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What's Next for ISVs?



Software Provider Moves from SCO UNIX to Windows, Doubles Rate of Business Growth

Fast Facts

ISV: Spruce Computer Systems
Web site: www.sprucecomputer.com
Country or Region: United States
Industry served: Building materials

ISV Profile

Spruce, based in Latham, NY, develops software solutions that effectively streamline lumber, hardware, paint, plumbing, and electrical supply businesses.

Existing Solution

- SCO UNIX

New Microsoft Solution

- Windows Server® 2003
- Microsoft® SQL Server™ 2005
- Microsoft Visual Studio® .NET
- Microsoft .NET Framework

NXT Delivery Partner

- DTR Business Systems



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Robert Fitzpatrick, President, Spruce Computer Systems

Spruce Computer Systems saw the need to update its UNIX-based building-supply business software. With help from DTR Business Systems, a Microsoft® NXT Delivery Partner, Spruce migrated to Windows Server® and the Microsoft .NET Framework. It's doubled the rate of signed contracts and added customers it couldn't reach with its UNIX solution. Spruce also increased profitability and cut training time on its software by more than 50 percent.

Business Needs

When Spruce Computer Systems Inc. was founded in 1985, proprietary mini-computers were the technology platform of choice. Spruce made the move to UNIX-based systems in the early 1990s. The company—a leading supplier of software solutions for the lumber, hardware, paint, plumbing, and electrical supply businesses—created its flagship SprucePlus software for SCO UNIX, and the company and those products became successful.

By 2001, however, Spruce was ready for a change. Its software had been rewritten and updated as much as possible. The software's “bones were old,” says Robert Fitzpatrick,

President, Spruce Computer Systems, and updating the software again would not have been its best long-term solution. Given the relative paucity of SCO UNIX software, Spruce had to create much of the ancillary functionality for its solution itself, rather than acquiring plug-and-play applications that could complement the core functionality provided by Spruce.

Perhaps because customers were also feeling the “old bones” of their SCO UNIX environments, they'd long been migrating those environments—to the Windows® operating system.

Fitzpatrick and his colleagues noticed a generational shift among his customers, with





many of the family-owned businesses being transferred from owners in their 50s and 60s who had installed UNIX, to their children, now in their 20s and 30s, who were more comfortable with, and knowledgeable about, Windows. The company tried to follow this shift, adding a Windows-based presentation layer to the UNIX backend of its software. But that did little to benefit customers who were moving to full networks based on the Windows Server® operating system.

The company decided that migrating to Windows and the Microsoft® .NET Framework—which had recently become available—would be its best long-term course.

Solution

To help ensure the success of its migration strategy, Spruce turned to DTR Business Systems, a Microsoft NXT Delivery Partner based in Walnut, California.

“DTR is a close business partner of ours,” says Fitzpatrick. “They had a great perspective on the industry and how companies like ours should prepare for the future. They confirmed the direction we wanted to move in—to Windows and the .NET Framework—and their relationship with Microsoft, which has grown over time, was also helpful to us as we migrated.”

Spruce began developing its solution in 2002, using the then-newly available Microsoft Visual Studio® .NET development system. It also took advantage of other key Microsoft technologies,

such as Microsoft SQL Server™ database software. The greater ease and speed of .NET development—compared to the company’s experience with UNIX—enabled it to create all core functionality for the new version in-house, including the point-of-sale/order entry component, inventory, accounts payable, purchase orders, general ledger, and document management.

The openness of the .NET Framework and the ability to integrate compatible components from third-parties enabled Spruce to add best-of-breed functionality for payroll, e-commerce, delivery dispatch, and estimating, rather than creating that code from scratch.

The resulting solution—SpruceWare.NET—enables dealers to navigate and access information, manage workflows, and analyze their operations faster and more easily than before. Unlike the SCO UNIX-bound version, SpruceWare.NET is able to use key Windows- and .NET-based functionality to give Spruce customers power, features, and flexibility previously unavailable to them.

For example, context-sensitive application folders hold pertinent information just one click away; Web links and attachments—e.g., tax-exempt certificates, damaged-goods photos, or complex materials lists—associate information with the relevant sales transactions; dynamic reports enable on-the-fly analysis and “what if” scenarios; and document management creates a “relationship tree” of transactions and documents.



Benefits

“We felt that migrating our solution from UNIX to Windows and .NET would position us for the future—and we were right,” says Fitzpatrick. “No one here has regretted the move to .NET—everyone says we made the right choice. It’s our springboard to the future.”

And that future, powered by Windows and .NET has come quickly. As soon as Spruce began taking orders for the new, .NET-connected software, the run-rate for booking new orders grew to twice the level that the company saw with its previous product. Not only has Spruce doubled its contract rate, thanks to Windows and .NET, but the company has diversified that base, penetrating both lower-end and higher-end markets previously unavailable to it.

“Large companies that wouldn’t take our calls before are the ones calling us now—because we have the technology they want,” says Fitzpatrick. “And small companies that couldn’t afford our solution before can afford it now because of the better price points we can offer with .NET.”

Fitzpatrick sees more benefits from the move from SCO to Windows and .NET. Because its customers are already familiar with the Windows interface, training time for the new solution has declined by more than 50 percent, reducing the cost of training and enabling customers to start benefiting from the solution more quickly.

As a SCO UNIX provider, Spruce had to provide a turnkey solution—including low-margin

hardware as well as its software—since its customers found SCO UNIX technology relatively difficult to integrate and deploy. As a .NET-based solution provider, Spruce can now focus on providing just software and services, since its customers have many more options for acquiring computer hardware. The result: Spruce’s profitability has increased since it stopped handling low-margin UNIX hardware.