big Balloon considered a number of different products in the MYOB stable before settling on EXO.

"Even then," says Oates, "EXO was too big and powerful for what we needed in the beginning. We could have gone with a more entry-level product, but we knew we had to have something with scalability for the future. And EXO gave us that."

## The right features

EXO also had a number of features that made it suitable for importers, according to the managing director, including the ability to handle multiple currencies.

Big Balloon not only purchases products from overseas through a master toy manufacturer (traditionally based in the UK, America or Japan). It buys finished goods from China – normally in US dollars. So keeping an accurate track of costs is essential.

EXO's ability to interface with other systems (thanks to its SQL database) was another big plus point too.

The likes of BIG W insist on engaging through an EDI, so it was essential that any system taken on by the distributor would sit happily alongside third party software.

## A flexible approach

MYOB has a number of implementation partners across Australia and New Zealand. To find the right one, Big Balloon went through a quotation process with about four separate companies.

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“Between the four, their price was pretty similar,” says Oates.

“The reason we went with Andy [Ford] at Exoserv was because of his understanding of the difficulties that a startup business faces. He was very, very open minded.”

Oates says some of the other implementers were much more rigid in their approach.

“That may be suitable for a large company transitioning to EXO from another software product,” he says, “but for a startup like us needing a very fluid environment, Andy’s flexibility was far more appropriate”.

## Keeping costs down

That flexibility went as far as using existing templates wherever possible to help keep the build costs down.

Oates explains:

“With any system installation, there’s a certain amount of customisation that needs to be done. But that can end up being costly. What Andy tried to do – and we implored him on this – was adapt and adopt what was existing in EXO, rather than create a lot of new functionality.

“Again, Exoserv were quick to understand our concerns about cash flow.”

## All roads lead to June

Work on the installation began in February, with a launch date pencilled to coincide with the start of the new financial year.

“Four months seemed like plenty of time,” says Oates, “but the weeks went by very quickly”.

It wasn’t just a case of waiting until the beginning of July either. There was the EDI integration to coordinate, as well as the need to get staff up to speed with the new interface.

Andy Ford was also adamant that Big Balloon should start invoicing out of EXO a clear month before launch. Because of that, import and invoicing functionality had to be up and running before P&L and balance sheets were in place.

## The dog wagging the tail

Since going live, things have been running smoothly.

“We had a few issues integrating with the systems at [global transport and logistics company] Mainfreight,” says Oates, “and that led to some discrepancies over our stock on hand data. But all the traditional stuff – P&L and debtors and so forth – is working extremely well, as is the operational data we’ve got on inventory, invoicing and sales.”

The EDI interface has gone without a hitch too. All orders are sent to the distributor electronically – as are payments. Recipient-created tax invoices can even be produced.

“There’s been no reason for any of the big retailers to chase us,” says Oates, “which is exactly how it should be.

“Important as it is, a business administration system should never be the tail wagging the dog. It should just play its part in enabling you to get on with business.”

## Full steam right out of the blocks

When asked what he thinks EXO’s most significant contribution has been, Oates is in no doubt.

“EXO has allowed us to hit the ground running at full steam from day one. To have a system that enables you to deal seamlessly with a major retailer like BIG W without issue is, I think, nothing short of incredible.

“Being able to set it all up in such a short time too is a real bonus too,” he adds.

“This hasn’t been a two year implementation. There hasn’t been a lot of faffing around. We just knew we had to make it happen, and Exoserv helped us do that.”



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