

The New Dynamics: ISVs Will Deliver Added Functionality In ERP, CRM Apps

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The most significant trends in the ISV universe surrounding Microsoft Dynamics applications can be summed up in three phrases: Ready for the enterprise, Software-as-a-Service and Office SharePoint Server.

At the recent Convergence conference in Orlando, Fla., Microsoft execs, including CEO Steve Ballmer, hammered home the point that the Dynamics line of ERP and CRM applications are no longer just for small and midsize businesses. And Microsoft will leverage SaaS technologies as a vehicle for providing new functionality for Dynamics customers.

"It is not about how the capability is being delivered," said Kirill Tatarinov, corporate vice president of Microsoft Business Solutions, in a Convergence keynote speech. "It's about how capabilities meet customer needs," he said, adding that in most cases the added functionality will be delivered by Microsoft partners.

And those are concepts ISVs are buying into.

Idera, a Houston-based ISV, debuted SQLsafe for Dynamics, software for data encryption, backup and restore that works with Microsoft Dynamics GP, AX, NAV and CRM applications. Idera, a division of BBS Technologies Inc., originally developed SQLsafe to work with Microsoft's SQL Server database. But as Dynamics applications and the data they process become more mission-critical, the company sees a market for Microsoft channel partners to bundle SQLsafe with their Dynamics-based solutions.

Idera is selling SQLsafe for Dynamics exclusively through the channel and the company's business plan calls for recruiting between 50 and 100 resellers this year to carry the product, said Nick Futter, vice president of channel development. The ISV is particularly seeking solution providers with vertical-industry expertise, although broad geographical coverage also is a goal.

Futter thinks SQLsafe for Dynamics is an attractive option for solution providers because many serve as the de facto IT manager for their midmarket customers, who often don't have a database administrator on site to perform the kind of data backup chores Idera handles. Noting that there are some 300,000 Dynamics deployments, Futter said: "This is a way for us to go after this specific market more closely aligned with the resellers."

As larger businesses and organizations deploy Dynamics CRM, the number of employees that need to access data that's locked up in the application's tables will grow. But

extracting data from enterprise applications for making business decisions isn't easy. At Convergence, Dallas-based Semantra Inc. unveiled a new release of its "conversational analytics" software for Dynamics CRM that lets business users access data in the application using common language commands and requests.

Slated for availability this month, Semantra 2.0 lets users make ad hoc queries to retrieve information from the application's underlying database. That data can provide better visibility into sales pipelines, for example, and be used for sales forecasting and market analysis tasks.

Semantra CEO Chris Davis said his product's ability to provide workers with data without complex reporting and analysis tools ties into Ballmer's comments in his keynote address that Microsoft is continuously looking for ways to improve the user experience with Microsoft products. "This is the biggest need, the need for realtime decision making," Davis said.

Semantra 2.0 is the first release of the product to support a Microsoft Dynamics application. Semantra is considering supporting other Microsoft applications, including Dynamics AX and Dynamics NAV. Semantra sells both direct and through channel partners, but relies on partners to provide customer service and support even for direct sales.

But businesses running Dynamics applications still need serious number-crunching data analysis. ProfitBase Inc., a Norwegian company with U.S. headquarters in York, Pa., previewed a new version of its ProfitBase 2009 data warehouse and OLAP (online analytical processing) software at Convergence.

ProfitBase, a Microsoft Gold certified partner, works with the SQL Server database (both the 2005 and upcoming 2008 releases) and PerformancePoint Server 2007. The company provides data source connector templates for Dynamics AX, GP, NAV and SL. CEO Borre Tharaldsen said interest in ProfitBase is especially growing among larger, multinational companies because of the product's ability to consolidate data from widely dispersed IT systems.

LaGarde Inc., Kansas City, Mo., announced at Convergence a middleware bridge that links its Web-based LaGarde eBusiness Solution e-commerce software with Dynamics GP. Company founder and CEO Bob LaGarde said more businesses, especially midsize companies, are developing online operations that extend transactions to the Internet. "And the need to integrate those operations with their back-end systems is becoming more acute," he said.

LaGarde is increasingly providing its applications as hosted services, a move that puts it in the midst of another major trend in the Dynamics universe. LaGarde sells through solution providers and the company is rolling out a plan to provide channel partners with a percentage of the annual subscription fees it now charges rather than basing partner incentives on one-time perpetual licenses.

Ballmer, in his keynote, said Microsoft's vision is to use SaaS technologies—what Microsoft calls "Software + Services"—to link desktop, server, Web and mobile computing. At Convergence, for example, Microsoft unveiled online services that businesses running Dynamics applications can tap into, including payment services from PayPal and Chase Paymentech Solutions, marketplace services from eBay and Microsoft's own keyword marketing service.

Microsoft is just now rolling out an on-demand version of its CRM application called Dynamics CRM Live. But there are currently no plans to develop SaaS versions of the Dynamics ERP applications.

RedTail Solutions Inc., Westborough, Mass., unveiled at Convergence the availability of its SaaS supply chain software for Dynamics GP 10.0. The RedTail Transaction Manager software handles order-to-cash transactions between manufacturers, distributors and trading partners that use Dynamics GP.

"I think Microsoft embraces more of a hybrid strategy," RedTail CEO Pat Meisner said of the big vendor's approach to SaaS. "It's part of Microsoft's strategy to give midmarket customers more options."

At Convergence, iEnterprises Inc., Murray Hill, N.J., launched its Mobile Edge Express for Microsoft Dynamics CRM, a mobile SaaS application for small and midsize businesses that lets users access Dynamics CRM or Dynamics CRM Live through BlackBerry smartphones. Previously, iEnterprises only offered an on-premise version of the product for Dynamics CRM.

Putting the iEnterprises announcement in the context of Microsoft's Software + Services strategy, Mobile Edge Express for Microsoft Dynamics CRM is a "SaaS bridge" between server-based and mobile computing. CEO John Carini emphasized that the application isn't browser-based: Users get the Dynamics CRM interface on their mobile devices with data synchronization. "This lowers the barrier for enterprises to take the next step to bring mobile CRM to their users," said Phil Sheehy, vice president of wireless solutions at iEnterprises.

One of the hottest technologies in the Dynamics arena is Microsoft Office SharePoint Server 2007, which the vendor is positioning as a collaboration tool and data-sharing hub for its Dynamics customers. And that's leading to a frenzy of ISV development.

At Convergence, WennSoft, a New Berlin, Wis.-based ISV and Microsoft Gold certified partner, unveiled Project Management Portal, which lets users manage projects and documents from a central location. The application is built on SharePoint. "I think we hit on a successful strategy by basing our portal on SharePoint because we see many businesses out there adopting SharePoint for their collaboration site," said CEO Jim Wenninger. "And there are a lot of customers who have big SharePoint implementations and they're looking for more ways to leverage their investment." WennSoft also markets service management and job-costing applications for Dynamics GP.

ImageTag Inc. develops the KwikTag document imaging solution for Dynamics applications and at Convergence the Chandler, Ariz.-based ISV, a Microsoft Gold certified partner, said Version 4.0 of its software has been fully integrated with SharePoint. ImageTag President and CEO Steve Irons said that link allows KwikTag customers to use SharePoint as a repository for images of paper documents such as invoices. "It's a perfect fit for us," he said.