



### Company Name

Kato Pacific Marketing Ltd.

### Location

Auckland, New Zealand

### Industry

Char-grilled vegetables, condiments, and sauces

### Employees

40

### Goals

- Support company's plans for explosive growth
- Provide foundation for new management structure
- Fast implementation
- Better management information

### Solutions

- BatchMaster Enterprise ERP and Solomon Financial
- Accounting software

### Results

- 500% growth in two years
- 3-month implementation
- Improved financial reporting
- Improved inventory accuracy

**"We chose BatchMaster because of its manufacturing capabilities, and their focus on the food industry."**

Russell Cowley, Chef

## BatchMaster Helps Kato Achieve 500% Growth

Russell Cowley was a successful chef in Auckland, New Zealand, leading the kitchen at Vinnie's restaurant—voted Auckland's best. But Cowley often struggled to find prepared products and condiments in the market that met his high standards. In 1992, his frustration led him to establish Kato Pacific Marketing Ltd., as an artisan producer of char-grilled vegetables, condiments, and sauces to the hospitality market.

By 1997, Kato offered a limited range of products to the retail market through mail order, leading delicatessens, and supermarket stores. Today Kato continues to provide a range of modern café style products to the hospitality and retail markets, but now these markets are as far flung as the USA, United Kingdom, Asia, and the Middle East.

Cowley's personal belief in the importance of fresh, seasonally harvested produce, sourced from around New Zealand, helped Kato grow a loyal base of customers. This knowledge of flavor combinations is a competitive advantage for Kato. Says Cowley: "Innovation in the business comes from my background as a chef, rather than from a scientific and technical background. We don't use artificial flavors; we make our products with food, this is something that is recognized by our customers."

Kato's quality continues to be recognized, as the company received Gold and Bronze medals at The Great Taste Awards UK-2005.

According to Cowley, another important competitive advantage for Kato is the people who make up the organization. The company has grown to a staff of 40.

### A Strategic Plan for Growth

Many times it takes a major problem or catastrophic event with the current business system to initiate a change. But in Kato's case, their need was driven by a well thought-out business strategy.

"Before BatchMaster, we used a financial system called MYOB® (Mind Your Own Business) a small business package that is very popular in New Zealand," said Cowley. "It was working very well, but it didn't have any manufacturing capabilities, and the inventory control was very basic.

"Kato has always invested ahead of time, and we had a strategy in place for strong growth during the next three years. We decided to invest in a new system because we knew the existing one would not be able to cope in the future. Although there was no immediate need, we decided to go ahead with a new system before it became an issue."

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"We have a relatively large number of SKUs—around 350—and of course behind that is a large number of raw materials," said Cowley. "We needed to be sure that the system we selected could cope with the volume and support our planned growth. In the end, we chose BatchMaster because of its manufacturing capabilities, and their focus on the food industry. In addition to BatchMaster, we also purchased Solomon® for financial accounting."



**"Their consultants (Complete Solutions) are very knowledgeable, and they have always given us good support."**

Maree Maxfield,  
Accountant

**Like any entrepreneur, in the early days I was consumed by the business, 24 hours a day. But BatchMaster has allowed me to move the business from my mind, so I can devote more time to other pursuits.**

Russell Cowley,  
Chef

### Fast Implementation

Kato purchased BatchMaster in March 2004, and by July 1, 2004 were live on the system. "I had just joined the company and managing the implementation was my first job," said Maxfield. "We were a very small company at the time and that made it easier for a quick implementation."

Local partner Complete Solutions Ltd., supports BatchMaster in New Zealand, and was involved all through the implementation process, especially education and training.

"Complete Solutions were with us every step of the way throughout the implementation process," said Maxfield. "Their consultants are very knowledgeable, and they have always given us good support. They are very quick to react if there's something I need."

### Future Plans

As their business continues to grow, Kato plans to take advantage of other BatchMaster modules:

"We have grown to the size where our product line is sufficiently complex to look at using Material Requirements Planning (MRP)," said Maxfield. "Since we have made a couple of acquisitions, we now have chilled products with shorter shelf life, so lot tracking and lot selection by expiration date is something we plan for the future."

### Benefits

BatchMaster has helped enable Kato's five-fold growth during the past two years, by enhancing control and providing the information needed to make smart business decisions.

"BatchMaster has helped improve and maintain inventory accuracy," said Maxfield. "We have visibility of all of our costs in detail. We use average costing and track ingredients and finished products. We can see what products are the most profitable, and which ones are losing money.

"When we create a new product, it's very useful to load the recipe into BatchMaster's Development Module. This picks up all the raw material costs, and we can see if the product will be profitable. We can manipulate the ingredients and see the impact on the product cost and margin.

With the BatchMaster and Solomon combination, Maxfield has a comprehensive reporting system to keep the company on track.

"We produce a number of reports for the Board of Directors including, profit and loss, balance sheet, and service level report, which gives us the out-of-stock position. We track our credit notes, the level of credits, and we forecast how much we are going to make at the end of year," said Maxfield.

"A big bonus is BatchMaster's integration with what we call the Sales Cube," said Hooper, the sales and marketing director. "This links the information in BatchMaster directly into Excel. It allows our sales people to analyze what has been sold, to any customer, at any point in time. They can manipulate the information any way they want and don't have to rely on reports from accounting."

On a personal level, BatchMaster has enabled Cowley to delegate functions or areas of the business to other people and still maintain control.

"Like any entrepreneur, in the early days I was consumed by the business, 24 hours a day. But BatchMaster has allowed me to move the business from my mind, so I can devote more time to other pursuits," concluded Cowley.

For more information about BatchMaster Software, contact [sales@batchmaster.com](mailto:sales@batchmaster.com)

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