

# IFS

## Logicalis helps ERP software maker IFS compete in today’s marketplace with cloud hosting and IaaS.

IFS develops, supplies and implements IFS Applications™, a component-based extended enterprise suite. IFS focuses on industries where management of any of the following core processes is strategic: service & asset, manufacturing, supply chain and projects. The company has 2,000 customers and is present in more than 60 countries with 2,800 employees worldwide.

A corporate strategy of focusing on enterprise customers enabled rapid international expansion since the founding of IFS in 1983. As an Independent Software Vendor (ISV), IFS had always used a perpetual license model to sell its software, leaving its customers responsible for purchasing, managing and updating the IT infrastructure needed to run IFS software.

In 2012, with the advent of cloud infrastructure and SaaS offerings disrupting the market, the company's North American division found the need to add hosting and software as a service (SaaS) offerings to their portfolios.

### Changing Customer Needs

There was a growing realization within IFS management that, while its end customers have traditionally implemented their enterprise solutions on premises, there was an interest in looking at lower cost ways of doing business, and outsourcing some of that IT support. “Customers and prospects were telling us they liked our software, but they didn’t have the bandwidth to run it on premises,” says Rick Veague, Chief Technical Officer for IFS North America.

Recognizing the need to quickly address changing customer requirements, IFS decided to seek an enterprise cloud hosting partner. Even though the need for help with cloud hosting was clear, finding the right solution proved to be difficult. “While it’s easy to get some cheap compute cycles in the cloud, it was challenging to find a cloud hosting provider that understood the nature of implementing and supporting enterprise-class applications,” Veague says.

Another facet of the challenge was that IFS would now need to provide a seamless experience to its customers, supporting them not only from an applications level but also from a cloud infrastructure level.

With increasing demand from end customers and sales staff for a cloud solution, Veague knew that urgent action was needed. Determined to achieve the best possible outcome, he set out to survey a broad sampling of cloud providers.

### Enterprise-Class Cloud Hosting

“We were looking for enterprise-class hosting capabilities at an affordable price point, and something that worked with our business model,” Veague explains. IFS evaluated a number of the larger and smaller cloud services players, including Logicalis. In the end, IFS felt that Logicalis offered the best overall alignment to their own and their customers’ needs.

“Logicalis provides a cloud-based infrastructure management solution we can offer to our customers that is competitive in the marketplace,” Veague says. “At the same time, we’ve gained the ability to offer customized solutions to customers with unique challenges.”

Logicalis supplies the backend infrastructure, processes and resources required for end customers to run ERP application software developed and installed by IFS. Unlike most “pay as you go” infrastructure as a service (IaaS) offerings, the Logicalis Enterprise Cloud has the capacity to run mission-critical workloads. The Logicalis cloud offering is designed to support customers that need a long-term IT infrastructure service.

“Logicalis provides not only an enterprise IaaS infrastructure, but managed services to support the virtual servers running in the cloud,” says Sandy Shute, Logicalis Account Executive.

“Now, we have a compelling story when we get into a discussion that compares our solution with our competitors,” Veague says. “We can point to the differences between a professionally managed enterprise environment versus a collection of virtual machines on the Internet—in terms of risk, security, flexibility and business continuity.”

IFS can deploy Logicalis’ cloud-based solutions rapidly, responding to customer needs with an operationally ready solution. “Being able to offer cloud hosting and managed services gives our customers the choice between owning and managing their own IT infrastructure on premises, or having us handle all of that in the cloud,” Veague says. “For us, it’s turned out to be a great way to enhance customer satisfaction and loyalty.”

Interestingly, on at least two occasions so far, IFS prospects said they wanted a conventional on-premises deployment, but needed to get started before they could be ready with their own infrastructure. With the help of Logicalis, IFS provided cloud-based deployment as an interim solution. “After they tried it for a while, both customers liked having cloud-based systems and services so much that they decided to just stay there rather than bring it back in house,” Veague notes. “It was just a lot easier than doing it themselves.”

### Professionally Managed Environment

Veague is emphatic that the professional management provided by Logicalis and seamlessly available to IFS customers is critical to the success of enterprise cloud hosting. “Having access to Logicalis solution architects and other experts is quite different than buying Internet-based services where you don’t pay very much and you don’t get very much,” Veague observes.

Logicalis has impressed IFS with the flexibility it shows when putting together customized solutions. In one instance, an IFS customer had very particular security concerns that required some unusual configurations. IFS and Logicalis were able to collaboratively work together and solve that issue with a customized solution designed to meet that one customer’s specific needs. “Many of our customers have unique requirements that require one-off solutions,” Veague explains. “Logicalis is very agile when putting those solutions together.”

IFS also finds it easy to plan and execute cloud-based implementations with Logicalis. According to Veague, some IFS staff had to come to an understanding of precisely how cloud services could best be made to work for IFS customers, what drives costs and how configurations work. However, once IFS got past that, the actual provisioning process has been quite simple. “If we bring a new prospect on board, it’s easy to give them a cost estimate, to fine tune that into a deployable plan, and then within some number of days the implementation is ready to go,” Veague notes.

“Going forward,” he says, “IFS will be restructuring how we propose our services to offer additional cost savings for customers who choose to deploy in the cloud.” Efficiencies gained by working with Logicalis make it more cost effective for IFS services teams to deploy in the cloud than to a customer on premises. “Now, as consultants, IFS can sell ongoing maintenance and additional services to support its software,” Shute adds.

In the end, Veague thinks the benefits of working with Logicalis come down to a few simple points. “Between IFS and Logicalis, we provide a 24x7 professionally managed environment, which many of our customers don’t wish to maintain in house due to the cost,” Veague says. “And, the risk of losing servers, data and business continuity is greatly reduced, because it’s in a professionally managed, audited, secure, hosted facility managed with ITIL processes, and backed up by a service level agreement.”

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**Rick Veague, IFS North America**