

Who Are You Counting On?

As the fortunes of companies turn,
VARs are switching their bets

FEW DECISIONS SEAL THE fate of an IT consulting organization quite like the company it keeps. Picking the right vendor with an appropriate set of channel-friendly policies can set your company off in the right direction. Choose foolishly, however, and doom will follow your company like a hungry wolf.

Of course, knowing when to choose or make a switch is as important as knowing who to choose and who to avoid. Take Sam Sandusky, president of Big Sur Technologies of Tampa, Fla., for example. Just two years ago, Sandusky's company was a committed Microsoft ally trying to set itself apart from the pack in the Sunshine State. Only it wasn't doing that as successfully as it wanted.

That's when the lanky, 6-foot-plus Sandusky decided to re-evaluate his company's technology underpinnings. During the course of several months, it completed a thorough review of its key vendor partners. It studied their technical strengths, their partnering philosophies and even their go-to-market strategies. Then it mapped all of that information to its own capabilities. What it found startled even company insiders. Turns out that the vendor lineup didn't match where Big Sur thought its best opportunities lie.

So it made a gamble like no other in the company's history: It decided to put its fate into the hands of a money-losing vendor whose market share was slipping and whose stock price was stagnant. The company? Novell, the one-time leader in network operating systems software that has made big bets in Linux and network services. "When we lined everything up, Novell seemed to be the right answer for us," Sandusky says. "Believe me, it was a surprise to us, too."

One reason Sandusky was surprised was because Novell simply wasn't a big player within his company as recently as 2002. In fact, Novell sales accounted for less than 10 percent of his company's overall revenue that year. That, of course, changed last year when Big Sur, which specializes in purchasing and procurement services, network installation and support, and bar-code solutions, completed its vendor re-evaluation. Today, Novell is the company's top software vendor partner and plays a key role in the solutions Big Sur sells to commercial, government and higher-education accounts throughout the United States. In 2003, the company's Novell-related sales accounted for more than \$1.2 million in new

licensing revenue—a big deal for the modest-sized company.

The timing of Big Sur's decision is as interesting as its scope. At the time when the company was re-evaluating its own strategy, so, too, was Novell. In fact, company insiders concede that their now noteworthy Linux strategy was "still evolving" then. (In truth, a debate was waging inside the company between those who still wanted to see NetWare carry the day and those who believed the future was tied to more aggressively embracing open-source software and higher, up-the-stack solutions.)

One thing that was solidified at Novell was its decision to try to reignite a fire within the channel. A decision to hand over once-direct accounts to partners was well under way, as was a move to identify which accounts Novell would itself target and which ones it would look to the channel to pursue. Although the company endured some bumpy times re-embracing the channel—Nancy Reynolds, vice president of channel sales, was replaced by Mark Hardardt, worldwide vice president of sales, who now oversees channel development—the company made steady progress. After it purchased SuSE Linux in January and produced a profit, its stock began to soar. Shares have grown nearly fourfold in a year, making Sandusky's bet look very, very interesting.

Novell thought so, too, and named Big Sur Technologies its Partner of the Year at its annual partner summit in March. Sandusky is so excited about the progress he has made with Novell that he has begun traveling at his own expense to other partner headquarters to share his success story and help other partners make Novell the centerpiece of their IT organizations. "Yes, I've become a big believer of Novell and think others will benefit from doing the same," he says.

Hardardt hopes that success can be repeated over and over again. "We're working very hard to make positive changes, and the success that Big Sur and others have enjoyed is welcomed news," he says.

None of that would have happened, however, unless Big Sur took the time to map out its strategy and plot out its future. When was the last time you did the same? ■



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