



CreativeCFO

Case Study: Musgrave Spirits



Learn how Creative CFO's systems experts helped Musgrave Spirits, an African luxury brand specialising in artisan gin and spirits, implement a scalable system that creates control and sophistication around stock, manages multiple locations, supports a large inventory list and provides real-time reports that can be accessed from anywhere in the world.

Business type: Manufacturing

Industry: Spirits

Size: 10+ employees, 3 locations

Distribution: South Africa - 90+ Outlets

Region: South Africa

Integrations: Dear, Xero

Customer since: June 2017

Website: www.musgravein.co.za



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Migrating to another inventory and manufacturing management system can seem daunting to a business, but it need not be. Over the past five years, we have differentiated ourselves by combining deep systems and process understanding with financial and accounting expertise. This combination of professional skills has allowed us to successfully implement the core financial systems for hundreds of businesses across a variety of industries.

- Creative CFO Systems Team



About Musgrave

Maurice Boon Musgrave, the grandfather of founder Simone Musgrave, left Plymouth in 1949 bound for Africa to start a new life exploring and discovering the people and land of Africa. Three months on a ship with a small baby, a measles outbreak and many days of seasickness, and the adventure that would change the shape of his family had begun. From then onward an African family would take on the adventure Maurice had started. The spirit of endeavour, adventure and courage live on in granddaughter, Simone, guardian of Maurice's passion for the unusual.

In 2017 this rapidly growing spirits business approached the systems experts at Creative CFO to help them implement and integrate a cloud-based inventory management and accounting system.

“We contacted Creative CFO because we reached the stage of being an established business. Initially, I started Musgrave as a sideline hobby, hoping that it would become something, and I found myself two years later with a rapidly growing business, a rapidly growing brand, 500% growth and I didn’t really know how to put one and one together.” - Simone Musgrave

With Creative CFO’s deep technical knowledge and extensive manufacturing experience in Dear inventory and Xero accounting, Simone could look forward to a seamless, stress-free implementation that would give structure as well as insights into key areas of the business.

Key Challenges

- Musgrave rapidly grew and the business experienced over 500% growth. Simone and her team were, first and foremost, in need of structure around inventory management and accounting.
- The business lacked stock control. Previously their simple invoicing system didn't accurately track their stock and they didn't know how much was going in and out of the business, how much they were selling and where they were experiencing stock loss.
- The business needed daily reporting to aid in:
 - decision-making around ordering packaging items
 - tracking fast-moving stock in 3 different locations
 - getting a real time overview of sales and stock counts.
- Musgrave also needed remote systems access. Simone travels often and required revolutionary financial systems that can give her a real time view of her business at the touch of a button from anywhere in the world.

Key Solutions

- Two world-class cloud-based systems - Dear inventory and Xero accounting software - that will provide stock management and accounting structures
- A system that can help Simone and her growing team gain and maintain control
- A scalable system that can handle multiple locations and outlets, and also a growing product and inventory list
- A system with malleable reports that can be used to make day-to-day business decisions
- A live system which can be accessed from anywhere in the world.

1.

Q&A with Simone Musgrave



Creative CFO: What are the financial systems Creative CFO implemented in your business and what impact have they had on your business?

Simone: The systems that we implemented were Dear Inventory and Xero accounting. These systems are integrated and work together to solve our problem of having no control over our stock. It sounds crazy, but we're a small business that grew so quickly that we suddenly realised we didn't really know where our stock was and how much was going in or out. Our simple invoicing system also didn't really track that.

Dear Inventory helped us track our stock, track packaging and also helped us order the right amount of packaging when we needed it.

So when we started the business we initially found ourselves having no idea about stock, which has implications on tax, profit and all kinds of other things. Since the Dear and Xero implementation, we know what we have and we know where we are going. This is absolutely essential to our business success. Even though we were only two people in the business at the time, Dear created a lot of control and sophistication around our stock.

2.



Creative CFO: What, in your opinion, are the main benefits of the Xero/Dear integration?

Simone: As a managing director and owner of the business I find that the reporting is really effective. I can pull a report giving me sales or stock counts and that has been extremely helpful.

”” I have a sense of what is going on in my business at the touch of a button and the way the reports have been structured specifically for my business has been extremely helpful.

So, if I'm asked for a sales report for January last year I can pull it really quickly, I don't have to contact Creative CFO to get those numbers. They're available to me online all the time.

I also travel a lot so I can see what's happening in my business wherever I am in the world, and that has been incredibly valuable to me.

3.



Creative CFO: What would you say are the biggest lessons you have learnt since implementing these systems?

Simone:

”” The biggest lessons that have been learnt around Dear and Xero are how important these systems are to our business and how important it is to have control.

So in the beginning we were inputting everything ourselves; it took a while to get all our stock in, to get it accurate, get the pricing right and get all the information correct. That was a long journey.

Our business is complicated. We have three different sites where our product and packaging is held, and once Dear and Xero were set up we realised how important it is to have the control that the systems provide us. Simultaneously, it showed us how quickly we could have gotten lost.

So the longer we've been in it, the more we realise how important these systems are.

4.



Creative CFO: What are the key features you use in Dear and how do these help your business?

Simone: There are two key features we use:

1. Reporting

Reporting for me is sales. I look at sales overviews daily. Every day we need to see how much we are selling and where we are losing. I look at profitability off Dear, so the minute I invoice I can see my margin which is important to me, especially if you're limited financially. It's nice to see these numbers pop up at you all the time.

2. Stock

We are a stock business, so tracking our stock and tracking our stock in different locations, is really critical to our success. We don't have a huge amount of stock holding so it moves in and out very quickly and we need to keep monitoring that. Viewing these reports in Dear is very quick and easy.

5.



Creative CFO: How was your experience with Creative CFO as the team implementing the system?

Simone: Implementing the system was quite smooth. Because we are quite a young business the complexity wasn't that great at that stage. Since the implementation it has quickly gotten more complex, but at that stage we really caught it in time.

“ Our systems expert was incredibly professional, he knew so much, he really asked the right questions and we were able to get the right information. ”

The refining of it was more complicated as we went along, but to get it up and running as a working system was actually very easy. The training was also easy and we were able to be on top of it ourselves.

Going into the next year or two with more people, products and stock, it will be a little bit harder to refine, but that's really the nature of the business and the growth that we've experienced rather than the system.

Without these systems it would have been a disaster, so I found the implementation a great sense of comfort and relief. I knew that things were getting under control.

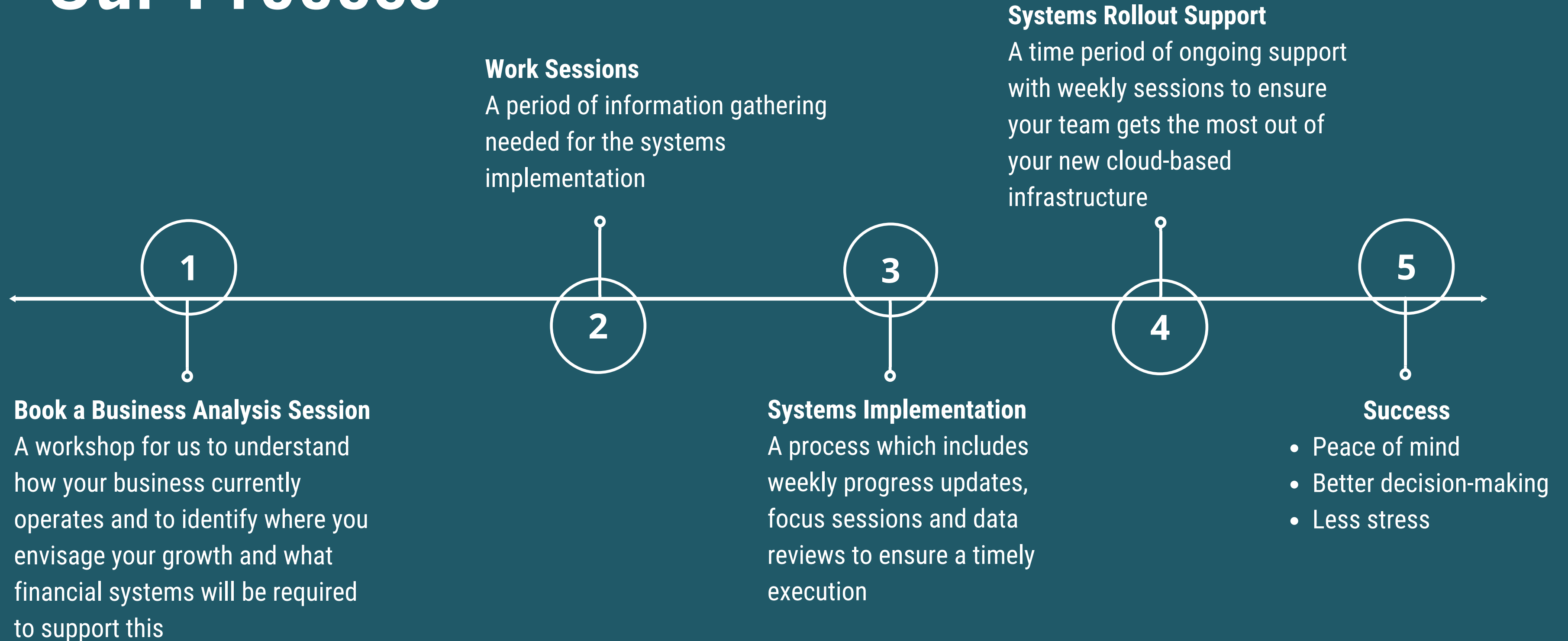


This implementation really demonstrated how important Dear Inventory is for stock businesses like Musgrave. Through a lot of hard work and refining of the system we were able to successfully provide Musgrave with a comprehensive inventory and accounting management structure that can support Simone's rapidly-growing business.

Naomi Uys - Systems Specialist, Creative CFO



Our Process

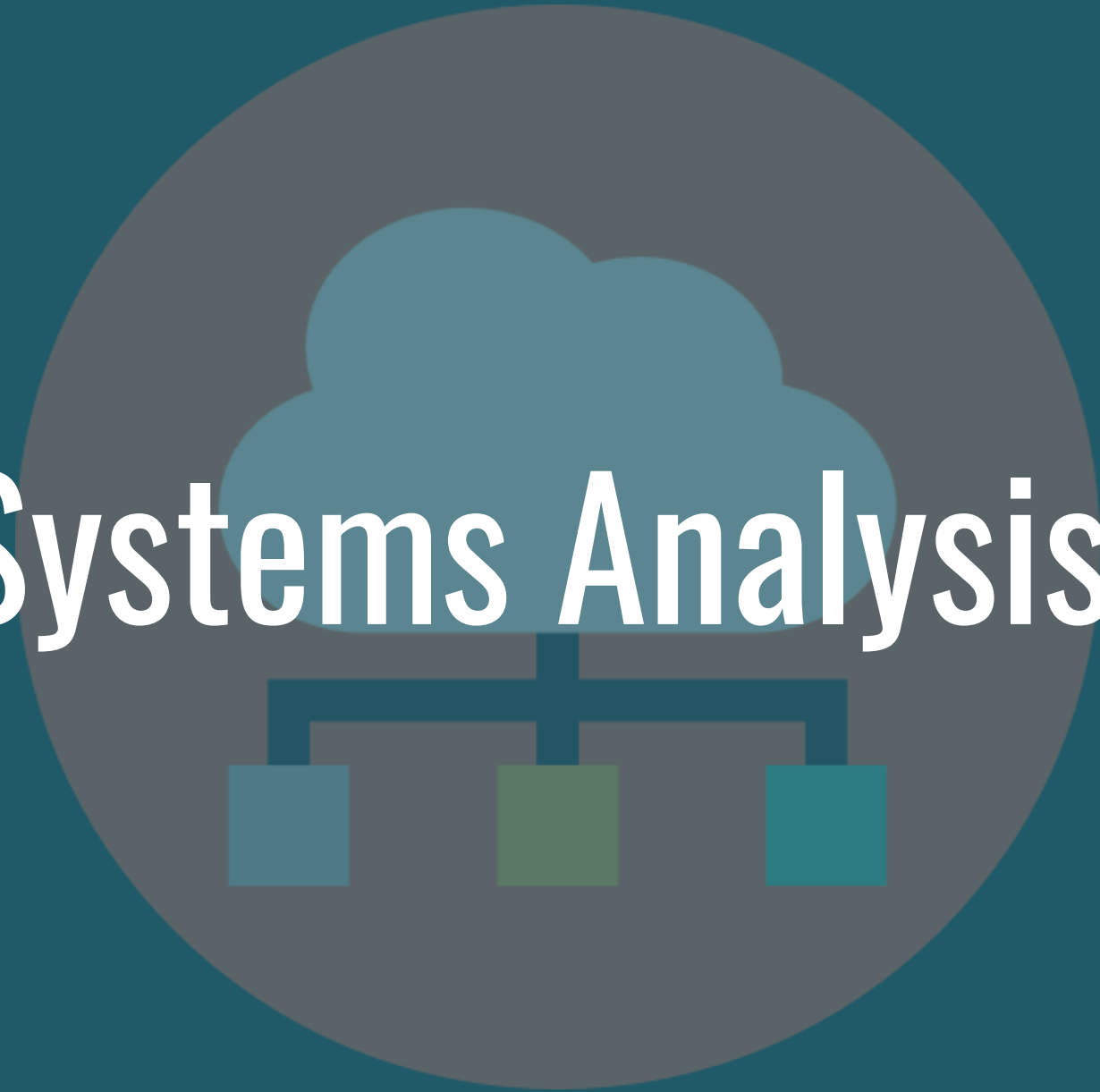


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