

Bob Scott's
**2019
VAR
STARS**



**Cloud: The
Next Generation**

2019 VAR Stars

Cloud: The Next Generation

Younger Business Leaders Push Cloud Migration

The installed base of cloud financial software is still low in the mid-market. But the conversation about moving to the cloud from on-premise applications has changed dramatically over the last two years. For most buyers the question is not if they move to SaaS-based applications, but when.

Even markets which have historically lagged in technology have accelerated their acceptance of cloud-based applications. And this is particularly true of nonprofit organizations, according to Jackie Tiso, CEO of Patterson, N.Y.-based JMT Consulting, whose firm sells Sage Intacct and Abila from Community Brands into the NFP space.

“They are really embracing technology and the move to the cloud,” Tiso says. “Historically they were seven to 10 years behind. That’s not the case here.”

Tiso cites two reasons for the shift in the nonprofit space. One factor is an influx of people with experience in the cloud. “So many experts and professionals are coming in from the for-profit environment,” she says. “They expect the same kind of tools they had in the for-profit world.”

The other is the expectations of donors and funders to see what they money is getting. The parties want to “more information and disclosure. They want to see outcomes not just outputs,” Tiso says.

The cloud has been beneficial in helping NFPs become more up-to-date in the use of technology. In the past, “They couldn’t afford to hire the tech in people or technology or infrastructure,” she said. Because the cloud does not require such an investment in on-premise software and hardware, NFPs can be more effective in the use of funds.

Cloud systems “are the great equalizers,” Tiso says.

Increased concerns over security are also a factor. Where many businesses once thought Internet-based applications were less secure than desktop software, most now see the web as a more secure place.

Marty Priller, managing director for account-

ing firm Crowe, has also seen the shift in attitudes about cloud computing. “Two or three years ago, we had clients who wouldn’t consider it. Now, they are going to end there,” Priller says. An important part of the change is younger people moving into decision-making positions, people for whom newer technologies, especially the cloud and mobile, are part of their life experience.

“They are used to it. It has been part of their everyday life,” Priller says

Increasing threats to data are probably an equal motivator, in not more of a factor than the generational change Priller says he has had several clients who suffered ransomware attacks in the last few months.



Geoff Ashley,
Acumatica

“That’s brutal,” he says.

Because of these fears, businesses have accepted that software and Internet-platform companies can provide more security resources than then can. “Microsoft is spending billions of dollars on security. How can it be less secure than a company that has its own servers in a closet

down the hall?” says Jim O’Laughlin, a Crowe principal who is a leader in the firm’s Enterprise Solutions group.

Overall, penetration by cloud products into the midmarket is still considered low. But at all levels of business it is changing rapidly. A recent survey by Oracle said 71 percent of utilities use cloud software, up from 45 percent three years ago although certainly the numbers quoted for the midmarket are nowhere near that number.

For the moment, there is simply a lot of demand for all of major cloud products being sold into the mid-market—among them Oracle NetSuite, Sage Intacct, Acumatica and Dynamics 365 Business Central and 365 Finance and Operations.

The boom is shown by the percentage growth Oracle has reported for its NetSuite business over the last two years. Oracle said there were more

than 18,000 NetSuite ERP customers when its first quarter ended on August 31, up 28 percent from more than 15,000 year earlier.

Organic Growth

Logan Consulting has experienced growth at that fast pace. It grew to \$18.5 million in revenue for VAR Stars up from \$14.1 million, which it reported in its submission for Bob Scott’s Top 100 VARs in the spring of 2018. Logan has not acquired any firms in that time. “It’s just organic growth,” says CEO Jim Bertler, who leads the Chicago, Ill.-based firm that resells Acumatica and Dynamics AX/GP and 365 Business Central.

Bertler says the marketing by companies that produce cloud-based financial software has fed client demand. He says the results stem from “more software companies, focusing more on the cloud, and clients then following suit.”

A big change has been Acumatica’s gaining name recognition. “A few years ago, it was ‘Acu-who?’” Bertler notes. In fact, Logan spent a few years in which Acumatica “was not gaining traction.” But that has changed and “they have become a significant player,” he notes.

Acumatica competes squarely with Dynamics GP, Bertler said. That includes in the manufacturing, distribution, financial and not-for-profits sectors—“The standard businesses, it does really well there. It is a pretty broad product,” Bertler says.

Logan has also seen increasing activity with Dynamics NAV and its evolution in the cloud, Dynamics 365 Business Central.

“We are doing more and more NAV work,” Bertler says, adding “The people who are on NAV, whether they like it or not they are going to BC in three or four years or to another solution.”

Business Central, Bertler says, “is great for someone with mid-market, standardized business processes but isn’t interested in customizing the heck out of the system. The system can do 85 percent of that; we will go build the rest.”

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Acumatica wins multiple awards from G2, the review website specializing in real-time, unbiased user reviews of business technology solutions.

Company	Headquarters	Product Line	Employees	Revenue \$M
360 Cloud Solutions	Raleigh, N.C.	NetSuite	35	6.5
Accordant Co.	Morristown, N.J.	Acumatica Sage 100, Contractor/300 CRE, Intacct	30	11.2
AccountNet	New York, N.Y.	Dynamics GP/SL, 365 BC	19	6.4
AcctTwo Shared Services	Houston, Texas	Sage Intacct	99	25
Ace Microtechnology	Atlanta, Ga.	Dynamics GP, 365 BC/FO	33	7.1
Acumen Information Systems	Orlando, Fla.	Sage 300, Intacct	15	4.2
ADSS Global	Exton, Pa.; Miami, Fla.	Sage 100c/300c, Intacct	158	33.8
AKA Enterprise Solutions	New York, N.Y.	Dynamics 365 FO	127	30
Alta Vista Technology	Royal Oak, Mich.	Dynamics GP, 365 BC, Sage Intacct	24	6.1
AMR Group	Toronto, Ont.	Deltek Vantagepoint, Vision	9	3.3 C
Answer Company	New Westminster, B.C.	Acumatica, Sage Intacct, 100/300/500, X3	92	15 C
Archerpoint	Atlanta, Ga.	Dynamics NAV, 365 BC	100	24
Armanino	San Ramon, Calif.	Dynamics AX/GP/ 365 FO, Sage Intacct	362	96.8
BAASS Business Solutions	Toronto, Ont.	Sage Intacct, 300, X3	155	30
BCS/ProSoft	San Antonio, Texas	Deltek VantagePoint, Vision, NetSuite, Sage 100c/500	45	10
Bennett Porter & Associates	Tigard, Ore.	Acumatica, Sage 100	19	4.1
BDO Solutions	Toronto, Ont.	Dynamics AX/GP/NAV, 365 BC /FO, NetSuite	200	40
Big Bang ERP	Montreal, Que.	FinancialForce, NetSuite, Rootstock	75	8 C
Blytheco	Laguna Hills, Calif.	Acumatica, Sage 100/500, X3, NetSuite	100	28.3
Boyer & Associates	Minneapolis, Minn.	Dynamics GP/ SL, 365 BC	19	5.2
Brainsell Technologies	Topsfield, Mass.	Sage Intacct, 50c/100c/300c/500, X3, QBES	56	8.5
Broadpoint	Bethesda, Md.	Dynamics GP/NAV, 365 BC, Serenic Navigator	88	18.2
Business Technology Partners	Deerfield, Ill.	Sage Intacct. Syspro	46	9.9
CAL Business Solutions	Harwinton, Conn.	Acumatica, Dynamics GP	28	6.1
Cargas Systems	Lancaster, Pa.	Dynamics GP, 365 BC, Sage Intacct	135	19.8
Central Consulting Group	St. Paul, Minn.	Deltek Vision, Sage Intacct	48	17.5



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Company	Headquarters	Product Line	Employees	Revenue \$M
Central Data	Farmington Hills, Mich.	Infor Distribution (CloudSuite Distribution, SX.e and FACTS)	42	6
CliftonLarsonAllen	Minneapolis, Minn.	Intacct	80	39
Collins Computing	Mission Viejo, Calif.	Acumatica, Dynamics GP	40	14.1 E
CompuData	Philadelphia, Pa.	Epicor, Sage Intacct, 100/500	47	10.7
Cornerstone Solutions	Chicago, Ill.	Acumatica, Sage 100 Contractor, 300CRE	15	3.1
Copley Consulting Group	Woburn, Mass.	Infor CloudSuite Industrial	65	19
Cre8tive Technology and Design	San Diego, Calif.	Epicor	75	12.5
Crestwood Associates	Mount Prospect, Ill.	Acumatica, Dynamics GP/SL, 365 BC, Greentree	54	16.1
Crowe	Chicago, Ill.	Dynamics AX, 365 FO, NetSuite	750	138.3
CS3 Technology	Tulsa, Okla.	Acumatica, Sage 100	12	2.5
Dean Dorton Allen Ford	Lexington, Ky.	Dynamics GP, Sage Intacct	12	4.2
DeRosa Mangold Consulting	Waco, Texas	Sage 100c, Intacct	10	1.2
DSD Business Systems	San Diego, Calif.	Acumatica, Dynamics 365, Sage Intacct, 100/300/500	150	12
DWD Technology Group	Fort Wayne, Ind.	Acumatica, MIP, Sage BusinessWorks, 50/100, Intacct	25	5.4
e2b technologies	Chardon, Ohio	Epicor, Sage 100/500, Intacct	40	8.6
Eide Bailly	Fargo, N.D.	Dynamics GP, NetSuite, Sage 100/500	225	32
Encore Business Solutions	Winnipeg, Man.	Dynamics AX/GP/NAV, 365 BC/FO	110	29 C
Express Information Systems	San Antonio, Texas	Dynamics GP, 365 BC/FO, Sage Intacct	16	5.8
Faye Business Solutions Group	Woodland Hills, Calif.	Acumatica, QB, Sage 100, QuickBooks	32	8.1
Fourlane	Austin, Texas	Acumatica, QBES	40	6.9
Godlan	Clinton Township, Mich.	Infor CloudSuite Industrial	65	11.7
govirtualoffice	Waunakee, Wis.	NetSuite	45	5.1
Guide Technologies	Cincinnati, Ohio	Infor CloudSuite Automotive/Aerospace & Defense /Industrial, Infor LN, Infor XA	50	10
Innovia Consulting	Onalaska, Wis.	Dynamics NAV, 365 BC	54	9.5
Intellitec Solutions	Wilmington, Del.	Dynamics GP/SL, 365 BC, Sage Intacct	28	6.5

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Company	Headquarters	Product Line	Employees	Revenue \$M
JMT Consulting	Patterson, N.Y.	MIP, Sage Intacct	42	12.4
JourneyTeam	South Jordan, Utah	Dynamics 365 BC	73	8.8
Kerr Consulting	The Woodlands, Texas	Sage 100/300/500, Intacct, X3	70	9.2
Kennedy Vomberg	Toronto, Ont.	Deltek Vision, Deltek VantagePoint	4	1.67 C
LBMC Technology Solutions	Nashville, Tenn.	Dynamics GP/SL 365 BC/FO, Sage Intacct	70	18.8
Logan Consulting	Chicago, Ill.	Acumatica, Dynamics AX/GP, 365 BC	50	18.5
Maner Costerisan	Lansing, Mich.	Sage GP, 365 BC, Sage Intacct	22	5.1
Martin & Associates	Cincinnati, Ohio	Acumatica, Dynamics GP, Sage 100/500	22	5.8
mcaConnect	Denver, Colo.	Dynamics AX, 365 FO	200	48
Mendelson Consulting	Ft Lauderdale, Fla.	Dynamics 365 BC, QBES. QBO Advanced	12	1
Menlo Technologies (formerly SSI Consulting)	Vienna, Va.	Dynamics GP/SL, 365 BC, Sage Intacct, Unanet	185	19.5
Mibar.net	New York, N.Y.	AccountMate, Dynamics GP, 365 BC, NetSuite	28	9.1
Navigator Business Solutions	Salt Lake City, Utah	SAP B1, B1 Cloud, Business ByDesign; Viridian Sciences (Cannabis)	65	18.4
NeoSystems	Tysons Corner, Md.	Deltek CostPoint, NetSuite	175	35.6
Net@Work	New York, N.Y.	Abila, Sage 100/300/500, X3	188	51.8
Nexlan	Danville, Ill.	AccountMate	10	2.1
NexTec Group	Seattle, Wash.	Acumatica, Dynamics GP/SL, Sage 100/ 500, X3	200	32
Nexvue Information Systems	Stamford, Conn.	Acumatica, Dynamics SL	15	4.7
Oasis Solutions	Louisville, Ky.	NetSuite, Sage 100c	22	6.5
Out of the Box	Keego Harbor, Mich.	QBES, QBO, QB Pro	48	6
Paradigm Technology Consulting	Allenton, N.J.	Acumatica, Dynamics GP, 365 BC	48	18.4
PC Bennett	North Bend, Wash.; Dallas, Texas	Acumatica	20	3.2
Postlethwaite & Netterville	Baton Rouge, La.	Sage 100, Intacct	6	.73
Practical Software Solutions	Concord, N.C.	Sage 100/500, X3, 100CRE, 300CRE	25	5.1
Rand Group	Houston, Texas	Dynamics AX/GP/NAV, 365 BC, NetSuite, SAP ByD	120	21.3



Company	Headquarters	Product Line	Employees	Revenue \$M
Resource Group	Renton, Wash.	Dynamics GP, Sage Intacct	25	5.9
RKL eSolutions	Lancaster, Pa.	Sage 100c/300c/500, Intacct X3	104	24.7
RSM US	Minneapolis, Minn.	Acumatica, Dynamics AX/GP/NAV/SL, 365 BC/FO, Sage Intacct	1400	387.8
Sikich	Naperville, Ill.	Dynamics AX/GP/NAV/SL, 365 BC/FO, NetSuite	325	80
Silver Edge Systems Software	Schaumburg, Ill.	Deltek VantagePoint, Vison	6	3.4
Silverware	Phoenix, Ariz., Seattle, Wash.	Dynamics NAV, 365 BC; Sage Intacct, Silver Leaf CBC	38	7.5
SIS	Duluth, Ga.	Dynamics AX/SL, 365 FO	65	15.5
Stambaugh Ness Business Solutions	York, Pa.	Deltek GCS, Vantagepoint, Vision	28	10.5
Stoneridge Software	Barnesville, Minn.	Dynamics AX/GP/NAV, 365 BC/FO	170	27
Sunrise Technologies	Winston-Salem, N.C.	Dynamics 365 FO	155	44.5
SWK Technologies	Livingston, N.J.	Acumatica, NetSuite, Sage 100c, X3	184	41
Tamlin Software Developers	Dallas, Texas	AccountMate	13	4.5 E
Technology Management Concepts	Marina Del Rey, Calif.	Dynamics GP/NAV/SL, 365 BC	30	7.2
Third Wave Business Systems	Wayne, N.J.	Business One, Business One Cloud, Dynamics GP	38	6.8
Turnkey Technologies	St. Louis, Mo.	Dynamics AX/GP/NAV, 365 BC/FO	45	10.6
VARC Solutions	Friendswood, Texas	QuickBooks	13	2.5
Velosio	Dublin, Ohio	Dynamics GP/NAV/SL, 365 BC/FO, NetSuite, Sage 100	350	95
Vision33	Irvine, Calif.	Business One, Business One Cloud, Business One Hana	427	69.7
WAC Solution Partners	Northborough, Mass.	Abila, Acumatica, Sage 50/100/300, Sage Pro, NetSuite, QBES	35	5.5
Warren Averett Technology Group	Montgomery, Ala.	Dynamics GP, 365 BC, QuickBooks Sage 100/100c, Intacct	44	9.9
Websan Solutions	Toronto, Ont.	Dynamics GP/NAV, Dynamics BC	35	7.5 C
Western Computer	Oxnard, Calif.	Dynamics AX/NAV, 365 BC/FO	140	35
Wipfli	Milwaukee, Wis.	Dynamics AX/GP/SL/365, QuickBooks, Sage Intacct	283	49.8

Notes: **C** Canadian \$; **E** BSI Estimate

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Although Microsoft and many resellers have moved away from Dynamics GP, Logan still has an active practice. “I will retire before we stop supporting GP. It has big user base and a pretty passionate user base.”



Jack Ades, AKA Consulting

A Safe Buy?

Call it product stack or call it a platform, the range of products from Microsoft is one of that company’s strong selling points. Microsoft appeals to those who see buying from the company as a safe step. Those old enough to remember the statement in the 1990s that “Nobody ever got fired for buying IBM,” say that now applies to the giant software company.

That wasn’t necessarily true two years ago when resellers said Microsoft’s ERP message was confused. But the tone about Dynamics reselling has shifted. Where in 2018, resellers were complaining about confusing names and a sense Microsoft did not have a clear cloud product path, the story in 2019 is much different

“Microsoft has made it easy to partner to them,” says Jim O’Laughlin, of Chicago, Ill.-Crowe. There’s a good deal of anecdotal evidence that not all resellers would agree with that statement. But almost all agree that the product path is clearer and naming confused has clear enough.

Another indicator of Microsoft’s path came in this year’s, selection of members of its Inner Circle—the top 1 percent of resellers worldwide—Microsoft counted Cloud Billed Revenue (with the exception of top Business Central partners) and Dynamics 365 Customer Adds, according to the ERPSoftware Blog.

On-premise sales did not count.

Crowe, which was named to the Inner Circle for 2019/20, handles Dynamics AX and its Internet iteration, 365 Finance and Operations, Crowe positions F&O upmarket, verticalizing it for large organizations in the segments in which the firm specializes. The verticals are predominately in manufacturing, distribution and public sector, O’Laughlin says.

Crowe supports its markets with its own software products, including accelerators for F&O for the automotive, metals and the public sector markets. That specialization has helped it move upstream, but in a space such as metals.

“We have ended up with a large metals industries and are also scaling down in that industry,” O’Laughlin says.

The firm positions NetSuite further down in the mid-market and it also targets a use that NetSuite frequently mentioned when it was an independent company—a two-tier installation. That is it does not seek to replace Oracle and SAP in running enterprise financials, instead targeting smaller units such as divisions.

Meshing on All Gears

As the largest mid-market reseller in Bob Scott’s Top 100 VARs for several years, RSM US handles a broad range of cloud products and has performed well. The accounting and consulting firm can point to multiple vendor awards this year to back up that statement.

RSM US was selected as the 2019 Worldwide Solution Provider Partner of the Year by Oracle NetSuite, its seventh consecutive year in that role. Microsoft selected the firm to its 2019/20 Inner Circle, repeating its selection for that honor for 2018/19. RSM



Jim Bertler, Logan Consulting

US was also selected to the Sage Intacct President’s Circle for 2019.

The firm has positioned its cloud products to serve a wide variety of businesses. In fact, this year, RSM assembled a cloud ERP buyer’s guide that highlights the strengths and weakness of each of its SaaS products.

Sage Intacct plays well in the nonprofit market family-owned businesses and is considered a strong entry for organizations needing financials, especially multi-entity capabilities, says Steve Ems, principal and national business applications leader.

Family-owned businesses are high net-worth families that have multiple entities to support, Ems says. In fact, any business with many entities is a candidate for Intacct.

“We have a client that owns 300 Dunkin Donuts. He uses Intacct to manage these locations,” Ems says.

It is with NetSuite the firm has pulled away from the rest of the market, according to Ems. “If you look at our NetSuite business, the gap between us and No. 2 is cavernous,” he says.

Oracle’s purchase of NetSuite three years ago has given the sale of its products a boost. “It’s [NetSuite’s] credibility has been enhanced,” says Ems. “Lead generation has also benefited and if you talk to organizations, NetSuite is a well-established, cloud-only platform.” Now, companies come to RSM for NetSuite because of the software’s reputation.

Ems says among NetSuite’s benefits are that it is extremely scalable and has a strong international element. It is also stable and there have been no significant outages. Oracle NetSuite has done a good job with such channel programs as marketing co-op dollars and has provided very good support, he says.

As to specialized markets, “We have some very significant success in life sciences firms,” Steve Ems. Technology firms have provided a great number of customers and in particular, it has appealed to any business looking for a strong revenue recognition platform.

On the Microsoft side, Ems is happy with Microsoft’s approach to the market, especially with Dynamics 365 Business Central, whose sales have accelerated in the last year

“We have a lot of Dynamics GP clients. But Business Central is our fastest-growing product percentage-wise in customer adds and revenue growth,” Ems says. That has spurred RSM US to make “a lot of investment in people.”

Ems reports what most others do, that GP clients are not rushing to the cloud

“For a GP client to move to Business Central,

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Selecting the 2019 VAR Stars

The selection of mid-market accounting software resellers for Bob Scott’s VAR Stars rest on one basic principal: quality, not revenue, as the deciding factor in picking the 100 businesses that are selected for this honor. VARs from very small shops to the largest participants in the industry have been selected in past years’ and in this year’s rendition.

A variety of criteria go into the definition of quality including awards resellers have received from vendors, such as the Microsoft Dynamics Inner Circle, the Sage Intacct President’s Circle, the Sage CEO Circle, leadership in the industry and development and acceptance of important software products by the resellers are all factors in the selection. There is also an effort to represent as many software publishers as possible. There is no ranking within

these 100 firms.

Firms were asked to provide the number of employees and revenue. In cases in which businesses did not provide revenue, it was estimated based on the number of employees, also taking into account the general price range of the ERP applications that these firms handle. In some cases, numbers submitted for Bob Scott’s Top 100 VARs were used.

In virtually every case, resellers derive revenue from sources other than the sale of mid-market financial applications. These include infrastructure and networking services and a variety of other software products. However, all VARs considered feature accounting applications as the core around which their businesses are built.



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there has to be a triggering event. People still like their GP solution and they don't feel the need to be in the cloud right away."

Both Crowe and RSM US have resources for addressing international business through their global accounting networks, Crowe Global and RSM.

Crowe's O'Laughlin says his office has been working with its global members, which have a presence in 108 countries. About 40 percent of large Dynamics F&O installations are in companies with international locations.

The offices outside the United States "help us with localizations in those international locations," O'Laughlin says. It has taken a lot of effort for a "firm that is accustomed to delivering domestically to one that has a global reach," he continues.

Similarly, RSM, US, which has positioned NetSuite as a global platform, is working with offices outside this country to follow best practices and go-to-market strategies.

Going Cloud

Mibar.net has moved aggressively to the cloud and it has paid off, according to CEO Bart Nachimow, who has led the New York, N.Y.-based firm since its founding in 1991.

"Business has definitely accelerated in a big way," he says. Revenue was up 18 percent in 2018 and has risen about 22 percent this year over last year.

Mibar.Net has concentrated on three cloud products: Acumatica, Dynamics 365 Business Central and NetSuite. The strategy has not only increased the number of deals, but it has also produced bigger deals.

"It's not that they [clients] don't care about budgets," Nachimow says. "They have a greater appetite for consulting around cloud initiatives."

Among the cloud lines, NetSuite has paid off in a way not cited by most resellers. Usually, VARs talk about serving orphans of other VARs. Mibar is doing well helping orphans of NetSuite's direct sales force. The orphans, he said "tried to do an implementation with a [NetSuite] direct team and it's an absolute failure," says Nachimow.

Although the orphans can use the software, "They limp through the low-ball estimate NetSuite gives them," he continues. Mibar steps in and enables customers to get the kind of business transformation they expected from the original implementation.

Mibar's work with Microsoft's Dynamics Business Central is early in go-to-market process. The product is for prospects "that are a little bit bigger than our existing clients," he says. Nachimow describes the future of Business Central this

way. "We see it gaining tremendous traction," he says.

One reason for demand is on-premise Dynamics users who are seeing Microsoft's message that those systems are not the way of the future "as they continue to push Dynamics GP off the map."

Mibar also has been active with PowerBI, Microsoft's analytical offering. "Power BI kind of crosses all platforms," he says. "We can connect to virtually anything in a hurry and provide rapid time to value."

For the Large and Complex

Another firm named to this year's Dynamics Inner Circle, AKA Consulting, is concentrating on sales of Dynamics 365 Finance and Operations, the cloud product developed from Dynamics AX.

Given the firm's New York, N.Y., location, its focus is not surprisingly on large clients with complex needs. These include financial services companies, nonprofits with global focus, and state and local governments.

In the financial services area, AKA sells to many clients outside of its home turf, such as capital markets, financial equity and insurance, all companies that need software to handle many different entities.

"We specialize in managing multiple entities ranging from dozens to hundreds," Ades says.

AKA's Dynamics business is not just in the ERP area, Dynamics CRM, which has sprouted many different flavors, including Dynamics 365 Marketing and 365 Talent. Dynamics CRM, Ades notes, is about 35 percent to 40 percent of its business, reported at \$30 million annually in this year's VAR Stars submission.

Although Dynamics 365 brings financial and CRM applications together, many see the CRM element as contributing lopsidedly to Dynamics growth. When Microsoft reported results for the third quarter ended September 30, the numbers reported were typical. Dynamics revenue grew by 14 percent year-over-year, but that included a 41-percent jump in Dynamics 365 sales, which most see as CRM, not the combination of Dynamics products.

For Ades, the Microsoft stack, its wide range of interconnected products from Office to Azure, has been important to his firm's success.

In the accounting software area, "it's always been tough to compete feature for feature against every product," he says. But toss in the Power Platform and Microsoft's Azure cloud platform and AKA Can focus on a holistic sale, concentrating on data, not just applications.

He particularly points to Power BI and Power Apps, which "is becoming a very strong development platform in its own right." Ades continues, "It's a much broader solution than any



Joe Noll, RKL eSolutions

other vendor can offer."

Project Accounting

Among vendors with a more focused approach to the market, Deltek has also been pushing into the cloud with VantagePoint, the cloud complement to its Deltek Vision software.

Maria Vedral, owner of Silver Edge Software Solution says Deltek's approach to technology has been good in giving users a chance to familiarize themselves with the way cloud technology works.

"The Deltek cloud offers a sandbox so that users can test and train on and refresh with data four times a year," Vedral says.

With Vantagepoint, which Vedral called a browser-agnostic system, new clients can test the system, staging client data. "They can test and train until they are ready to go live."

With a good economy, Silver Edge's business has benefited from both license additions and existing clients who have added to their systems. Business is driven by both clients seeking to make improvements, along with mergers and acquisitions.

"We have a lot of data imports and database mergers stemming from M&A," Vedral says.

While Deltek has been known for serving architects and engineers, it serves other project-based businesses.

"Our niche is project-based consulting companies, whether it's A&E or you are a human resource consultants or in financial services," she says. Any professional selling services is running a project-based business. "It's a project you are going to do for that client," she says.

Sage Only

RKL eSolutions has a history as a Sage-only reseller for several years. That is a bit by accident as the firm had signed to become a VAR for Intacct not long before the announcement of the purchase of the cloud-based software company was made by Sage in the middle of 2017

Lancaster, Pa.-based RKL remains a Sage-only dealer, handling the full range of mid-market financial software—Sage 100c/300c/500, Intacct and X-3.

Intacct is doing well for the firm But so are the desktop products and those that are not native cloud. Like other resellers, RKL is providing its installed base with information about how they can migrate to other products

That is particularly necessary with Sage 500, a desktop product that has not been actively sold for several years. "The 500 business is still strong," says Noll. "The customers love it and are loyal to



Bart Nachimow, Mibar



Jackie Tiso, JMT Consulting

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it. We are educating them on their options.”

Despite the emphasis Sage is giving Intacct and X3, RKL has an active Sage 100 business. “We have had a good year in terms of new customers and new units,” Noll says. “Sage has had some new update and showed some pretty exciting stuff.”

The firm also has a strong X3 practice with what Noll describes as “a lot of activity” that has been helped out by technology updates.



Taylor Macdonald,
Sage Intacct

The Vendor View

Sage has expanded its market for Intacct by getting its resellers that carry the Sage 100 and 300 lines to sign on. It is also creating a Sage People channel—and although officially that effort is not starting until spring—a handful of resellers submitting information for the VAR Stars selection report carrying the product.

“This is a very hot market today that has lots of buyers and lots of growth,” says Taylor Macdonald, VP of channels, who was speaking at the Sage Intacct Advantage conference in October. With ongoing enlistments, the channel is about 10-percent larger than it was a year ago. Macdonald singled out the company’s success in signing Sage 300 VARs sign to carry Intacct.

Although the Sage North America product line—Sage 100/300 and X3—are still run under different programs from Intacct’s, the company is moving the organizations closer together.

In the past, the X3 partner conference had often been held outside the United States, while the Intacct Business Building Conference—its channel get together—was held in this country.

The two groups are being brought together in the Sage Partner Conference, March 2 to March 4 in Orlando, Fla. The event will also be open to Sage People dealers. The historic Sage Summit, which will have sessions for the other Sage financial software resellers, will be held in the same city from May 12 through May 14.



Jim O’Laughlin,
Croe

Despite the combination of the conference, there is no need to merge the channel programs, according to Macdonald.

“The partner issues are the same,” he says. “If somebody needs marketing help, it doesn’t matter who you are selling to you,” Macdonald says.

Moving into New Areas

Acumatica is expanding its channel program on many fronts. Besides trying to fill white spaces on the map, it is looking for more specialized resellers in markets such as manufacturing, distribution and construction.

“We are not where we need to be,” Geoff Ashley, VP of partner strategy and programs, says about the state of channel enlistment.

Besides signing new resellers, Acumatica is creating new categories in its partner program and is planning to announce a services partner program for organizations that wish to be involved in the product selection process, but not to resell, such as CPA firms that could have a conflict of interest.

“They will work on the selection process; the business process re-engineering, and even doing the project management,” Ashley says. Acumatica signed accounting firm BDO first “with two more right behind it,” Ashley says.

The vendor will also focus on larger prospects, higher in the mid-market but not moving into the

SAP/Oracle space. That means Ashley envisions the “just under \$1 billion-type partner coming on board”, in terms of the size of target companies.

The cloud software company had success in enlisting most of the important construction resellers following the introduction of the Acumatica Construction Edition. A microvertical program is also being developed and will be ready for discussion at the company’s partner Summit conference in January. Acumatica, Ashley says, needs to have more depth in reaching specialized markets.

Finally, the company will utilize its relationship with its sister company, IFS to expand internationally. Acumatica was acquired in August by EQT Partners, which also owns Sweden-based IFS. It has already been placing Acumatica employees in IFS offices in the United Kingdom.

“You will see Acumatica expanding a lot more internationally,” Ashley says. The sister companies will also share technology elements with IFS “core competencies appearing in Acumatica and those of Acumatica appearing in IFS,” he continues.

Moving Up and Down

Oracle NetSuite also has a change of focus in the channel. During the years its financial results were available when NetSuite was an independent company, the product focus was generally moving upmarket for deals with increasingly large average selling prices.

That is changing.

The organization plans to expand more down-market, according to Craig West, VP of channel sales, although he emphasizes it also continuing its upmarket migration. The company has not publicly emphasized down-market prospects since its early days when it was known as NetLedger.

Fueling the down-market effort is SuiteSuccess, pre-packaged industry editions, which can serve smaller clients. Introduced in 2017, SuiteSuccess is available in versions for Agency, Financials, Professional Services, IT VARs, Solution Providers, Media & Entertainment, Distributors, Retail Companies, and United Kingdom and Ireland-based companies.

West said he wants to recruit VARs that are “doing smaller projects with velocity. We are looking current partners and recruiting partners who are doing a higher volume in smaller deals.”

He sees few limits to how far downstream NetSuite can move. “I think with SuiteSuccess there are very, very few customers who are too small for the NetSuite suite,” he said.



Marty Priller, Croe

Guide to Software Products Listed

Here are the products listed in this chart by vendor. When abbreviated, the abbreviations are listed first and the fuller name is in parenthesis. In many cases, the name of the company is also shown as the name of the product. Companies which have a product with the same name as the company and no variants

AccountMate

Acumatica

Community Brands: MIP

Deltak: CostPoint, GCS, Premier, Vantagepoint, Vision

Epicor

FinancialForce

Infor: Infor Distribution SX.e Infor CloudSuite Industrial

Intuit: QBES (QuickBooks Enterprise Solutions) Pro (QuickBooks Pro)

Microsoft: Dynamics AX, Dynamics GP, Dynamics NAV, Dynamics SL, Dynamics 365 BC (Business Centra) and 365 FO (Financial and Operations).

MYOB: Greentree

Oracle NetSuite: NetSuite

Rootstock

SAP: B1 (Business One), ByD (Business ByDesign)

Sage: Intacct, BWorks (BusinessWorks) Sage 50, Sage

100, Sage 300, Sage 500, Sage 100 Contractor, Sage

300 CRE (Construction & Real Estate), X-3

Silver Leaf CBC

Syspro

Unanet

Virdian Sciences (Cannabis)