



# WAYPOINTS

**KEVIN HUTCHINSON** |  
CEO, MyTaskit

*It's no surprise Kevin Hutchinson was able to raise \$11 million for his new venture, MyTaskit, given the success of Surescripts—a startup he jokingly refers to as his “baby”— that allows doctors to send prescriptions directly to pharmacies. When Hutchinson, who has worked with both former President George Bush Jr. and President Obama on the build-out of a national health information network, talks, people listen! Hear what he has to say about past projects and about his latest success, MyTaskit, which focuses on the coordination of the wide range of tasks in service businesses, starting with the boating industry. After learning what MyTaskit can do, it is no wonder the product was recognized—for the second year in a row—with the Boating Industry Top Products Award.*

## **I'm curious what prompted the decision to base the business in West Palm Beach?**

It was part personal but also a business decision. We had been living in the Washington, D.C. area for 12 years, building companies, and I was doing some boating in the Chesapeake area, but we just felt it was time for a change; we wanted to explore the Southeast, the Bahamas and the Keys. From a business standpoint, it has been a win-win situation with Ft. Lauderdale, Miami, and Palm Beach hubs for the marine industry. But it wasn't until we opened our office in West Palm Beach that we discovered there exists also a rapidly growing technology hub. Everyone knows Silicon Valley as a techno hub. Then there is Seattle. Boston is huge in technology . . . New York, Washington, D.C., but when you start moving toward the Southeast, it is limited. Maybe North Carolina. Atlanta tried, but it never really got off the ground. But once we saw what was going on in Boca Raton, Delray, Miami, we realized there is a movement here in early stage, growth stage companies. We created this new group called the Palm Beach Technology Association (I am on the board) to bring all these technology early stage companies together to drive the state—from Palm Beach to Miami—into becoming the Southeast Silicon Valley, if you will. One of the things that will help is this new high-speed train system between Miami, WPB [West Palm Beach] and Orlando [that is] due to launch later this year. Remember, Florida does not have a state income tax; when you add in the factor of the quality of life, you can understand that the area has become quite the draw as a business destination.

## **Your hometown of Pauls Valley, Oklahoma is a long way from the fast-paced startup world of Washington, D.C. You started with IBM and worked for the company for 10 years with a focus on new business development. What made you leave the security of a company like IBM for the unsettled world of startups?**

I was still in college when I was recruited by IBM, still young at the time. Every year I would get a performance appraisal, all positive, all leading to the next promotion, but I was always ‘dinged’—“needs to show more patience.” At IBM and most similar companies, everything moves at a snail's pace in terms of how decisions are made; I am not like that. I like fast-paced. Get the ball rolling faster. That's the kind of guy I am, and I could never get that going at IBM. Don't get me wrong, they gave me a great training. I am grateful for the wonderful foundation as a leader and business person, but it was time for me to go. I have always been about improving processes through the use of technology; that has always been my mind-set. I did it at IBM. With my customers, I started getting more into their businesses than with my IBM tasks—always looking for ways to improve their business through the application of technology. Technology itself doesn't improve anything; it is how you apply the use of it into your business where the marriage is at its best. I got focused on that and it brought me into startup environments.



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**Your focus then was on the service aspect and on small businesses, and you went on to work in health care, which brought you to the White House—quite a trajectory?**

I was an adviser to two presidential administrations, both President Bush Jr. and [President] Obama on their HIT—health information technology—strategies at the federal level, trying to build out the national health information network. The goal was to have interoperability in the health care industry by making patient information more accessible to improve the quality and safety of care for patients; in the health care world that is called care coordination. Doctors' offices are really small businesses, so I was dealing a lot with small businesses trying to adopt technology, same with pharmacies. The large companies were easier because they understood the value of the coordination. Traditionally, technology companies don't really build solutions for small companies, they build solutions for big business. That is where the money has been previously.

I have always had a huge concern throughout my career of this creation of a digital divide between small businesses which cannot afford the big systems that the larger companies can buy and create and implement. Maybe it goes back to my roots of growing up in a small town in Oklahoma. We all knew each other. We knew the pharmacy owner, the hardware store owner, all the stores down the main street. We didn't have all the Walmarts. Instead, we had generational family businesses, and I still have a soft spot for those types of businesses. You trust them, they trust you. There is just a bond that you have with them. In the back of my mind, I have always been worried about this divide. How do we make sure that these small companies have the ability to adopt and automate and have the ability to interact with customers electronically? If you look at our economy, our economy is generated off those small businesses. More and more, you look at these businesses trying to work efficiently while doing paper work, emails, faxes, no sophisticated system to work internally with, "text me when you get done." It is inefficient. Text messages are not a strong workflow platform.

**Is that what prompted the formation of your startup Surescripts?**

Surescripts started to help the industry automate the medication management process in the U.S. [United States]. That was the goal, and it included all businesses like pharmacies, doctors' offices, hospitals and even pharmaceutical manufacturers. It was a big challenge, but we knew the value an industry platform like this could provide. I found myself wondering 'why hadn't this been done before?' Surescripts was the result of a lot of work from, initially, a very small team. We looked at the pharmacy industry and said 'why we are still moving paper prescriptions around; it doesn't make a lot of sense.' People have to stand around, drop off the prescription, the pharmacist can't read the handwriting which leads to liability and medication mistakes; 9,000 people died every year due to an avoidable medication error; the majority caused by illegible writing between pharmacy and doctor. We focused on that and built a network. We launched in 2002. By 2006, we already had 70 percent of the nation's pharmacies on the network.

Today, 99 percent of all the pharmacies in the United States are on the network—all the chains and a vast majority of the independent pharmacies and 70 percent of the doctors. We manage all of the nation's electronic prescriptions. It was a great team; you hire the right people and get them in the right positions and amazing things can happen. But you know what? It needed to happen. I still advise from time-to-time, but now it is off and running and getting into other areas of health care.



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**OK, so the desire is there to help smaller businesses join the technology wave and become more efficient and competitive, but somehow I suspect it was a personal experience that prompted the formation of MyTaskit and zeroing in on service management in the boating world.**

Let me just say here that I used to race sailboats, just around the buoy—racing with a 33-foot monohull Hobie. I can't tell you how many things I learned though sailing about strategy, about patience, especially when you have no wind in a race and no where to go.

Interesting story, I am on my powerboat one day, you know where this is going . . . I had a Volvo IPS drive fail on a brand-new boat. I am talking to the manufacturer, Regal, who is putting me in touch with Volvo, who is putting me in touch with a second-tier service organization. But, I have to go through my own service organization before I can contact the second-tier service organization. I am on the phone constantly and emailing constantly all these different people . . . all I want to do is get my IPS fixed. They are all asking the same questions—make and model, serial number, last serviced. I am having to fax receipts to show that I did adhere to the maintenance schedule, trying to figure out who is at fault—me or the company—and I am going through all this stuff and I said, 'you know what, this is health care all over again.'

In the health care world, I go to one doctor, fill out the same clip board and the same [information] with the next doctor; they don't share info or talk to each other, and I thought, 'I've done this, I've already automated this process.' I had been thinking about the service industry anyway, and I thought, 'you know what, we can do this in the marine industry.' In health care, if you are going to launch a company, one of the major factors for success is to launch it in an area with chronic conditions—diabetics, cardiology, chronic conditions that need to be addressed. Why? Because they are the more complex and costly things that happen in health care So, if you can solve some of these things, you become a great success. You helped manage a chronic condition. I was laughing, there is no better "chronic condition" than a boat. Tons of maintenance, tons of repairs. If we can do this in boating, we can do this then in property management, residential services, and in other areas that don't require as much maintenance but do have needs. So, I went after the chronic condition first—services in the boating industries.

### **The Northeast and the Southeast have been the focus areas?**

We launched the Southeast region first, and then we launched the Northeast, followed by the Northwest in Seattle and in Canada—late last year—where we have lately had a lot of success. We are now moving into the Great Lakes area, into the Chesapeake Bay area; those are the boating markets we are now focused on in addition to the three launched last year.

### **Would you consider an overseas expansion?**

Yes, we would. Right now the Operations Module is in seven countries, including the U.S. and the Coordination Module is in Canada and the U.S. But, we have been approached by some people in Australia and some other countries who would like to be distributors. We have not worked out what strategies we will go with in those other countries—whether a franchise, a distributorship or whether we start our own operations in those countries.



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## **How did the company begin and what is the rate of growth? I read 66 percent.**

The Boat Village was our original alpha product—the original launch of the first product. It was more of a social site, meant for people to share advice and recommendations on repairs. It was our first foray into this, and many of the learnings in the Boat Village are in MyTaskit now. The company [is] My Villages, and the product is MyTaskit. We just go by MyTaskit now, as both the product and company brand launched last year. Actually in the first quarter of this year, we doubled our install base of service professionals using the Coordination Module [that] we just launched in April in 2015.

At the end of 2013, we acquired DockMaster. We have about 4,000 users of MyTaskit products, both the Operations Module which is the DockMaster product, as well as the Coordination Module which is a service coordination product that was launched last year. We have about 600 different service locations in the U.S. and in seven other countries that are using either the Operations Module or the Coordination Module of MyTaskit Pro.

We have 7,000 boat owners registered in the system. We started this year, 2016, at 3,000 boat owners and have added 4,000 since January. The service yards are preregistering a lot of their clients by creating a client profile, which automatically generates an email to the client advising them that they can actually start using this service to manage their boat, free-of-charge.

## **Let's simplify the business format for readers. MyTaskit is the consumer side, while Mytaskit Pro is the service side. Let's start with the consumer side; access is free with one gigabyte storage?**

Anyone can go on, register, pay nothing, and use it as their boat management platform. Enter MyTaskit, create a boat equipment list and we will automatically attach digital copies of your operating manual in your profile and create a service plan reminder based on the OEM [original equipment manufacturer] recommended maintenance schedule. A captain, crew, boat owner can manage the boat log, equipment hours, log in your trips, and use this tool to manage the boat—all free-of-charge.

## **Can a consumer use the site to coordinate service with a business that is not a subscriber of MyTaskit Pro?**

If a consumer assigns a task to a service business that is not yet connected, we bundle that request into an email and we deliver that to the business, even though it is not connected to us. We put a little notice at the bottom saying 'this was delivered by MyTaskit, to learn more ...' Businesses can actually create a free profile on their business side, and they can receive tasks from clients at no charge. They just can't coordinate with their technician or third party business or subcontractors, but they can interact with their customers no charge. There are some limitations, but if someone assigns service tasks, we will deliver the request, and they click on the link and can see the tasks.

With MyTaskit Pro for business, there are two modules—the Coordination Module which coordinates service and the Operations Module which was DockMaster and handles back-end operations. Let's begin with the five core use cases with the Coordination Module.



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#1 In today's world, technicians have text messages, paper work order, job cards whenever they are assigned a task. With our program, service managers can assign tasks and task lists to individual technicians and prioritize those tasks, and [it] also enables them to log their labor hours against a task, which in today's world they are still filling out paper time sheets and time cards that have to manually be put into a computer. With our system, they can use their smartphone. They can mark a task complete, enter hours, [add] tech notes—and all of that [information] flows back into their accounting system.

#2 use is for subcontractor coordination. A lot of the work is subcontracted out once they [the company] take the order. With MyTaskit, the company has the ability to assign a task to a third party, communicate with them, have both tech and subcontractor coordination, and attach videos or photos to the task so the subcontractor can see specifically what is requested.

#3 use is for client coordination. Customers can actually go to MyTaskit, do a free registration, create their own task list and assign tasks to businesses. They can put photos, video into a task and show exactly what needs to be done and assign that task to their service yard. They can communicate and message with that service yard, track the status of the work, see the progress of each task—I give them six things to do, I see four are complete. Customers do not have to keep texting and calling the business to find out what is going on. They can see it all online and message with that business or tech. Plus that record is always there as proof of contact.

#4 use is for profile management. Many times, customers want to know the make, model on a boat, or the serial number, or when last serviced. That is all part of profile management. If I have a great customer that I work with frequently, I probably want to have a lot of information regarding the boat; we enable an enhanced profile management capability.

#5 use is for service plan management. It enables a business to actually create a customer service plan for a boat and customer and have automated service reminders go out to them reminding that service checks are due for the equipment on board. We have provided the opportunity for technicians, experts, to post advice and add it to the service plan. The technicians who know the boat very well may say 'this is a chronic condition with this boat, we need to inspect these belts more often, and put a reminder in the plan.'

**You have gone the extra mile in several cases in an effort to provide additional information and services on MyTaskit. Let's start with the service recommendations. What did that involve?**

I felt there had to be a database somewhere that has all the equipment and all the maintenance schedules. I was going to license it but discovered it had never been done, so we decided to do it ourselves. It was a huge project over the last several years, but now we have 40,000 pieces of service recommendations in this database for over 15,000—closer to 20,000—pieces of equipment. We just launched a new agreement with Dometic whereby, whenever they come up with a new product, they give us their maintenance schedule, which we add to our database. We have listed all of the new equipment, and we probably go back 10 years and will continue to do research for further information.

We have also opened up the database so that anyone with knowledge about a piece of equipment—a captain, an enthusiast, anyone—they can go to MyTaskit.com and put in advice. That is the Boat Village format that we began with, the social media aspect, where you can share information.



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## **You also acquired additional boating information?**

Do you remember DIY Boat and MadMariner? It was a do-it-yourself boat magazine and website with articles on how to repair all sorts of things on a boat. I acquired all that content and put it into the MyTaskit library, even articles and opinions with photos. It is a sizable library.

## **What about the Operations Module as part of MyTaskit Pro?**

The Operations Module, which was DockMaster, handles the back end operation—accounting, billing, work orders, parts inventory management, boat sales, marina management. All of that is handled with the Operations Module. We integrated the Coordination Module to the Operations Module. Any task that I complete in the Coordination Module, the information is updated in the Operations Module.

## **How do businesses subscribe?**

Businesses can have a free profile—they can receive a task but can't coordinate them without subscribing to MyTaskit Pro.

To take advantage of those five core user applications, they would buy a license for each user that they want to have access to the coordinated tasks, usually field technicians and service managers. There is a pricing schedule depending on the number of users.

One to five users is \$79 a month for service managers and \$59 for field technicians. If there are between 6-10 users you wish to subscribe, the price is discounted by \$10 a month per user, if more than 10 users are going to be subscribed, the price is reduced by an additional \$10 per user per month.

## **To facilitate the process and to be sure that members are taking full advantage of the program, you offer three different types of training sessions?**

With our online group training sessions, webinars, we provide you with the time and date and anyone can join in. We also do private webinar training; if a company wants to privately have a session, usually of two-hour duration and with as many attendees as they wish, the fee is \$75 per hour.

Currently, we are charging for training on the Operational Module side, but we are not charging for training on the Coordination Module.

We also offer on-site training and consulting, with a representative visiting the business to go through the program. On-site training is quoted on a custom basis, depending on the need.

## **Down the road, are there plans to bring this format into other industries besides boating?**

Yes, it was built as a multi-industry platform. It is one industry—the service industry—but that is rather a broad statement. It can be anything that is task-oriented. I have even had attorneys ask if they can use this to coordinate tasks and work with their clients online. We have had a lot of



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interest from property managers who would like to use the program for property tenants to put in repairs to units, for both residential and commercial usage, and then use it to dispatch workers to do the task and have a record of complaint and task completed. So yes, we are looking at other industries, but right now we are 100 percent committed to the boating industry.

### **Who is your biggest client?**

Brewer Marine. They have 26 marinas up and down the East Coast, and they are rolling it out to each of those locations. We started with them toward the end of 2015, but we have a number of other marinas also across the country like Seattle Boats, Raven Marine, Lake Powell, CSR Marine, Portland Yacht Services, Bradford Marine, MPI, Horizon Yachts, Whiticar Boatworks, to name a few.

### **What is one of the discoveries you have made during this process?**

One of the biggest inefficiencies we have found in these yards is labor management; paper time sheets, paper work orders. By automating this process, letting their techs use their phones instead of doing the paperwork, they can increase their billable rate. If they increase their billable efficiency for each tech by 15 minutes each day, the business earns seven times the subscription fee in added, top line revenue.

### **Personally, I think one of the biggest selling points would be when someone is ready to sell their boat. All of the paperwork and documentation regarding service is at your fingertips. How have manufacturers reacted?**

We have manufacturers of boats now that want to roll this out for every boat that they manufacture. They want to put in the profile with the hull ID [identification] number, the equipment. Then anyone who services that boat has the information, so there is no confusion. What they really like about it is that a big chunk, some say 60 percent, of their warranty expense is usually tied to misuse or noncompliance with service during the warranty period. The fact that the system can give automated service reminders to the new boat owner they feel would really lower their warranty cost expenses. Most owners are noncompliant because they didn't read the service manual regarding when and what they were supposed to do after 50 hours, or the first six months, what to inspect. First thing you know, they have a problem. Automatic reminders will help lower that warranty expense.

What equipment manufacturers' love about it is the ability to know 'how often is my equipment serviced? how often does it break down?—all of that is information which they don't hear about once the warranty period is over. Knowing what goes wrong with their products helps them improve their marine products by having more information regarding the life span of the equipment and what issues are prevalent. Data analytics is something we are looking into providing down the road to help them improve their products.

### **At this point what is the focus of MyTaskit?**

There are two things we are really focused on—how to improve a business financially and improve customer loyalty and efficiency. So far so good. It is an early product, it has been out a year and we are adding more things to it. One common request we get from people is to add automatic payment so that after the work is done and marked complete, the consumer can simply go to a button and pay for the work. We are going to do that this year—the ability to put in electronic payment. The first quarter was really our growth stage. April to December was really fine tuning. Now we are ready to start adding other enhancements, and electronic payments is the highest priority.