What Comes Next?
ERP Software in the Age of COVID-19

The story may not be true: A company whose employees are working remotely had someone go to the office to print checks. A second person came to the office the next day to sign them. On the third day, another employee visited the office to mail the checks.

That story was told by Taylor Macdonald, VP of channels for Sage Intacct. who notes the impetus that the COVID-19 outbreak has given to interest in cloud computing and the relief expressed by those who have already moved.

"I can't tell you the numbers of calls in which people say, " Thank goodness I am on Sage Intacct and we are running the business remotely,'" Macdonald says.

True or not, the check story illustrates the old economy grappling with the pandemic as a large number individuals, who have not done previously so, are working remotely in the new economy. Whatever the reservations many have about SaaS computing, moving to the cloud has become essential for most.

Resistance to the cloud is "Melting every day," says David Faye, CEO of Faye Business Systems Group, based in Woodland Hills, Calif. He repeats a common observation that younger people taking over business demand cloud products.

"They look at you as if you are out of your mind if you say, "You need a server,'" Faye says.

Faye also notes the growing acceptance of working at home, with many former skeptics finding out it can be a good idea. "There have been business owners who had been adamant about people not working from home," he says. "Now, they are like, "Why didn't I do this five years ago?'"

Things had been going very well up until COVID-19 shelter-in-place restrictions went into effect in March. In 2019 quarters, Microsoft and Oracle NetSuite had been reported increases in sales of their financial products in the 25 to 30 percent range—that is totally cloud for NetSuite and largely cloud products for Microsoft, whose revenue is now substantially from its cloud financial applications.

Geoff Ashley,
Acumatica

Even with the beginnings of the pandemic impacting the March quarter. Microsoft reported Dynamics revenue up 17 percent year over year with Dynamics 365 sales up 47 percent. IFS reported sales rose 25 percent for the first quarter ended March 31.

Of course, who expected the country would go from record employment to near record unemployment and the full impact has yet to be shown on P&Ls of publicly reporting companies?

For everyone, the main question has become "How is business?" and the most common answer is "It depends." New business has dried up for many VARs, but the needs of the installed base means current customers are asking for more services.

The experience of Velosio, a Dynamics and NetSuite reseller based in Columbus, Ohio, seems to be typical. "We had an outstanding Q1 but it did start to tail off in the last two weeks. March was OK," says CEO Joe Longo.

Velosio has been successful in selling to multiple verticals not seriously impacted by COVID-19. Many of these are project-based companies or professional services organizations and, in particular, many research and technology businesses that are used to employees working at home, along with pharmaceuticals.

Most B2B service and distribution clients have not been impacted, while hospitality, travel and retail clients have been hammered. There are the clients in the hospitality and travel businesses whose revenue is down 90 percent to 95 percent. "A friend of mine is in the point-of-sale space and he is down 50 percent. His clients aren't even open," says Longo.

Business for the desktop systems, Dynamics GP, NAV and SL has "been OK. We had a big uptick in working from home from those who wanted to access those systems remotely," he says. Dynamics Business Central business has been strong in the professional services area and Dynamics Finance and CE have also been doing well.

Jim Drumm, *Sikich*

A Difference with NFPs

The experience for many nonprofits has been different, according to Jackie Tiso.

"It's a very difficult time for nonprofits. Income is impacted," says Tiso, CEO of the Patterson, N.Y.-based nonprofit software specialist. "Organizations are very cautious; they are not making decisions."

Of course, timing can be everything. In January, JMT acquired Australia-based Axiom Business Solutions, a firm whose business is largely in the United States, carrying Sage 300 and Sage CRM. Axiom's specialty built on Sage 300 is unfortunately booming—cemeteries, or as the segment of business is known, the deathcare space.

"The cemeteries are averaging three and four times, the volume level. They are trying to manage through the pure numbers and not having the resources to it," Tiso says.

But issues for NFPs go beyond revenue and funding issues.

For many NFPs, staff members are not accustomed to working remotely. "A lot of our work has been around helping them get up and operating," she says. "A lot of staff don't have home office setup, and are not comfortable with the technology of working remotely," she says.

That has meant JMT, whose staff has been working remotely for 30 years, has been performing a great deal of pro bono work, with support shifting to "the simplest of calls"

"They have the internet and the computer, but they don't know to sign in remotely," Tiso says. "Now, they are also dealing with two-step verification with their accounting system."

Steve Ems, *RSM*

NFPs also need help with basic business operations. Many are accustomed to cutting checks, but are now exploring electronic payments.

"We are seeing a lot of businesses who are being exposed to electronic payments and AP automation whereas before they would not have thought about," she says. That includes use of services such as AvidX-
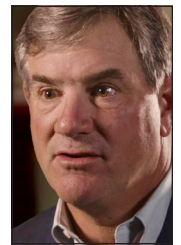
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TOP 100 VARs

	Company	Revenue ($MM)	Staff	ERP Product Line
1	RSM US, Chicago, Ill.	464.5	1500	DynamicsBC/FS/GP/NAV/SL, NetSuite, Sage Intacct
2	Columbus. Copenhagen, Denmark	289	2000	Dynamics AX/GP/NAV/365, M3
3	Alithya, Montreal, Que.*	189	2000	Dynamics 365
4	Armanino, San Ramon, Calif.	117.36	373	Dynamics AX/BC/FO/GP, Sage Intacct
5	Sikich, Naperville, Ill.	98	325	Dynamics AX/BC/FS/GP/NAV/SL
6	Crowe, Chicago, Ill.	91.8	597	Dynamics AX/365, NetSuite
7	Velosio, Columbus, Ohio	88	350	Dynamics BC/FS/GP/SL/NAV, NetSuite, Syspro
8	Visionet, Cranbury, N.J.	81	4000	Dynamics BC/FO
9	Sunrise Technologies, Winston-Salem, N.C.	53.7	159	Dynamics 365 FO
10	Net at Work, New York, N.Y.	53	190	Acumatica, MIP, NetSuite, Sage 100/300/500, X3
11	Enavate, Denver, Colo.	52	300	Dynamics AX/BC/FO/GP/NAV/SL, NetSuite
12	mcaConnect, Denver, Colo.	50	200	Dynamics 365 FS
13	Sapphire Systems, New York, N.Y.	49.91	275	Infor SunSystems, SAP B1, BYD
14	Wipfli, Milwaukee, Minn.	48	316	Dynamics BC/GP/SL, NetSuite, QB, Sage Intacct
15	Alfapeople, Milwaukee, Minn.	46	390	Dynamics FS
16	Vision33, Irvine, Calif.	43.3	419	SAP B1, B1Cloud, B1 Hana
17	BDO Solutions, Toronto, Ont.	42.8T	386	Dynamics AX/BC/FS/GP/NAV
18	Aktion Associates, Maumee, Ohio	41	175	Acumatica, Infor Wholesale Distribution, CSD/SX.e/FACTS/A+, Sage 100/300, Intacct CRE
19	NexTec Group, Seattle, Wash.	40	160	Acumatica, Dynamics GP/SL, Sage 500, X3
20	CliftonLarsonAllen	39	NA	QB, Sage 100/500, Intacct, X3
20	Eide Bailly Technology Consulting , Fargo, N.D.	39	225	NetSuite, Sage 100/500
22	ADSS Global, Miami, Fla., Exton, Pa.	38.5	138	Sage 100c/300c, Intacct
22	SWK Technologies, East Hanover, N.J.	38.5	145	Acumatica, Sage Bworks, 50c/100C/300c, X3
24	Marcum Technology, Melville, N.Y.	37	75	Acumatica, Dynamics GP/SL, Jamis Prime, Sage Intacct

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BETTER DAYS ARE AHEAD

Now more than ever, our customers need support to navigate uncertainty and perform at their best. Sage is here to help. Trusted by millions of businesses worldwide, we're here to deliver leading cloud technology and best-in-class partner programs to better predict and manage finances, operations, and people.

**Helpful Tools. Sage Advice.
Learn more on our support hub at
Sage.com**

TOP 100 VARs *continued*

	Company	Revenue ($MM)	Employees	Financial Software
25	AKA Enterprise Solutions, New York, N.Y.	36	130	Dynamics FO
26	Stoneridge Software, Barnesville, Minn.	33	197	Dynamics AX/BC/FS/GP/NAV
27	Blytheco, Laguna Hills, Calif.	31.2	100	Acumatica, NetSuite, Sage 100, X3
28	Western Computer, Oxnard, Calif.	30	140	Dynamics AX/BC/FO/NAV
29	Clients First Business Solutions, Holmdel, N.J.	28.5	83	Acumatica, Dynamics AX/BC/FO/NAV, SAP B1, Sage 100
30	LBMC Technology Solutions, Nashville, Tenn.	28	107	Dynamics BC/Finance/GP/SL, Sage Intacct
31	RKL eSolutions, Lancaster, Pa.	26.1	102	Sage 100c/300c/500, Intacct, X3
32	Rand Group, Houston, Texas	25.3	81	Dynamics AX/BC/GP/NAV, NetSuite, SAP ByD
33	AcctTwo Shared Services, Houston, Texas	25.03	105	Sage Intacct
34	Cargas Systems, Lancaster, Pa.	24.4	146	Dynamics BC/GP, Sage Intacct
35	Archerpoint, Atlanta, Ga.	22	123	Dynamics BC/NAV
36	Paradigm Technology Consulting, Allentown, N.J.	21.8	46	Dynamics BC/GP
37	Central Consulting Group, Minneapolis, Minn.	20.5	50	Deltek Vantagepoint, Intacct
38	Encore Business Solutions, Winnipeg, Man.	20.1T	110	Dynamics AX/BC/FO/GP/NAV
39	Menlo Technologies, Vienna, Va.**	19.5	185	Dynamics BC/GP/SL, Sage Intacct, Unanet
40	BAASS Business Solutions, Toronto, Ont., Miami, Fla.	19.3T	140	Dynamics BC/FS, Sage 300, Intacct, X3
41	BroadPoint, Bethesda, Md.	19.2	101	Dynamics BC/GP/NAV
42	Quisitive Technology Solutions, Toronto, Ont.	18.5	300	Dynamics 365
42	Strategic Industry Solutions (SIS), Duluth, Ga.	18.5	122	Dynamics SL/365 FO
44	Logan Consulting, Chicago, Ill.	17.6	40	Acumatica, Dynamics AX/BC/FO/GP/NAV, QAD
45	Copley Consulting Group, East Greenwich, R.I.	17.5	58	Infor Industrial Cloud Suite
45	Navigator Business Solutions, Salt Lake City, Utah	17.5	65	SAP B1/B1 Cloud/ByD, VIridian
47	FMT Consultants, Carlsbad, Calif.	16.15	70	Dynamics GP/BC NetSuite
48	Crestwood Associates, Mount Prospect, Ill.	16.1	54	Acumatica, Dynamics BC/GP/SL, Greentree
49	BKD Technologies, Springfield, Mo.	14.5	44	Dynamics AX/BC/FO/GP, Sage 100/300/500, Intacct
50	Godlan, Clinton Township, Mich.	13.9	65	Infor CloudSuite Industrial (SyteLine) ERP

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change and AmEx payments.

Certainly, payments was booming before the virus hit with force in March. Repay Holdings acquired APS Payments in October. Bill.com made its initial public offering in December at a $22 per share, compared to pre-offering estimates of $16 to $18 per share. AvidXchange received $260 million in equity investments in January and then added another $128 million last month.

The Importance of Communication

Over and over, the need for communication came through in interviews—the need to stay in touch with staff, clients and prospects.

Geoff Ashley, VP of partner strategy of Acumatica, says his company has ramped up its communication efforts. "Every day, at the end of the day, we pull the team together," he says. It also means Ashley is talking to 10 to 15 VARs one-on-one each week and the crisis requires more frequent communication with clients.

Despite the impact on sales, "We are amazingly close to where we had predicted we were going to be," Ashley. The ability to do that depends on changing Acumatica's approach to the market. And as others have said, more business is coming from the installed base.

"Pipelines are very strong," Ashley says. "Who we are selling to has changed dramatically".

That requires getting in touch with existing clients and staying connected with them. "I have to go back to those 300 customers that have been paying me support contracts for years and years," he says. "Maybe 30 of them have to make a change."

That means vendors and resellers must get out of an order-taking mode that Ashley says they have probably been in since Y2K. All have to get back to hitting the pavement in developing business, Ashley says. While none of those interviewed volunteered it, the emphasis on tapping the installed base follows years in which vendor margins have increasingly rewarded those courting new business.

With business readily available, marketing has become very passive. "Most of our marketing is social media," Ashley says. "You are waiting for somebody to do searching."

Those clients who feel they must change are the key to success. Even in hard-hit markets, such as oil and gas, there are organizations investing to change the way they do business, according to Ashley, and the biggest part of the oil-and-gas business is field service.

"Field service is about being remote. Companies say, 'We have to make an investment and buy software,'" Ashley says.

Success in Verticalization.

Nextec has had success developing add-ons and modules for X3, including products for the food

industry, cannabis and agriculture. As recently as three years ago, the Seattle, Wash.-based firm was skeptical about the vertical route.

It has succeeded in that strategy and the process has changed the company.

"You have to be a national organization," Frank says about what is needed to play in vertical markets. Nextec now has 14 offices with locations on both the East and West coast, in Florida, the Midwest and Colorado, and offices in Toronto and Quebec, Canada.

Verticalization also requires expertise in chosen industries. "We have deep expertise we use to fill gaps and extend products," Frank says. "It's a big differentiator for us."

That kind of specialization has produced deeper relationships with clients, generated better leads and made Nextec's employees better closers. It has also made Nextec more vertically focused in all its products.

A great deal of the vertical effort is based on Sage X3, known for its strength in process manufacturing, which has helped Nextec in the agriculture and chemical markets. In discrete manufacturing and distribution, X3 is adequate, according to Frank. In terms of competition for clients "in process manufacturing, I win," says Frank. "I think I always win."

Generalists Have Their Advantages

Canada has a different dynamic for sustaining businesses. It has a three-month subsidy for payroll at 75 percent of wages.

"That has allowed us to maintain a full component of our people," says Shawn Ostheimer, founder and president of the Answer Company, a Vancouver, B.C.-based reseller of Acumatica and Sage applications. "Overall, I worry more about what the second half of the year looks life," he continues.

Although the Answer Company has seen some decline in business, it continues to close new deals.

Ostheimer's firm markets primarily in English-speaking Canada. With a far smaller target market than VARs have in the United States, the Answer Company has not had the degree of emphasis on vertical markets that some organizations have had in the United States.

Being more horizontally focused has been beneficial because that gives the Answer Company a broader market. "We still have to have our verticals but we have to have a bunch of them," Ostheimer says. That means instead of having 10 staff members on a vertical, the firm will have two or three in a segment and support a more diverse set of specialties.

More Shake Out?

Sage's Macdonald describes the experience of VARs in the Intacct channel as being all over the map. That is the same for resellers of other Sage products, according to Nancy Teixeira, VP of North America partner strategy and sales.

"I am hearing some folks who are scared; we are

Eric Frank
Nextec

hearing from people who haven't felt it yet," Teixeira says.

As with Tiso, other Sage VARs are helping clients with remote work setups. "They are doing webinars on non-ERP related stuff," Teixeira says. That includes subjects such as managing a workforce.

Support also means supporting partners, which includes Sage making training free so that they can hone skills when there is down time. Sage been provided resources such as webinars "that organizations can piggy back on their websites", which gives them access to higher-quality speakers than they normally could obtain.

Teixeira says in addition Sage executives are staying in closer touch with the channel and clients, Teixeira says. "People are looking to us for direction," she says.

Working at home has also helped business relationships, including the selling process, she says. "It's more authentic that there are barking dogs and children crying in the background," Teixeira says. "It makes the person who is selling to them human."

Crises usually favor the organizations with more resources and it seems likely coronavirus outbreak will have the same impact, according to the two executives.

"Our largest partners have cash reserves to weather the storm," Teixeira says and she expects a fundamental change to the Sage non-Intacct VAR channels with smaller organizations going out of business. "There is probably a chunk of the channel that may not survive this storm," she notes.

Macdonald points to a segment of the mid-market channel that is having a better experience than traditional vars—the CPA firms that have been coming back into the technology space in the last few years because cloud computing removes many of the hardware and infrastructure issues, and lets firms concentrate more on business.

Beyond that, Macdonald notes. "They have more pull with the customer".

The CPA Side

RSM US shows the advantages CPA firms can have, especially those with a broad geographic reach. The firm represents NetSuite in about 20 countries, which makes it by far the largest reseller of that cloud product, according to Steve Ems, National Business Application Leader for the Chicago, Ill.-based organization.

RSM can also bring other resources to bear. It provides finance and accounting outsourcing services with some clients outsourcing all of their

Taylor Macdonald,
Sage

accounting tasks to RSM and those services tend to be resistant to economic downturns.

EMS points to "Our ability to have localized resources in number of foreign languages we can help beyond just doing NetSuite implementation and provide help in the area of taxation and finance." Five or
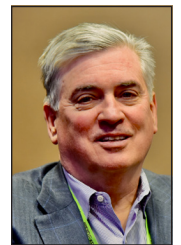
Geoff Ashley / David Faye caption:

David Faye,
Faye Business Systems Group

TOP 100 VARs *continued*

	Company	Revenue ($MM)	Employees	Financial Software
51	DSD Business Systems, San Diego, Calif.	13.1	150	Acumatica, Dynamics 365, Intacct, Sage 50/100/300/500
52	Cre8tive Technology & Design, San Diego, Calif.	12.5	75	Epicor
53	Collins Computing, Mission Viejo, Calif.	12.3E	36	Acumatica, Dynamics GP
54	JourneyTeam, Draper, Utah	12.19	92	Dynamics 365 BC/GP/NAV/SL
55	CompuData, Philadelphia, Pa.	11.7	47	Epicor, Intacct, Sage 100c/50
55	Stambaugh Ness Business Solutions, York, Pa.	11.7	29	Deltek GCS/Vantagepoint/Vision
57	Dean Dorton Technology, Louisville, Ky.	11.58	35	Dynamics BC/GP, QB, QBO, Sage Intacct
58	Accordant Company, Morristown, N.J.	11.3	30	Acumatica, Sage 100 Contractor, 300 CRE
59	Answer Company , Vancouver, B.C.	11.2T	94	Acumatica, Sage 300, Intacct X3
60	Guide Technologies, Cincinnati, Ohio	11	40	Infor CloudSuite Industrial, XA
60	Vested Group, Plano, Texas	11	65	NetSuite
62	Turnkey Technologies, St. Charles, Mo.	10.45	40	Dynamics AX/BC/FS/GP/NAV
63	Warren Averett Technology Group, Birmingham, Ala.	10.4	43	Dynamics BC/GP, Sage 100/100c, QBES
64	JMT Consulting Group, Nashville, Tenn., Patterson, N.Y.	10.3	52	MIP, Sage 300, Intacct
65	Innovia Consulting, Onalaska, Wis.	10	55	Dynamics BC/NAV
65	MicroAccounting, Dallas, Texas	10	30	Sage 100/500, Intacct
65	Optimus Business Transformation, Miami, Fla	10	107	Dynamics BC/FO/GP/NAV/SL, JDE
68	Business Technology Partners, Deerfield, Ill.	9.85	48	Sage Intacct, Syspro
69	Faye Business Systems Group, Woodland Hills, Calif.	9.8	65	Acumatica, Sage 100
69	Kerr Consulting & Support, The Woodlands, Texas	9.8	85	Sage 100/300/500, 100 Contractor, 300 CRE, Intacct, X3
71	BCS/ProSoft, San Antonio, Texas	8.7	34	Deltek VantagePoint, Vision, NetSuite, Sage 100
71	TM Group, Farmington Hills, Mich.	8.7	44	Dynamics BC/GP/SL
73	Mibar.net, New York, N.Y.	8.67	28	Acumatica, Dynamics GP, NetSuite
74	Gurus Solutions, Montreal, Que.	8.6T	90	NetSuite
75	BrainSell. Topsfield, Mass.	8.45	56	QBE, Sage 50c/100c/300/500/, Intacct, X3
76	e2b teknologies, Chardon, Ohio	8.37	45	Epicor, Sage 100/500, Intacct

Acumatica   sage

six RSM international offices have taken responsibility for writing the localizations. International NetSuite sales are not "typical one-country projects," Ems says. They can often involve implementation in several countries simultaneously.

RSM also has the ability to market multiple cloud products. Besides NetSuite, those are Sage Intacct and Dynamics 365 Business Central, Finance and Supply Chain Management. The firm has created a cloud ERP buyers guide to educate prospects on which application can be the best fit.

Business Central has performed "remarkably" on the services and software side. Finance and SCM "continues to have an outstanding year in getting new logos," Ems says. Intacct continues strong in the nonprofit markets and for companies that need strong basic financials.

RSM also has a significant installed base of Dynamics GP and SL customers, whose products are not being migrated to the cloud by Microsoft. Many users are not yet ready to move to Dynamics 365 products. "Dynamics GP and SL are still very viable solutions," Ems says. But he adds, "For each of them, we are trying to create a road map to where they would migrate to."

Joe Longo,
Velosio

Ems reports when GP and SL clients do move, about 80 percent migrate to Business Central. Less than 5 percent transition to Finance and Supply Chain Management because those products tend to serve larger and more complex companies than those using the desktop systems. The balance switch to Intacct or NetSuite.

Doing OK

"There are pockets of bad and pockets of OK," says Mark Meller, CEO of East Hanover, N.J.-based SWK Technologies and its parent, SilverSun Technologies. "I don't think anybody is blowing and going at this point."

Customers in essential businesses are too busy to talk with SWK right now which has produced a road map of internal projects which are being accelerated. The firm is doing a lot of training, including for both staff and customers.

"If somebody is not busy, rather than try to find make work for them, have them improve their skills," he says. There has been a special emphasis on helping individuals improve their leadership skills, according to Meller.

As with other VARs working from home was not new—70 percent of SWK's employees previously worked at home. However, having substantial numbers of client employees working at home has helped SWK's application hosting and infrastructure as a service business

"Working from home has produced real opportunity," Meller says.

In particular, customers need to ascertain how

to protect infrastructure when workers are accessing systems remotely, he continues. There is also a need for Human Capital Management in preparing a remote workforce while customers with small-or-no ecommerce footprints are talking with SWK about how to expand those.

Meller points to payment automation as "one of the bright shining lights," along with HCM, application hosting and cybersecurity. SWK offers Acumatica and also carries Sage 100c/300c and X-3. But the main activities Meller cites for current product activity are upgrading customers to current versions, along with services and add-ons.

While Meller wants his company to return to normal, he is in no rush to have employees return to the office.

"My people come first," he says. "I am not putting them at risk. If there is no compelling reason. I am not putting them out on the road."

NetSuite: Business as Usual

NetSuite resellers have had limited impact from the crisis, according to Craig West, SVP of channel sales for Oracle NetSuite.

For the company and most VARs, "It is still very much business as usual," he says. West says, "I have talked to an number of partners—they have felt limited to no impact."

Partner recruiting, he says, is also proceeding normally and during any slow periods, it is a time for members of the channel to spend time improving their business operations. "When things return to normal they will be better equipped," he says.

While Sage made training free, West says training is included in the SuiteLife Initiative with all resellers enrolled in the program. There is no initial fee for joining SuiteLife but signing up changes a VAR's fee structure,

"It's more an all-you-can-eat model," West says, noting resellers have "unlimited access to training." VARs access training through the NetSuite Enable-

Tom Mescall,
Armanino

ment and Education teams.

NetSuite continues to develop its microvertical program, in which resellers are building their own applications on top of NetSuite. "We see great momentum there with a significant increase in the number of solutions available," West says.

The company tracks which applications VARs bring to market although, "We are not necessarily governing who goes where," West says. Markets in which resellers have developed microverticals include everything from "brewers and distilling, to e-waste and recycling and pharmacies".

Getting Clients to Virtual

For those companies that had not gone to the cloud, many started asking in March "How quick can we get there?"

CPA firm Armanino, based in San Ramon, Calif., was among those whose clients started sending that message during the crisis, according to Tom Mescall, partner in charge of the firm's consulting business, Mescall notes the firm has performed extensive work to virtualize clients' billing process and connecting on-premise operations, enabling ACH and electronic payments.

As with a lot of businesses that are able to work remotely, Armanino says it has not had a major negative impact.

"Business is good for us for lots of reasons," Mescall says. When it comes to clients, he continues, "Some are positively affected, some not affected at all, some are negatively affected." For Armanino, life sciences, health and medicare and online gaming, for example, are doing well.

Hector Negron,
Optimus

Mescall describes the first 30 days of the crisis as a period of triage. Businesses had to focus on cash-flow projections and they also had to adjust quickly to new ways of operating.

"We have a client with 2,000 employees that had never operated in a virtual environment," Mescall

Choosing the Top 100

The ranking of the Top 100 mid-market reselling firms is based solely on annual revenue. When more than one company reported the same revenue, they are listed as tied.

Few of the companies chosen or considered are public companies that report results with readily available revenue figures. These are SWK Technologies, through its parent SilverSun Technologies, Alithya (which owns the former Fullscope), Columbus and Quisitive (which purchased the Corporate Renaissance Group last year and Menlo Technologies this year).

Most revenue figures were submitted by the companies themselves. In cases in which

resellers declined to provide revenue, estimates were made. Factors utilized in estimating include the number of employees reported and the typical selling prices of the products they carry.

All companies considered carry products other than financial software, and revenue from those products is included the totals reported here.

Revenues reported are primarily gross revenue. However, some resellers have pointed out that ERP vendors have moved to billing customers and sending the resellers their share, minus cost of goods sold, net revenue. That method, these VARs say, is the proper accounting treatment.

TOP 100 VARs *continued*

	Company	Revenue ($MM)	Employees	Financial Software
77	Technology Management Corp., Los Angeles, Calif.	8.2	34	Dynamics BC/GP/NAV/SL
78	Protelo, Folsom, Calif.	8.04	39	NetSuite
79	Fourlane, Austin, Texas	7.88	40	Acumatica, QBE
80	ComTec Solutions, Rochester, N.Y., East Berlin, Conn.	7.2	45	Epicor
80	Njevity, Greenwood Village, Colo.	7.2	20	Dynamics GP, Power GP Online
82	Business Solutions Partners, New York, N.Y.	7.1	39	Dynamics GP/365 NetSuite
82	Oasis Solutions, Louisville, Ky.	7.1	23	NetSuite, Sage 100c
84	Central Data Systems, Farmington Hills, Mich.	7	45	Acumatica, Infor CloudSuite
84	Silverware, Phoenix, Ariz.	7	33	Dynamics BC, Silver Leaf CBC
85	ACE Microtechnology, Atlanta, Ga.	6.9	31	Dynamics BC/FO/GP
87	Maner Costerisan, Lansing, Mich.	6.6	24	Dynamics BC/GP, Sage Intacct
88	I-Tech Support, Ocoee, Fla.	6.5	31	Acumatica
89	CAL Business Solutions, Harwinton, Conn.	6.4	29	Acumatica, Dynamics GP
90	Alta Vista Technology, Royal Oak, Mich.	6.2	24	Dynamics BC/GP, Sage Intacct
90	Sererra Consulting Group, Newport Beach, Calif.	6.2	35	NetSuite
92	360 Cloud Solutions, Raleigh, N.C.	6.1	40	NetSuite
92	Accountnet, New York, N.Y.	6.1	14	Dynamics BC/GP/SL
92	Boyer & Associates, Minneapolis, Minn.	6.1	22	Dynamics BC/GP/NAV/SL
95	Datix, St. Louis, Mo.	6	40	Epicor, Prophet 21, Infor Syteline
95	DWD Technology Group, Fort Wayne, Ind.	6	25	MIP, Sage BWorks, 50/100, Intacct
95	Express Information Systems, San Antonio, Texas	6	16	Acumatica, Sage 100, Intacct
98	Vertical Solutions, Pittsburg, Pa.	5.97	32	Dynamics BC/GP
99	Intellitec Solutions, Wilmington, Del.	5.92	23	Dynamics BC/GP/SL, Sage Intacct
100	Practical Software Solutions, New York, NY.	5.8	19	Sage 100 Contractor, 300 CRE, X3

Notes: T Translated from Canadian $; E Estimate by Bob Scott's Top 100 VARs,
*Alithya: Year ended March 31. Revenue reflects four quarters in calendar 2019
**Menlo Technologies purchased in January by Quisitive

Acumatica   sage

says. "They sent their entire billing department home."

Customers have had to grapple with how to operate remotely successfully and to ascertain if they had the right technology for remote operations. They also need a "strong 13-week forecast," which Mescall says can be achieved by using a system like Adaptive Insights, which Armanino handles.

Going forward, there will be an increased emphasis on remote operations and automation. Mescall says businesses are grappling with how to employ robotics and bots. They are also discussing how to move completely to the cloud if they are only partially operating in that environment. What companies are willing to move to a SaaS platform has shifted quickly.

Shawn Ostheimer,
the Answer Company

"Five years ago, we heard about supply chain, "I'll never run that in the cloud," says Mescall, who finds those barriers have quickly fallen.

Another area expected to be impacted by the comfort businesses develop in remote operation is real-estate. While many businesses will not remain in a completely remote mode, they may be willing to live with significantly more employees working outside the office.

Mescall speculates some companies may decide half of their workforce should work from the office while the "other 50 percent can work from home". This will have an impact not only on the technology businesses buy, but on the demand for commercial real estate.

Strong Pipeline

Sikich also reports business has been good. "We are doing very well," says Jim Drumm, CEO of Sikich Technology, "Our pipeline is strong."

Again, it is a matter of being in the right markets and while "a couple" of customers have cut back on projects, that has been "nothing staggering," he says.

Many resellers long ago moved well beyond simply selling financial software. For Sikich, many clients are moving into business intelligence. Drumm particularly notes many Dynamics GP customers, whose aging product is not moving forward to the cloud are working with the Microsoft's Power Platform.

The coronavirus crisis has stimulated the already-strong interest in automation. That includes Artificial Intelligence, machine learning, blockchain and robotic process automation.

Jackie Tiso,
JMT Consulting

"We are focusing a lot on the advanced tools and tech so they [customers] can go from Azure to AWS, from the Oracle database to SQL," Drumm says. He notes the trend for software manufacturers to enable users to use together products from different manufacturers.

"The publishers are making it easier to mix and match various applications to produce true best-of-breed applications," he says.

Drumm points to Microsoft's recent plans to acquire Softomotive, an RPA company founded in 2005, as illustrating the move to incorporate such automation into software applications. He continues there will be great interest in "The creation of bots especially if you have clerical folks that are doing business tasks and doing the same thing over and over."

Strong in CRM

David Faye has gone a different direction than many VARs in the ERP space. He has become a top reseller in the CRM market and his firm, Woodland Hills, Calif.-based Faye Business Systems Group, was named the 2019 Global Reseller of the Year for Sugar CRM.

"We have always been ERP guys—that's been a nice differentiator. When there are people who need ERP integration and want Sugar, we are the go-to partner," he says.

While the coronavirus pandemic has been a tide that lowers most boats, Faye says, "It's not as bad as I thought it would be. Professional Services are down a bit. New business is harder to come by."

However, clients want to conserve cash and doing deals has required flexibility both on the part of FSBG and the vendors whose products he carries, SugarCRM and Sage. For example, a SugarCRM client with 500 licenses asked if it could pay half its subscription bill now and half in four months.
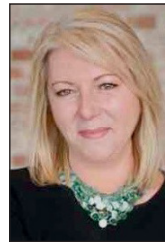
Nancy Teixeira,
Sage

"Sugar is allowing the customer not to pay it all when it's due," says Faye.

The company has also reached a size were it can offer more services to clients. That was made possible by FSBG's acquisition of SugarCRM reseller Intelestream in November. The company now has offices in the United States, Europe and South America.

Faye says because his firm now has global operations it has added 24/7 support and because the company has technical depth, it does not outsource support. The firm also has authored many integrations between Sugar and other applications, including Acumatica, NetSuite QuickBooks and Sage Intacct.

Guide to Software Products Listed

Here is the key to products listed in this chart by vendor. When abbreviated, the abbreviations are listed first with the fuller name in parenthesis. In many cases, the name of the company is also the name of the basic product.

The major change in products in the last year was Microsoft's splitting of Dynamics 365 Finance & Operations into 365 Finance and 365 Supply Chain Management. Also Avalara acquired JAAS Systems for its manufacturing software.

Products listed follow the submissions, particularly in the case of those carrying the different Dynamics 365 products. Some applications did not reflect the split of Finance & Operations into two products. Others reporting carrying Dynamics 365, which is a combination of the financial and CRM products, but sometimes refers to carrying specific 365 products.

Acumatica: All editions.
Community Brands: MIP (MIP Fund Accounting)
Deltek: Costpoint, GCS, Premier, Vision, Vantagepoint
Epicor: Epicor, Prophet 21
Infor: Infor Cloud Industrial Suite, WD (Wholesale Distribution): CSD/SXe/FACTS/A+, M3
Intuit: QB, (QuickBooks), QBES (QuickBooks Enterprise Solutions),
JAMIS Software: JAMIS Prime
Microsoft Dynamics: AX, GP, NAV, SL, 365, BC (Business Central), FO (Finance & Operations, FS (Finance and Supply Chain Management)
MYOB: Greentree
Oracle: JDE (J.D. Edwards), NetSuite
PowerGP Online
QAD
SAP: B1 (Business One), B1 Cloud, ByD (Business ByDesign)
Sage North America: BWorks (BusinessWorks), Intacct (All editions) Sage 50, Sage 100, 100c (100cloud), Sage 300, 300c (300cloud), Sage 500, Sage 100 Contractor, Sage 300 CRE (Construction and Real Estate), Pro (SagePro ERP), , X3.
Syspro
Unanet
Viridian Sciences: Viridian

Acumatica **sage**