



## SAP PARTNER TURNS “GREAT RECESSION” INTO GREAT RESULTS

### QUICK FACTS

#### Company

- Name: CONTAX Inc.
- Web site: [www.contax.com](http://www.contax.com)
- Year founded: 1991
- SAP partner since: 2008

#### Business Model Summary

Rapid and cost-effective enterprise resource planning implementations for companies below US\$100 million in revenue

#### Industries

- Consumer products
- Engineering, construction, and operations
- Manufacturing
- Pharmaceuticals
- Wholesale distribution

#### Employees

100

A funny thing happened to CONTAX Inc. on its way to the worst economy in memory. Growth. Lots of it.

The company became an SAP channel partner in 2008 when IT spending looked bleak from many perspectives. CONTAX, however, saw the market very differently. Within the first 12 months, the company signed eight new customers to SAP® Business All-in-One solutions across multiple industries.

#### On a Roll with a 30% Growth Rate

With sales cycles averaging fewer than 30 days and implementations typically completed in less than 10 weeks, this Toronto-based consultancy quickly got on a roll and hasn't looked back – except to build on what it was doing right. CONTAX grew by 30% in 2009 and anticipates the same growth rate in 2010.

“We target small, rapidly growing companies with under US\$100 million in annual revenue – businesses that need the functionality of SAP Business All-in-One to support their expansion and increasingly complex operational requirements,” says Michael Pearson, CONTAX president.

“Growth companies are out there in this space. You just have to find them.” And do what you do best.

While CONTAX rapidly drives volume business with the SAP Business All-in-One fast-start program, the company continually develops strong long-term relationships with its customers. Pearson notes that the SAP Business All-in-One fast-start program “makes it all possible.”

#### Simplifying Everything with the Fast-Start Program

“The fast-start program vastly simplifies everything from quote to demo stages through to implementation with preconfigured solutions,” Pearson points out. “This approach offsets the widely held perception that such systems are far more complex and time-consuming to install and deliver ROI. We are proving otherwise with each deal we sign.”

CONTAX's business in 2009 predominantly consisted of sales to new customers. The solution provider expects the mix to shift this year to about 70% of sales derived from new customers

and 30% from existing accounts. A primary reason is the fast-start program, which has enabled the company to quickly build a base of satisfied customers that are open to additional offerings supporting growth and

“We target small, rapidly growing companies with under \$100 million in annual revenue – businesses that need the functionality of SAP Business All-in-One to support their expansion and increasingly complex operational requirements. Growth companies are out there in this space. You just have to find them.”

**Michael Pearson**, President, CONTAX Inc.

further operational improvement. SAP BusinessObjects™ Edge Business Intelligence software is among the products driving sales with both new and existing customers, as companies of all sizes look to strengthen reporting, analysis, and overall decision making.

### Getting into the Groove

When CONTAX was founded in 1991, its business model covered a broad range of technologies and system integration opportunities. After about 10 years, the company began to move in a new direction. “We realized that

the benefits of SAP software could clearly help small and midsize companies do better business,” Pearson explains. “We retooled and retrained our people with this reality in mind. We acquired an abundance of product knowledge and technical and presales skills along the way that we applied when we joined the SAP PartnerEdge™ program.”

CONTAX immediately went to work, taking its experience to the next level through the online sales and presales training SAP offers through the program. SAP channel development managers and enablers were engaged to accelerate the company’s ramp-up and authorization.

“The ability of our employees to become certified online and learn how to most effectively manage sales cycles paved the way for great things to come,” Pearson says. “The SAP PartnerEdge program has been instrumental, providing the unique combination of dedicated people and resources that supports partners so well. We’re excited about the enhancements being made to the program this year.”

### Leveraging SAP Resources

Pearson’s advice to both new and existing SAP partners: “Leverage the channel partner portal and the personnel SAP devotes to its partner ecosystem. There’s clearly no better enterprise resource planning software in the world, and the commitment to partners

is huge. SAP has done its homework and fully recognizes that the indirect channel represents the best route to success in the market of small and midsize enterprises.”

CONTAX today employs approximately 100 people, including a broad mix of consultants, professional services, and business process integration specialists. The company has six Level II-certified sales staff and eight Level II-certified presales staff members. Sales and presales staff periodically perform other roles, but they remain sharply focused on selling and developing new business at all times.

“The fast-start program vastly simplifies everything from quote to demo stages through to implementation with preconfigured solutions. This approach offsets the widely held perception that such systems are far more complex and time-consuming to install and deliver ROI.”

**Michael Pearson**, President, CONTAX Inc.

Many CONTAX professional services staff are generalists, knowledgeable in cross-functional and technical aspects of SAP software. “This translates into smaller, more cost-effective implementation teams for our customer projects,” Pearson explains.



“Leverage the channel partner portal and the personnel SAP devotes to its partner ecosystem. There’s clearly no better enterprise resource planning software in the world, and the commitment to partners is huge. SAP has done its homework and fully recognizes that the indirect channel represents the best route to success in the market of small and midsize enterprises.”

Michael Pearson, President, CONTAX Inc.

“We stick to our strengths and stay focused on our target markets,” Pearson says in describing the company’s key reasons for success, especially in one of the most challenging economic environments in history. “Our people are consistently developed with this mentality from the time we bring them on board.”

### Going Where Decision Makers Go

A mix of traditional marketing, such as direct mail, combines with electronic communications and participation in business networking events to fuel CONTAX’s growth. “We go where decision makers go,” Pearson says, adding that SAP campaign materials simplify the effort. “We leverage existing customer relationships as much as possible, but we don’t limit our focus to any particular vertical market. The fast-start program allows us to efficiently provide the end-to-end functionality that most industries and businesses require.”

By concentrating on prospect companies with less than \$100 million in sales, CONTAX salespeople typically find easier access to the one person they strive to engage from the outset: the business owner, CEO, or president. “This is crucial in avoiding more lengthy sales cycles,” Pearson says. “In our target markets, the highest-level executives are almost always going to make the final decision, so it makes the most sense to engage them from the beginning.”

### Understanding Market Language – and Needs

Most of CONTAX’s customers seek improved supply chain management to support their growth, and the company’s extensive related experience frequently opens the door. Presales professionals apply exceptional industry and product knowledge in areas ranging from engineering, construction, and operations to consumer products, wholesale trade, manufacturing, distribution, and pharmaceuticals. “Speaking the language” of these markets makes a tremendous difference, according to Pearson.

“With the SAP Business All-in-One fast-start program, plus our industry knowledge, we’re able to quickly answer the most important questions up

“With the SAP Business All-in-One fast-start program, plus our industry knowledge, we’re able to quickly answer the most important questions up front and deliver on expectations during implementation. Our customers and prospects realize through this approach that we can give them all the functionality they need now and in the future – and all within their budget.”

Michael Pearson, President, CONTAX Inc.

front and deliver on expectations during implementation,” Pearson says. “Our customers and prospects realize through this approach that we can give them all the functionality they need now and in the future – and all within their budget.”

### Fulfilling Niche Requirements with an Extended Network

Now CONTAX is adding a new dimension with the SAP Extended Business program. “This allows us to help our own partners gain invaluable SAP experience and expertise without making the investment it takes to become a full-fledged SAP partner,” Pearson says. “These are smaller companies that help us address niche requirements. We now have a great way to help them improve in this capacity, as SAP makes select resources available to support their development and potential growth within the global SAP partner ecosystem. It’s another example of SAP going the extra mile to fully enable the success of its channel partners.”



50 100 214 (10/05)

©2010 SAP AG. All rights reserved.

SAP, R/3, SAP NetWeaver, Duet, PartnerEdge, ByDesign, Clear Enterprise, SAP BusinessObjects Explorer, and other SAP products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of SAP AG in Germany and other countries.

Business Objects and the Business Objects logo, BusinessObjects, Crystal Reports, Crystal Decisions, Web Intelligence, Xcelsius, and other Business Objects products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of SAP France in the United States and in other countries.

All other product and service names mentioned are the trademarks of their respective companies. Data contained in this document serves informational purposes only. National product specifications may vary.

These materials are subject to change without notice. These materials are provided by SAP AG and its affiliated companies ("SAP Group") for informational purposes only, without representation or warranty of any kind, and SAP Group shall not be liable for errors or omissions with respect to the materials. The only warranties for SAP Group products and services are those that are set forth in the express warranty statements accompanying such products and services, if any. Nothing herein should be construed as constituting an additional warranty.