accountingTODAY
SPECIAL REPORT

VAR
100

EPICOR

sage

Intacct

N NETSUITE

Microsoft

SAP

Reaching for more

Top resellers expand their options

VAR 100: Reaching for more

The top accounting resellers expand into the cloud, new products

BY SETH FINEBERG

With more than a third of this year's top value-added resellers now carrying cloud accounting and/or ERP products, and most of the remaining firms adding to their existing product lines, it is clear that the VAR 100 are starting to see better times and, at the least, are interested in changing some of their business.

Many of the existing top accounting and ERP VARs have represented products from the same publishers since they themselves went into business 20 years or more ago. But economic factors and client needs have caused a shift in what most firms now represent, and this was no more evident than over the past year. What's more is that those that have not made a change are either considering the possibility, or are at least adding services that will help retain current clients or bring in more business.

For firms that chose to embrace offerings from cloud vendors, many felt compelled do to so simply because clients were expecting pure Web-based products at a time when the publishers they represented were not yet offering them.

Laguna Hills, Calif.-based Blytheco has represented Sage's family of products for three decades, but has been feeling pressure to expand beyond what the vendor offers, and recently made moves to do so. Within six months it picked up Software-as-a-Service-based products SugarCRM and NetSuite, and is considering offering more SaaS options to its customers.

"Significant changes in the vendor policies and direction have increased the urgency of making changes within Blytheco to address these issues and diversify our product and service offerings and restructure our organization to be more nimble to react to these outside influences," said Blytheco founder and chief executive Stephen Blythe. "We see a significant opportunity to meet customer demands and make a market impact with cloud solutions proven to improve business efficiency and visibility while allowing businesses to scale on demand."

Other firms with longstanding roots in representing on-premises accounting and ERP products took a chance adding cloud products to their mix, as they too want to be prepared to meet client expectations, while satisfying current interests in the platform as well.

St. Paul, Minn.-based InterDyn BMI — the largest of the InterDyn brand of firms with $12 million in reported revenue — has traditionally carried Microsoft Dynamics products, and still does. However, over the past year it saw the need to add Intacct, and BMI CEO John Hendrickson said that the move was generally about offering options, rather than just the cloud. "Accounting software is becoming more commoditized, so we are differentiating ourselves with unique technology solutions. [We are finding that] businesses are outgrowing manual processes and/or entry-level financial packages like QuickBooks," said Hendrickson. "Businesses are also using outdated technology and our customers now have a choice between a traditional on-premise or cloud-based solutions."

Another example of the apparent cloud shift can be found in Akron, Ohio-based BCG Systems, which has long represented products from Microsoft Dynamics and Sage. Over the past year, the firm became a NetSuite partner to keep up with customer demand and what the firm sees as increased competition between on-premises-based and SaaS products.

"Over the past several months, cloud competitors were being mentioned in half of our sales opportunities. Our goal has always been to ensure our clients maintain their competitive advantage through the most advanced technology solutions available on the market," said BCG president Mark Goodson. "Cloud solutions are not a fad; they are here to stay. We feel that in the months and years ahead, the momentum of the cloud will only continue to grow, and this has prompted us to make cloud computing a major component of our business."

The shift to cloud-based offerings was not as recent for some, especially those who have been experiencing demand for such products for years.

Irvine, Calif.-based Sererra Consulting Group has been building a business around SaaS offerings since its inception nearly a decade ago. It has now grown to a $4.2 million business and earned a VAR 100 position. The firm has a hand-picked roster of cloud products that includes Intacct, NetSuite and SAP Business ByDesign, which it added a year ago.

"We're focused on cloud-based ERP and CRM software and wouldn't consider on-premise applications — we're constantly evaluating new products as they mature," said Sererra president Nik Puni. "We're very careful not to take on new products unless they add value to our product mix. New products should also be able to differentiate themselves from the products we already carry, and we don't want to carry new products just for the sake of carrying them."

Meanwhile, further up the state, Simi Valley, Calif.-based

Arxis Technology has seen enough cloud-based business that it formed a new business unit to focus on cloud consulting and applications for its SMB customers. Arxis, which had historically represented the Sage family of accounting and CRM products, picked up SAP Business ByDesign a couple of years ago, and since then has added SugarCRM and — most recently — Intacct to its range of cloud products.

"The increasing demand for cloud applications will continue to have a significant impact on our business and we are working hard to ramp up sales, marketing and consulting for cloud applications, but still maintain a robust pipeline of consulting for our on-premises customers," said Arxis co-founder and principal David Cieslak. "The shift in demand from on-premises to cloud requires our business to shift as well."

But expanding product lines consisted of more than just cloud offerings, or even products from different publishers, as there were a portion of this year's top VARs that chose to add software from vendors they've long represented, as many saw the increased demand and the potential for significant revenue for them.

To name a few, Aztec Systems and Clients First Business Solutions each added NAV-X to their existing Dynamics line of products, while ISM and Southeast Computer Solutions became Sage ERP X3 VARs, and long-time Dynamics SL reseller SIS Software now carries AX. For these and several other VARs that chose to grow their product lines, they are beginning to see better times and have either chosen to expand into specific verticals like distribution, or into new geographic markets.

"We're diving deep into X3 because its multi-language, multi-legislature capabilities and Web-enabled offering are in line with our last year's focus on continuing a global presence," said Sonia Ferrera, owner and CEO of Miami-based Southeast Computer Solutions. "This is a restructuring year and an investment year for our company. We have added additional personnel, spent efforts on training them on Sage X3, focused our marketing and sales process, opened an office in Mexico City to better serve our Latin American market, and much more. We hope that these efforts will produce much success for us down the road." AT

GETTING CLOUDY

Members of the VAR 100 carrying cloud accounting/ERP products
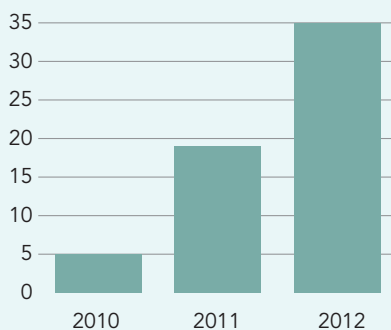
VARS TO WATCH

1. **Explore Consulting** / Bellevue, Wash.   *NetSuite*
2. **Boyer & Associates** / Minneapolis
   Dynamics GP, SL, AX
3. **Stanley Stuart Yoffee & Hendrix** / Orlando, Fla.
   Dynamics GP, SL, NAV; Serenic; Acumatica
4. **NextLevel Information Solutions** / Miami
   Sage 300 ERP; NetSuite
5. **Axis Integrated Solutions** / St. Louis
   Sage 100 ERP, 300; Intacct
6. **Paradigm Tech Consulting** / East Windsor, N.J.
   Dynamics GP
7. **Equation Technologies** / Toronto
   Sage 300 ERP; Deltek Vision; Intacct
8. **nCompass Business Solutions** / Atlanta
   NetSuite
9. **Strategies Group** / Suwanee, Ga.
   Sage 100 Contractor, 300 ERP, 300 Construction/RE; Deltek
10. **CAL Business Solutions** / Harwinton, Conn.
    Dynamics GP

We challenge you:

See how much positive impact the website WE build for you will have on your practice in just 3 months!

To prove it, we won't charge you a cent unless you are thrilled with the results!

Here's what we'll do for you.

Our expert team of accounting website specialists (men and women who are specially skilled to understand what a mighty accounting website needs to be) will work closely with you to create a world-class, impressive, authentic, and practice-enhancing website for you. Then we'll host and support it for you.

And to help you get new clients, we'll give you a prominent placement in our online directory at no charge. Used over 10 million times, this directory has become the premier source for driving new clients to accounting practices.

Together, these two services offer more than what you'll get elsewhere.

We'll do this all at our expense.

After the three-month evaluation period, if you're thrilled with what we've done for you, you may continue using your website for a nominal fee; otherwise just walk away and owe us nothing.

For a free consultation with one of our Practice Development Consultants, call 888-999-1366 x517 and mention code: FREEWEB

or visit www.AWFreeWeb.com

This offer is brought to you through an *exclusive partnership* between AccountantsWorld® and accountingTODAY

When you're ready for more—now or later.

AccountantsWorld is the pioneer in cloud solutions for accountants, and that's what separates us from rest of the crowd that just sells websites.

We offer a complete suite of cloud-based solutions, including: client portals, document management and practice management systems, accounting and payroll solutions that put accountants back in the driver's seat, and more.

Our integrated suite of cloud-based solutions gives your practice a status that's authoritative, powerful, and compelling - one that will bond you greatly with your existing clients, give your practice a defining advantage over your competition, and attract the quality and type of new clients you most want to serve.

"AccountantsWorld has long been a path-breaker in the world of cloud software for accountants."

~ Accounting Today, Sept. 2009

AccountantsWorld®
Website Relief℠
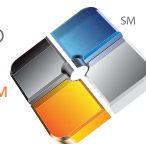
The 2012 VAR 100

	Company / Location	Revenue ($ mns)	Offices	Staff	Top executive(s)	Accounting software
1	**Tectura**[1] / San Mateo, Calif.	285.00	45	1,600	Duane Bell	Dynamics GP, AX, SL, NAV
2	**McGladrey** / Minneapolis	139.35	90	393	Brian Becker	Dynamics GP, SL, AX; Deltek Premier; Intacct; NetSuite
3	**Columbus IT Partners**[2] / Copenhagen	137.80	40	880	Thomas Honore	Dynamics AX, NAV
4	**Tribridge**[3] / Tampa, Fla.	100.00	13	450	Tony DiBenedetto	Dynamics GP, AX, SL, NAV
5	**Crowe Horwath** / Oak Brook, Ill.	46.00	28	212	Joe Santucci	Dynamics GP, AX
6	**Professional Advantage**[4] / Fargo, N.D.	42.00	7	225	Derek Rippingale	Dynamics GP, AX; Infor FMS SunSystems
7	**Net@Work**[5] / New York	32.00	10	148	Alex & Edward Solomon	Sage 100 ERP, 300, 500, X3
8	**Armanino Consulting** / San Ramon, Calif.	28.70	5	120	Tom Mescall	Dynamics GP, AX; Intacct
9	**Edgewater Fullscope** [A][6] / Athens, Ala.	27.20	4	85	Russell Smith	Dynamics AX
10	**Blytheco** / Laguna Hills, Calif.	24.00	9	120	Stephen Blythe	Sage 100 ERP, 300, 500, BusinessWorks, 100 Fund Acctg, X3; NetSuite
11	**BKD Technologies** / Springfield, Mo.	23.00	30	82	Mike Burlew	Dynamics AX, GP; Sage 100 ERP, 500, X3
12	**Sikich** / Naperville, Ill.	22.60	5	95	Jeff Rudolph	Dynamics GP, NAV, NAV-X, SL; Epicor; Sage 100 Fund Acctg; SAP ByD
13	**Wipfli** / Milwaukee	22.00	20	174	Rick Dreher	Dynamics GP, AX; QuickBooks; Sage 50, 100 Fund Acctg
14	**ADSS Global** / Easton, Pa., and Miami	21.75	42	110	Robert Campbell	Sage 100 ERP, 300, 100 Fund Acctg
15	**Socius**[7] / Dublin, Ohio	19.32	5	90	Jeffrey Geisler	Dynamics GP, AX, SL, NAV; SysPro; Sage 100 ERP, 500
16	**Rand Group** / Houston	18.80	2	78	Ron Rand	Dynamics AX, NAV, GP; Sage 300 Construction/RE
17	**I.B.I.S. Inc.** / Norcross, Ga.	18.50	3	81	Andy Vabulas	Dynamics GP, AX
18	**BroadPoint Technologies** / Bethesda, Md.	17.61	3	100	Lee Raesly	Dynamics GP, AX
19	**Sunrise Technologies** / Winston-Salem, N.C.	17.60	3	100	John Pence	Dynamics AX
20	**Western Computer** / Oxnard, Calif.	17.00	14	120	Tom Bardos	Dynamics AX, NAV
21	**SCS Inc.** / Santa Monica, Calif.	16.00	4	60	Helen Russell	Dynamics AX, NAV
22	**Clients First Business Solutions** / Holmdel, N.J.	15.90	8	82	Sheldon Kralstein	Dynamics AX, NAV, NAV-X; Epicor 9; Sage 100 ERP; SAP B1
23	**Ignify** / Long Beach, Calif.	15.60	7	240	Sandeep Walia	Dynamics AX
24	**SBS Group**[8] / Woodbridge, N.J.	15.40	28	150	James Bowman	Dynamics GP, SL, NAV, AX; Sage 500 ERP; Acumatica
25	**Aktion Associates Inc.** / Toledo, Ohio	14.10	6	90	Scott Irwin	Sage 300 Construction/RE, 100 Contractor; Deltek; Infor; Intacct
26	**Aztec Systems** / Carrollton, Texas	13.90	6	70	Andrew Levi	Dynamics GP, NAV, NAV-X, SL; Sage 100 ERP
27	**Clifton Gunderson Tech Solutions** / Milwaukee	13.60	12	65	Kris McMasters	Sage 100 ERP, 300; Dynamics GP; Deltek Vision; Intacct
28	**ASi** [A] / Lake Forest, Calif.	12.64	1	25	David Payne	Dynamics AX
29	**Collins Computing Inc.** [A] / Mission Viejo, Calif.	12.20	1	34	Randy Forkner	Dynamics GP, AX
30	**InterDyn BMI** / St. Paul, Minn.	12.00	9	63	John Hendrickson	Dynamics GP, SL, AX; Open Systems OSAS; Intacct
31	**Vision33 Inc.** / Irvine, Calif.	11.25	11	55	Anthony Whalen	SAP B1, ByD
32	**InterDyn AKA** / New York	11.00	3	45	A. Kahn & J. Ades	Dynamics GP, AX
33	**NexTec Group Inc.** / Seattle	10.78	7	47	Eric Frank	Dynamics GP, SL; Sage 500 ERP, X3
34	**LBMC Technologies**[9] / Nashville, Tenn.	10.75	3	45	*See note*	Dynamics GP, SL; Intacct
35	**SWK Technologies Inc.**[10] / Livingston, N.J.	10.50	11	48	Jeffrey Roth	Sage 100 ERP, 500, X3
36	**Cole Systems** / New York	10.00	1	45	Dave Weiner	Dynamics GP, AX
37	**SIS Software** / Atlanta	8.50	5	34	Steven Mulka	Dynamics SL, AX
38	**BCG Systems** / Akron, Ohio	8.40	3	38	Mark Goodson	Dynamics GP; Sage 500 ERP; NetSuite
39	**Saratoga Technologies** / Johnson City, Tenn.	8.35	4	68	David Temple	Dynamics GP
40	**DSD Business Systems** / San Diego	8.25	25	61	Doug Deane	Sage 50, 100 ERP, 300, 500; NetSuite
41	**BAASS Business Solutions** / Thornhill, Ont.	8.20	7	44	Joseph Arnone	Sage 300 ERP, X3, BusinessVision
42	**Central Consulting Group** / Minneapolis	8.10	5	30	Jim Falkanger	Deltek Vision; Intacct
43	**Diamond Municipal Solutions** / Edmonton, Alberta	8.00	4	49	David Burke	Dynamics GP
44	**OmniVue Business Solutions** / Alpharetta, Ga.	8.00	1	30	Jeff Pyden	Dynamics GP, AX, NAV
45	**MIG Group** / New York	7.55	1	35	Eric McGuardian	Dynamics GP, SL; NetSuite
46	**Accordant Co.** / Whippany, N.J.	7.25	6	29	Bob Sandelands	Sage 300 Construction/RE, 100 Contractor
47	**InterDyn Lanac Technology** / Chicago	7.00	1	30	Dale May	Dynamics GP
48	**SVA Consulting** / Madison, Wis.	7.00	2	28	John Baltes	Dynamics GP, SL, NAV; Acumatica
49	**CompuData** / Philadelphia	6.80	1	28	Angela Nadeau	Epicor; Sage 100 ERP, 500; QuickBooks Enterprise
50	**ISM** / Portland, Ore.	6.75	5	33	BJ O'Reilly	Sage 100 ERP, 500, X3

Key: *All revenues are FY 2011, in U.S. dollars. In cases of ties in revenue, the firm with the larger staff was given the higher ranking.*   **A** *Accounting Today estimate*
ByD — SAP Business ByDesign   B1 — SAP Business One   Sage 300 Construction/RE — Sage 300 Construction + Real Estate

Notes: *1. Based on published reports   2. Based on earnings report; acquired First-Tech Direct in March 2012   3. Became a Master VAR; acquired ePartners in December 2011*
4. U.S. headquarters; global headquarters is in Sydney, Australia   5. Bought Forepoint's Sage business in 2011   6. Owned by Edgewater Technology Inc.   7. Became a Master VAR
8. Became a Master VAR; bought Grace-Hunt, creating SBS New England in September 2011   9. LBMC top executives: Jeff McCorpin, David Reynolds, Stacy Schuettler
10. Acquired Sage business of Hightower in April 2012

VAR100

	Company / Location	Revenue ($ mns)	Offices	Staff	Top executive(s)	Accounting software
51	**InterDyn Cargas Systems** / Lancaster, Pa.	6.40	2	45	Chip Cargas	Dynamics GP; Intacct
52	**TM Group** / Farmington Hills, Mich.	6.40	2	35	Judy Thomas	Dynamics GP, SL, NAV; Sage X3
53	**Mibar Computer Services** / New York	6.40	1	29	Bart Nachimow	Dynamics GP; AccountMate
54	**Britec Computer Systems** / Calgary, Alberta	6.20	6	59	Roger Katarey	Sage 300 ERP, BusinessVision
55	**Encore Business Solutions** / Winnepeg, Manitoba	6.20	1	30	Brent Twist	Dynamics GP, AX
56	**FMT Consultants** ^ / Carlsbad, Calif.	6.14	1	30	Eric Casazza	Dynamics GP, AX; SAP ByD
57	**Symbiant Technologies** / Maplewood, Minn.	6.10	1	21	David Hutchinson	Dynamics NAV
58	**Jovaco Solutions Inc.** / Montreal	6.00	2	40	Jean-Claude Coutu	Dynamics GP
59	**eSoftware Professionals** / Portand, Ore.	6.00	3	25	Jody Leoni	Dynamics NAV
60	**RKL eSolutions** / Lancaster, Pa.	5.90	2	28	Joe Noll	Sage 100 ERP, 500, X3
61	**Achieve IT Solutions** / Port Jefferson, N.Y.	5.81	7	24	Timothy Singleton	SAP B1
62	**ABC Computers** / Waupaca, Wis.	5.80	4	35	Donovan Lane	Dynamics NAV
63	**AVF Consulting** / Towson, Md.	5.75	1	28	Andrew Fass	Dynamics NAV; Serenic Navigator
64	**Southeast Computer Solutions** / Miami	5.75	2	25	Sonia Ferrera	Sage 100 ERP, 300, 500, X3
65	**The Resource Group** / Renton, Wash.	5.65	1	26	Marty & Denise Schillaci	Dynamics GP
66	**Demand Solutions Group** / Los Gatos, Calif.	5.40	4	35	Todd Fitzwater	NetSuite
67	**BCS Prosoft**[11] / San Antonio	5.40	3	28	Clark Haley	Sage 100 ERP, 500; Deltek Vision
68	**Accountnet Inc.** / New York	5.40	3	25	Anne Claire McAllister	Dynamics GP, SL; Acumatica
69	**Queue Associates** / New York	5.30	4	21	Jeff Goldstein	Dynamics GP, AX, SL
70	**Kerr Consulting** / Houston	5.20	6	27	Dave Kerr	Sage 300 ERP, 100 Fund Acctg; CYMA; AccountMate
71	**Arxis Technology Inc.** / Simi Valley, Calif.	5.20	4	23	David Cieslak	Sage 100 ERP, 300, 500; SAP ByD; Intacct
72	**Technology Management Concepts** / Marina Del Rey, Calif.	5.10	1	18	Jennifer Harris	Dynamics GP, NAV; NetSuite
73	**InterDyn Artis** / Charlotte, N.C.	5.00	2	23	Gary Artis	Dynamics GP; Intacct
74	**e2b Teknologies** / Chardon, Ohio	4.82	1	30	William Henslee	Sage 500 ERP; Epicor 9; Intacct
75	**Third Wave Business Systems** / Wayne, N.J.	4.80	5	36	Korey Lind	Dynamics GP; SAP B1, B1 On Demand
76	**Practical Software Solutions** / Concord, N.C.	4.80	1	22	Vince Stamey	Sage 100 ERP, 500, 300 Construction/RE
77	**Altico Advisors** / Marlborough, Mass.	4.75	1	25	Richard Maloney	Dynamics GP
78	**Eskel Porter Consulting** ^ / Sacramento, Calif.	4.66	1	31	John Eskel	Dynamics GP
79	**L. Kianoff & Associates** / Birmingham, Ala.	4.65	1	22	Lisa Kianoff	Dynamics GP; Sage 100 ERP, 500; Intacct
80	**Rose Business Solutions** ^ / San Diego	4.61	3	18	Linda Rose	Dynamics GP
81	**SSI Consulting** / McLean, Va.	4.60	2	24	Bill Aiton	Dynamics GP, SL; Serenic Navigator
82	**NexVue Information Systems** / Stamford, Conn.	4.60	1	15	Daniel Schwartz	Dynamics GP, SL; Acumatica
83	**JMT Consulting Group** / Patterson, N.Y.	4.48	2	22	J.Tiso & K. Hollrah	Sage 100 Fund Acctg; Intacct
84	**Brittenford Systems** / Reston, Va.	4.40	1	20	Shereen Mahoney	Dynamics GP, SL; Intacct
85	**OTT Inc.** / St. Paul, Minn.	4.30	1	22	Eric Sheehan	Dynamics GP
86	**Axis Global Partners** / Chicago	4.30	5	18	Manny Buigas	Sage 300 ERP; NetSuite
87	**T3 Information Systems** / Washington, D.C.	4.25	1	17	Matthew Adamowicz	Dynamics GP, SL
88	**Micro Force Inc.** / Huntington Station, N.Y.	4.23	3	16	Jim McCann	Dynamics GP
89	**Sererra Consulting Group** / Irvine, Calif.	4.20	4	35	Vijay Saha	Intacct; NetSuite; SAP ByD
90	**Martin & Associates** / Cincinnati	4.10	1	20	Kevin Martin	Sage 100 ERP, 500, FAS; Dynamics GP; Intacct
91	**Aronson & Co.** / Rockville, Md.	4.10	1	15	Jeffery Capron	Sage 100 Contractor, 300 Construction/RE; Deltek
92	**Merit Solutions** / Chicago	4.00	2	26	Bill Burke	Dynamics GP, AX
93	**Synergy Business Solutions** / Portland, Ore.	4.00	2	20	Stephen Toth	Dynamics SL; Intacct
94	**Applied Business Services Inc.** / Gaithersburg, Md.	4.00	1	16	Maureen Williams	Open Systems Traverse, OSAS; Sage 100 Fund Acctg
95	**Cornerstone Consulting** / Tampa, Fla.	3.85	3	23	David Boos	Sage Pro ERP; SAP B1
96	**Full Sail Partners**[12] / Steamboat Springs, Colo.	3.80	2	21	Kevin O'Connor	Deltek Vision, Deltek Maconomy
97	**InterDyn CFO Consulting** / Orlando, Fla.	3.80	2	14	Kyle Lublin	Dynamics GP, NAV; Intacct
98	**Acuity Business Solutions**[12] / Reston, Va.	3.80	1	13	June Jewel	Deltek Vision, GCS Premier
99	**Raffa** / Washington, D.C.	3.70	2	22	Tom Raffa	Dynamics GP, SL; Intacct
100	**SGS Technology Group** / Ogden, Utah	3.70	2	17	Stuart Tholen	Sage 100 ERP, 500; SAP ByD

Key: *All revenues are FY 2011, in U.S. dollars. In cases of ties in revenue, the firm with the larger staff was given the higher ranking.* **A** *Accounting Today estimate*
ByD — *SAP Business ByDesign* B1 — *SAP Business One* Sage 300 Construction/RE — *Sage 300 Construction and Real Estate*
Notes: *11. Bought Forepoint's Deltek business in January 2012 12. Formed from the breakup of Acumen Advisors*