

Case study | Power Farming

How Power Farming went from disjointed systems to comprehensive connectivity



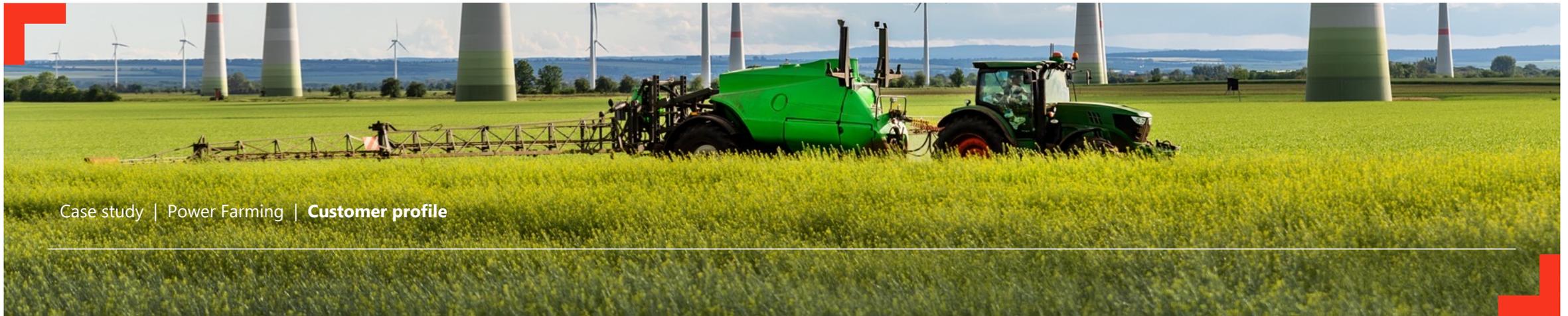
Advancing agriculture, **Power Farming distributes machinery across Australasia**

Power Farming Wholesale (PFW) Limited, a privately owned group with a three-generation history, serves the New Zealand and Australian tractor and machinery markets. The group (PFG) consists of Power Farming Wholesale Limited (wholesale distribution in New Zealand), Power Farming New Zealand Limited (retail distribution in New Zealand), Power Farming Group Australia Pty Limited (wholesale distribution in Australia), and Howard Australia Pty Limited (supplier of cultivation equipment).

Collectively, these operations generate an annual turnover of approximately \$300 million, employing around 350 people.

The company operates through owned or franchised retail chains, with 40 dealers in New Zealand and over 300 independent retailers in Australia. The New Zealand dealerships employ around 150 trained technicians, supported by personnel at the Power Farming Head Office.

Power Farming Wholesale is involved in importing, stocking, manufacturing, assembling, and distributing agricultural machinery, accessories, and parts across New Zealand and Australia through 14 websites representing various brands and mastheads.



Application modernization, **Power Farming** migrates away from legacy systems

Power Farming utilized three primary software systems within the organization. Of particular concern was an automotive industry software, a highly customized and antiquated green screen wholesale/distribution system responsible for managing the group's wholesale business. Various issues were identified, including:

- › **Integration issues:** Difficulty integrating with other systems, impeding smooth data flow.
- › **Limited business visibility:** Inability to achieve a global view of the business, leading to isolated actions in silos.
- › **Web presence constraints:** Challenges in meeting user expectations for web presence and browser sophistication.
- › **Data analysis and reporting:** Difficulty in analyzing and reporting on system data, hindering insights.
- › **Legacy support issues:** Problems associated with a legacy solution, including limited support and development constraints.

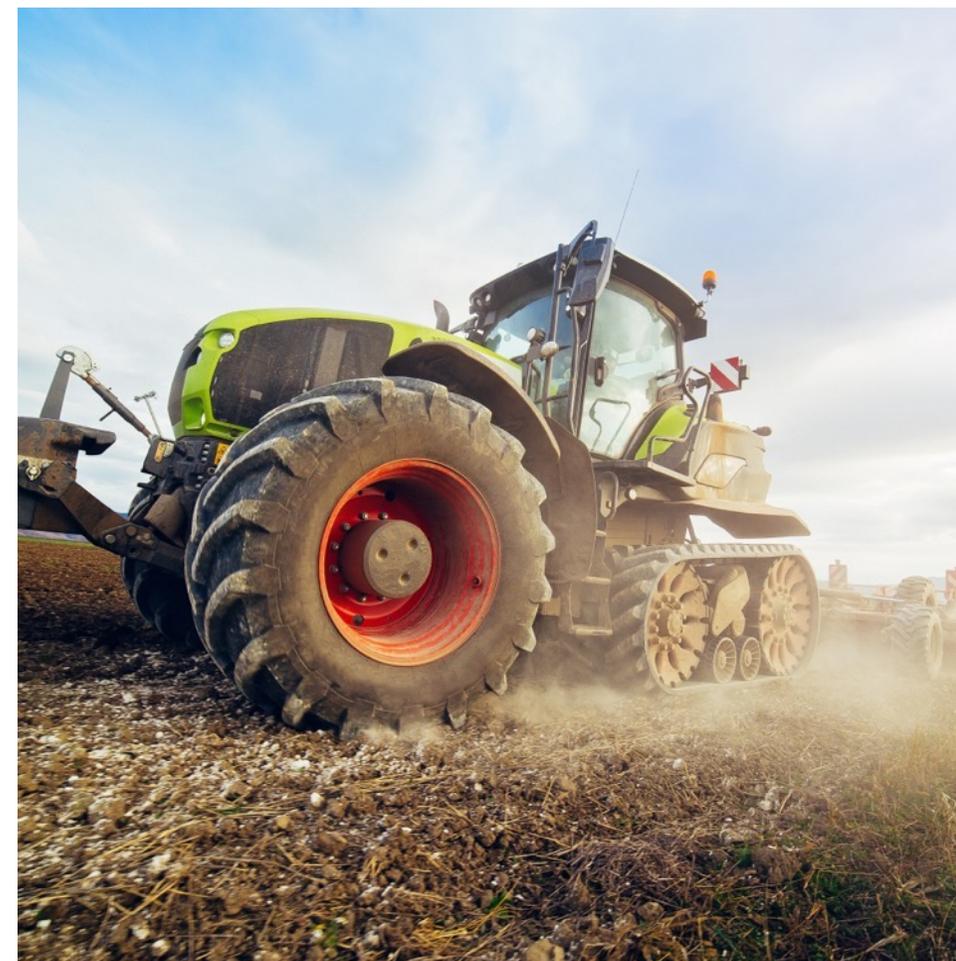
This solution necessitated a full replacement. The second system of concern was a locally developed automotive retail software utilized across Power Farming's retailer/dealer network in New Zealand. It encompassed branch stock, CRM, the sales cycle, finance, trade-ins, and core financial functions. Given the high user satisfaction, eventual integration into the comprehensive replacement solution was the sole requirement.

Achieving Annata-enhanced visibility, **Power Farming optimizes inventory and customer service**

Koorb, as Annata's certified reselling partner in this project, played a pivotal role in helping Power Farming achieve its primary objective of gaining visibility across the entire group through the Annata and Microsoft Dynamics 365 solution combination. The most significant measure of value delivered is evident in the realm of stock inventory, particularly crucial when managing over 100,000 stock lines.

The implementation is expected to result in a 15-20% reduction in the total stock value across the group, a substantial contribution that covers the entire implementation cost. The ability to track the entire lifecycle of whole goods, such as tractors, offers the added advantage of identifying optimal times for customer replacements, capturing opportunities for repeat sales with units valued at \$100k and above.

Moreover, dealers can uphold customer loyalty by swiftly providing spares and processing warranties, ensuring that essential spares are readily available, encouraging customers to place orders without exploring alternative dealers.

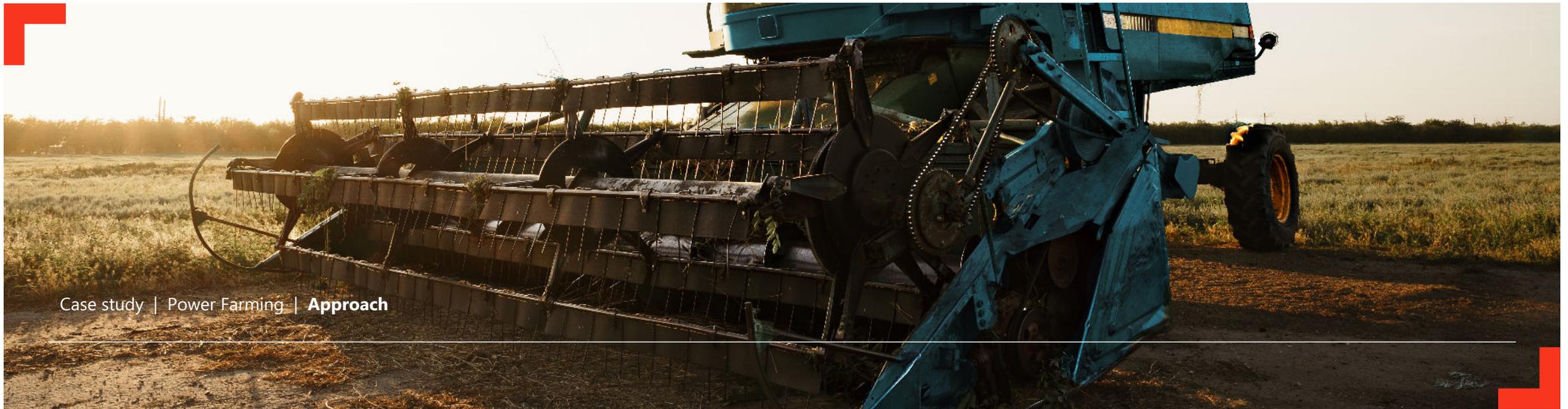


Annata's implementation advanced across the entire **Power Farming brand**

The implementation of Annata Dynamics IDMS at Power Farming Wholesale (New Zealand) marked Phase 1, spanning from May 2009 to November 2009, with the go-live date at the end of November.

Phase 2 involved the rollout to PFG (Australia) from April 2010 to July 2010, with the go-live date at the end of July. Notably, this phase constituted a template rollout, predominantly handled in-house.

Phase 3 extended the rollout to Howard Australia, occurring from August 2011 to December 2011. Similar to Phase 2, it was a template rollout, with substantial in-house efforts, albeit with a longer timeframe and additional consulting time due to Howard's slight operational differences from PFW/PFG.



Adopting **Sure Step**, **Koorb** streamlined processes, integrated **EDI**, and enhanced portals

The first phase, involving the initial rollout to New Zealand, occurred before Koorb adopted the Sure Step methodology. Instead, it was executed using the 'Koorb project methodology,' which closely resembles Sure Step. Subsequent rollouts, however, followed the Sure Step methodology.

To facilitate communication between the existing dealer systems and the implemented solution, an Electronic Data Interchange (EDI) solution was introduced. This utilized the standard AX EDI platform (AIF), with minor customization in the message exchange between the two systems.

Adjustments were made to the dealer portal to integrate it into the existing Power Farming intranet. Simultaneously, modifications streamlined the portal with Power Farming's internal processes, enabling more direct warranty claim validation within the portal (a standard feature in the latest version of IDMS). Additionally, enhancements allowed parts orders to proceed directly to the warehouse for picking without requiring customer service involvement. Upon the integration of the Australian business, further adaptations were implemented. These changes enabled automatic triggers for direct supply from the sister company if parts were unavailable in the customer's home country but accessible in the other country.



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The strongest measurement of value delivered can be seen against stock inventory – critical when you carry over 100,000 stock lines. We estimate that real time visibility dropped 15-20% of the total value of stock across the group - and this alone funded completely the entire implementation.

Michael Barrett

IT Manager Power Farming



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