



Strategic Hosting Partner Powers New On Demand Business Performance Management Solution

Overview

Country: United States

Industry: Hosting, Application-Service, and Software As A Service Providers

Partner Profile

Acorn Systems is a leading provider of profit improvement solutions for growing revenues profitably, reducing costs and improving operational efficiencies. Acorn's unique approach enables clients to make continuous, fact-based decisions to improve their bottom line and Earnings per Share (EPS), to date yielding over \$5 billion in profit improvements and creating billions in new shareholder value. For more information, visit www.acornsys.com.

Business Situation

With IT budgets and resources a challenge, Acorn wanted to provide a SaaS-based version of its Enterprise Performance Suite to better meet the needs of the marketplace.

Solution

Acorn Systems developed a 100% SaaS-based Business Performance Management solution built exclusively on Microsoft products and technologies. The company chose Rackspace as their strategic hosting partner for the new solution.

Benefits

The Acorn Systems solution delivers compelling customer benefits including lower upfront costs, faster ROI, and zero burden on IT resources. Partner Rackspace provides Acorn with a highly scalable enterprise-class infrastructure and Fanatical Support.

"Acorn Systems' solution gives us even greater visibility into the profitability of our individual stores and products we sell."

Steve Stone, Senior Vice President and CIO, Lowe's

Acorn Systems provides profitability and cost management solutions for Global 2000 organizations. The company provides a Business Performance Management (BPM) solution called the Enterprise Performance Suite (EPS), which centers on a customizable business portal consisting of platforms, targeted applications, and utilities. Recently, the company developed a SaaS version of the EPS solution in order to address market demand and IT issues such as limited resources and long deployment times. Acorn chose strategic hosting partner Rackspace to build an enterprise-class infrastructure and provide hosting services for the new Acorn OnDemand solution. With the new solution, Acorn is able to provide customers with a faster ROI, lower upfront costs, and easy access to ongoing product upgrades, all without the need to involve the IT department.

“Essentially we help companies make more money. We help them model their business and allocate resources more efficiently.”

Jerome Patterson, Chief Marketing Officer,
Acorn Systems

Situation

Acorn Systems, a Microsoft US Managed ISV and Gold Certified Partner, provides profitability and cost management solutions for Global 2000 organizations. Also referred to as profitability modeling and optimization, these solutions are a strategic foundation to the larger solutions category of Business Performance Management (BPM). BPM includes management and analytic processes that help businesses define strategic goals and then measure and manage performance against those goals. Core BPM processes include financial planning, operational planning, consolidation and reporting, business modeling, analysis, and monitoring of key performance indicators linked to strategy.

Acorn's BPM solution, called the Enterprise Performance Suite (EPS), centers on a customizable business portal consisting of platforms, targeted applications, and utilities. EPS is designed to help business users create new intelligence by providing fresh insight into the revenues, costs, net profits, and capacity utilization of any business dimension. “Essentially we help companies make more money. We help them model their business and allocate resources more efficiently,” comments Jerome Patterson, Chief Marketing Officer for Acorn Systems.

Acorn combines a unique consulting methodology along with the EPS solution to help measure and identify key areas for profit improvement. EPS features easy-to-use graphical reports, custom dashboards, and business modeling tools that provide real-time, enterprise-wide visibility into business performance. With the capability to monitor, measure, and improve profitability, business managers can effectively drive tremendous bottom-line results. Some of the key features of the Enterprise Performance Suite include:

- Fully scalable product suite designed for large models and enormous data sets

- Custom dashboard provides detailed graphic reports & analyses on profit, revenue, pricing and costs in key areas of business
- Advanced modeling capabilities allow you to forecast the impact of change, such as lower costs or higher pricing
- Role-based reporting provides out-of-the box security, limiting access to reports by an individual's role for easy management of departmental permissions
- Pre-built integration to Microsoft SharePoint 2010, Office 2010 including PowerPivot for Excel 2010, and SQL Server 2008 Analysis Services and Reporting Services, as well as the larger community of business intelligence and performance management solutions
- Business scorecards work with SharePoint 2010 Insights, so you can include interactive business scorecards in the dashboard

Since the introduction of the EPS solution in 2001, hundreds of organizations in many industries, including financial services, retail, manufacturing, and distribution, have utilized Acorn's EPS solution to enhance profitability. Comments like the following from John Hrudicka, Vice President and Controller at Elkay Manufacturing, the leading manufacturer of stainless steel sinks, drinking fountains, and kitchen cabinets, are representative of customer sentiment: "The Acorn system and great partnership we share has provided Elkay the ability to make more effective business decisions. More importantly, it has enabled us to take actions specific to the opportunities identified through the Acorn analytics. This enables our ultimate objective, helping us transform our culture to that of a profit mindset. To date, identified initiatives of over \$13 million in hard dollar profit improvements are being realized."

“Rackspace clearly had the best people and resources available to help our organization. We felt very comfortable that they could deliver an enterprise-class infrastructure to help us grow to the next stage.”

Jerome Patterson, Chief Marketing Officer,
Acorn Systems

The EPS solution was traditionally offered as an on-premise deployment using the classic client/server approach. However, over the last couple of years, industry trends have evolved and customers were asking for a hosted Software-as-a-Service (SaaS) version from Acorn. “Customers wanting to deploy Acorn’s EPS solution were concerned about having to involve their IT Departments in the process. They were essentially indicating this would be a non-starter as the time and costs involved were too great. We had to provide an alternative for them,” stated Patterson.

In addition, many potential customers were reluctant to commit to Acorn without first conducting a trial proof of concept to assess the capabilities and value the solution provided. “Today’s customers want a ‘try before you buy’ option when considering enterprise solutions. We know once a customer sees the value we provide they will make the purchase. We just needed a better way to demonstrate our value and SaaS was the answer,” commented Patterson.

Acorn made the decision to develop a SaaS version of the Enterprise Performance Suite. They also knew they would need the services of a strategic hosting partner to support their new offering.

Solution

Acorn Systems re-architected the EPS solution into a true SaaS architecture. The solution, called Acorn OnDemand™, includes all of the capabilities and functionality of the Enterprise Performance Suite, and is accessible via a browser over any available Internet connection.

Acorn chose to use Microsoft Business Intelligence solutions as the core technology for Acorn OnDemand. The solution utilizes Microsoft SQL Server® 2008 as the foundation. The Acorn OnDemand solution also takes advantage of additional built-in

technologies in SQL Server 2008, specifically SQL Server Analysis Services (SSAS) and SQL Server Reporting Services (SSRS). SQL Server Analysis Services delivers online analytical processing (OLAP) and data mining functionality in Acorn OnDemand. Analysis Services supports OLAP by letting developers design, create, and manage multidimensional structures that contain data aggregated from other data sources, such as relational databases. For data mining applications, Analysis Services lets developers design, create, and visualize data mining models that are constructed from other data sources by using a wide variety of industry-standard data mining algorithms. Microsoft SQL Server Reporting Services enables Acorn OnDemand to transform customer enterprise data into shared information for insightful, timely decisions. Customer reports created through Acorn OnDemand are shared within the organization via Microsoft SharePoint® 2007.

While Acorn was developing Acorn OnDemand, they also made the decision to find a strategic hosting partner to build the infrastructure and host the solution. As a Microsoft US Managed ISV and Gold Certified Partner, Acorn has a strong relationship with Microsoft that brings added benefits. Acorn asked Microsoft for a list of potential hosting partners that would be a good fit for the organization. The list included Rackspace®, one of the world’s leading hosting companies. After a competitive review of all potential partners, Acorn chose Rackspace as their strategic hosting partner based on their experience with over 70,000 customers, their expertise in helping software developers bring Software-as-a-Service offerings to market, their 100% uptime guarantee, and their 24x7x365 Fanatical Support® approach to customer service.

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Jerome Patterson, Chief Marketing Officer,
Acorn Systems

We felt very comfortable that they could deliver an enterprise-class infrastructure to help us grow to the next stage,” stated Patterson. “They really take Fanatical Support seriously. It’s in their culture and extends throughout the organization. They demonstrated true follow-up and a desire to build the relationship while we were still in the selection phase. That really sold us,” continued Patterson.

Rackspace and Acorn Systems immediately began working as a team. Rackspace involved Acorn in one of their valuable business design sessions. These face-to-face day long sessions bring together all the critical team members and are designed to ensure that the right level of infrastructure, security, scalability and capabilities are in place so Acorn is able to seamlessly grow as their Acorn OnDemand customer base increases.

Rackspace delivered a robust managed hosting infrastructure based on Microsoft Windows Server® 2008 that is highly scalable and extremely secure. “One area that is very important for our customers is security. Given the sensitive nature of customer financial information, we needed to be able to provide different levels of access to reports based on the role within an organization. Rackspace designed an elegant security solution that solved this issue in a cost-effective manner,” indicated Patterson.

In early 2010, Acorn launched Acorn OnDemand and the product was an immediate hit. “We had our first client within 6 days of launching and have added many more since then,” commented Patterson.

Benefits

With the launch of Acorn OnDemand, the company is able to offer their customers a number of compelling new benefits.

Lower Up Front Costs

Acorn OnDemand frees up capital so companies can invest in competitive growth strategies while improving their bottom line with actionable results. Both of these improve cash flow and overall value to a company.

Faster Time to Value

The hosted model means there is no need to wait for IT to free up resources to deploy application servers and infrastructure. Customers can get started immediately and begin the journey to better profits and improved visibility.

Easy Access to Upgrades

Renewed emphasis on cost reduction has strained IT resources to the breaking point. As a result, many companies are forced to use outdated versions of software because there is no bandwidth to upgrade. Nothing is more frustrating for business users than knowing their vendor has responded to their needs and they are unable to take advantage of those features. Acorn OnDemand ensures companies are always using the most advanced solutions on the market today.

Customers like Steve Stone, Senior Vice President and Chief Information Officer for Lowe’s agree: “Acorn Systems’ solution gives us even greater visibility into the profitability of our individual stores and products we sell. Acorn’s ability to bring expertise in retail and activity-based costing was critical to a successful implementation, and the Microsoft-based solution has been able to scale to meet the needs of our fast-paced retail environment.”

Equally important are the benefits Acorn itself is experiencing as a result of having a compelling SaaS offering in the market. Acorn OnDemand has helped the company grow their business and close deals faster:

- **Shorter Sales Cycle**– Acorn customers no longer have to rely on their IT Departments to deploy the solution.

“This has been a great relationship since the beginning. As a hosting partner, we are focused on what we do best: managing Acorn’s infrastructure and providing them with added value wherever we can. We view our role as allowing Acorn to focus on the continued enhancement of Acorn OnDemand and being successful in the marketplace - not worrying about managing their infrastructure.”

Paul Mikolay, Channel Manager for Rackspace

This has cut the sales cycle from an average of 6 months down to just a few weeks.

- **Opportunities to Expand Into New Market Segments** – Acorn OnDemand makes Business Performance Management more accessible and more affordable for all sizes of companies. Smaller companies that previously had a hard time justifying the cost of a complete BPM solution can use Acorn OnDemand and gain the same benefits at a fraction of the cost. This opens up the huge small business market segment with very little effort—a segment that previously could not be adequately served.
- **Increased Value Proposition**– the combination of low cost, immediate deployment, and reduced burden on IT resources has made Acorn’s value proposition even stronger, resulting in greater sales opportunities and a better close rate.

Enhanced Marketing Support from Rackspace

With the selection of Rackspace, Acorn not only has a rock-solid infrastructure with 100% guaranteed uptime and 24x7x365 monitoring and support, but also has added marketing support as well. Rackspace provides the **Rackspace Partner Network**, a community devoted to helping partners enhance and build their business. This partner program includes valuable resources and support, including:

- Access to a dedicated sales representative
- Sales and technical training
- OnBoarding support
- Access to the Rackspace Partner Network portal with exclusive marketing, sales and industry information as well as networking opportunities with other Rackspace partners

“We believe the Rackspace Partner Network will significantly enhance our ability to close deals,” stated Patterson. “This is a great resource. Rackspace will help with pre-sales engineering as needed and can also provide post-sales support for customers who need a little extra attention,” continued Patterson.

In addition, the selection of Rackspace provides added credibility for Acorn. As one of the leading hosting providers in the world, Acorn is able to leverage the capabilities and brand name of Rackspace in their sales and marketing activities. “The Rackspace name really helps us differentiate ourselves with prospects. When we tell a potential customer that our solution is powered by Rackspace, it gives us a high degree of credibility,” comments Patterson.

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For More Information

For more information about Microsoft products and services, call the Microsoft Sales Information Center at (800) 426-9400. In Canada, call the Microsoft Canada Information Centre at (877) 568-2495. Customers who are deaf or hard-of-hearing can reach Microsoft text telephone (TTY/TDD) services at (800) 892-5234 in the United States or (905) 568-9641 in Canada. Outside the 50 United States and Canada, please contact your local Microsoft subsidiary. To access information using the World Wide Web, go to: www.microsoft.com

For more information about Acorn Systems products and services call 1-800-982-2676, email sales@acornsys.com, or visit: <http://www.acornsys.com>.

For more information about Rackspace products and services call 1-800-961-2888 or visit: <http://www.rackspace.com>.

About the Microsoft ISV Incubation Program

The Microsoft Incubation Center Program is designed to ease the commercial, financial, and technical challenges ISVs encounter while adding a service-based delivery application to their business offerings. Microsoft has established global facilities with a set of Gold Certified Partners in Hosting to guide ISVs through a structured series of business and architectural consulting sessions to ensure their business model and applications are ready for service-based delivery. For more information visit: www.microsoft.com/hosting/programs/incubationcenter.mspx

Software + Services

Software-plus-services is an industry shift driven by the fast-growing recognition that combining Internet services with client and server software can deliver exciting new opportunities. Microsoft is dedicated to helping individuals and businesses take advantage of these opportunities. By bringing together the best of both software and services, we maximize capabilities, choice, and flexibility for our customers. The broad software-plus-services approach unites multiple industry phenomena including software as a service, service-oriented development, and the Web 2.0 user experience under a common umbrella. For more information about software-plus-services, go to: www.microsoft.com/softwareplusservices/

Software and Services

- Microsoft Windows Server 2008
- Microsoft SQL Server 2008
- Microsoft SQL Server Analysis Services
- Microsoft SQL Server Reporting Services
- Microsoft SharePoint 2010
- Microsoft Office 2010

Partners

Rackspace Hosting

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