

THE VAR



The top resellers and implementers of accounting software are looking to take on the next big technology challenges: data analytics, artificial intelligence, blockchain and more.

We're over the cloud. What's next?

The 2018 VAR 100 say that cloud is a given, and clients are increasingly looking for smarter, more efficient technology

By Ranica Arrowsmith

There are very few tech products on *Accounting Today's* VAR 100 list this year that don't have a cloud offering. It seems we have arrived in the future, when cloud is a given and VAR clients are asking about the next steps to bring higher value to their business.

As companies become more comfortable with technology and see the value it drives, they are seeking higher-level capabilities, according to Cargas Systems (No. 29): "Today, we don't always have to present benefits like task automation, predictive analytics, and self-service options to prospective customers — they are asking about them. Customers are knowledgeable about these capabilities and are seeking them out on their own."

"We no longer have to have the cloud versus on-premises discussion, and are starting to find more and more prospects and clients asking about the future of accounting technology and how analytics, artificial intelligence and robotic process automation will start to play a role," said AcctTwo (No. 41), a rapidly growing firm that has offered exclusively cloud products since its inception in 2010.

Microsoft's release of Microsoft 365 and Dynamics 365 Business Central (more on this below) has thrown the cloud floodgates open, and with these products in the pockets of Dynamics providers (which is most VARs on the list), there is no more debate over whether or not cloud is where a company should be.

Upon the release of Microsoft 365, general manager of business applications and industry for Microsoft Alysa Taylor said in a blog post that, "The most successful businesses are already reaping the rewards of expanding on flexible cloud platforms and meeting customer demands in real-time by collecting comprehensive data, intelligently analyzing results, and responding with sophisticated automation software."

Analytics, intelligence and automation: We have moved beyond the cloud.

A giant and its strategy

Consistently topping the VAR 100 list is the technology practice of RSM, formerly McGladrey, last year bringing in \$320 million. This number includes revenue from its latest purchase this year, Explore Consulting, and earlier in 2018 the firm bought SecureState, a security and privacy consulting firm, bolstering its ability to add

security to its extensive technology offerings.

Placing an emphasis on security is a smart strategy for technology resellers in the wake of the major security breaches like the one last year at credit reporting agency Equifax. Although security breaches of all kinds of companies are common, this particular attack sent shock waves through the United States because of the fact that it happened to a company whose whole purpose is to gather all the most sensitive financial information of citizens, mostly without their consent or willing participation. As accounting and finance firms move more and more off legacy systems and into the cloud, security is not just something they should be concerned about, but a responsibility they cannot invest too heavily in.



"Cybersecurity is cited by middle-market business leaders as one of the foremost risks to their business," said Brian Becker, the national consulting leader for RSM US, in a statement regarding the SecureState acquisition. "We have been experiencing tremendous growth in our security and privacy services due to clients' needs in this area."

As RSM grows, its most significant challenge is "the identification and recruitment of talent to support our growth," the firm reported. "We need to identify smart young resources and match them up with our experienced team members. The clear challenge is finding and onboarding these resources to support demand and also provide high-value capabilities to our clients."

Technology moves

Major moves in the technology space include Sage's acquisition of midmarket powerhouse Intacct, now Sage Intacct; and Microsoft's long-awaited release of 365, which consolidates Office 365, Windows 10, and Enterprise Mobility + Security.

Sage's buy was of the same scale, both materially and emotionally, as Oracle's 2016 purchase of NetSuite. It has given Sage, which has struggled for years to gain traction in the U.S. mid-sized business market, entry into that coveted space. AcctTwo, an Intacct seller since 2010, has been one of the fastest growing small-to-mid-sized VARs on *Accounting Today's* list, growing from annual revenues of \$5.57 million in 2015 to \$11.81 million last year. Intacct has formed AcctTwo's main business for years, and has afforded it healthy growth targeting mid-sized businesses in the U.S.

With Intacct under its belt, Sage now has a presence in the portfolios of 50 of *Accounting Today's* top 100 VARs, while last year it was sold by only 31. While Sage Intacct continues to operate as it did before, with independence and agency over its operations and product offerings, the impact of the acquisition has been rapid and promising for Sage.

On the tails of the Microsoft 365 release last year comes Dynamics 365 Business Central in 2018, an ERP service targeted at small-to-mid-sized businesses. For *Accounting Today's* top VARs, these moves from Microsoft mean major opportunity in the mid-level market. This year, 11 more VARs reported offering 365 than the previous year. "Microsoft Dynamics 365 is one of the only platforms that can provide the end-to-end digital technologies within one system," Merit Solutions (No. 45) said. And according to Strategic Industry Solutions (SIS, No. 39), "The new capabilities in Microsoft Dynamics 365 and the intellectual property we have developed called Construct 365 give us a unique opportunity in enterprise accounts, due to the lack of industry knowledge among partners in the channel, and the fear of tier 1 ERP from this client base."

Cargas Systems, which provides both Sage Intacct and Microsoft products, is particularly excited about the potential from both companies' products: "We see huge potential in our cloud solutions. As best-in-class accounting software, Sage Intacct remains the fastest-growing segment of our business. Microsoft's newly released Dynamics 365 Business Central opens the door to new customers and markets, especially those with complex manufacturing and distribution needs and those with locations in Europe. As a software provider for the energy industry, we also have the opportunity to introduce our Cargas Energy customers to our cloud resale products to give them better business insight and further streamline operations." **AT**

THE 2018 VAR 100

Company / Location	Revenue (\$ mns)	Offices	Staff	Accounting and selected software
1. RSM US ¹ / Chicago	320.63	90	1,100	Dynamics 365, Talent, GP, SL, NAV; Oracle NetSuite; Sage Intacct
2. Columbus Global / Norwell, Mass.	171.00	44	1,200	Dynamics GP, NAV, AX, 365 for Financials/Operations
3. Tribridge ² / Tampa, Fla.	168.00	12	800	Dynamics AX, GP, NAV, SL, 365; NetSuite
4. Crowe ³ / Chicago	117.70	39	664	Dynamics AX, 365, CRM
5. Armanino / San Ramon, Calif.	102.29	10	292	Dynamics AX, GP, Dynamics 365, CRM; Sage Intacct; Adaptive Insights; BlackLine
6. Velosio / Columbus, Ohio	80.00	41	330	Dynamics AX, NAV, GP, SL, Dynamics 365; NetSuite; Sage; SysPro
7. Sikich / Naperville, Ill.	71.00	19	300	Dynamics 365, AX, NAV, GP, SL; NetSuite
8. Net@Work* / New York	47.48	20	185	NetSuite; Sage X3, 500, 300, 100; Abila MIP
9. Edgewater Fullscope ^A / Athens, Ala.	45.70	3	188	Dynamics 365 Operations, 365 Customer Service, AX, CRM
10. SBS Group* / Edison, N.J.	44.64	41	145	Dynamics 365, GP, SL, NAV, AX; Acumatica
11. Vision33 / Irvine, Calif.	44.38	28	194	SAP B1, B1 HANA
12. Wipfli / Milwaukee	43.30	50	257	Dynamics 365, CRM, AX, GP, SL; NetSuite; Sage Intacct; Host Analytics
13. Socius / Dublin, Ohio	37.00	32	150	Dynamics 365, AX, GP, NAV, SL; NetSuite; Sage 100 ERP, 500 ERP; SysPro
14. Western Computer / Oxnard, Calif.	36.00	14	160	Dynamics NAV, AX, CRM
15. SWK Technologies Inc. / Livingston, N.J.	34.10	8	150	Acumatica; BusinessWorks; NetSuite; Infor M-3/M-4; Microsoft; Oracle
16. ADSS Global / Exton, Pa., and Miami	31.50	48	150	Sage 100, 500, Live
17. Sunrise Technologies / Winston-Salem, N.C.	30.50	5	160	Dynamics 365
18. Aktion Associates Inc. / Maumee, Ohio	30.00	6	140	Sage 100, 300; Acumatica; Infor: CSD/SXe/FACTS/A+; Viewpoint: Vista/Spectrum
19. AKA Enterprise Solutions / New York	30.00	3	125	Dynamics 365 Operations, GP, AX
20. Blytheco / Laguna Hills, Calif.	29.04	5	100	NetSuite; Acumatica; Sage 100, Enterprise Management
21. BAASS Business Solutions Inc.* / Toronto and Miami	27.00	21	127	Deltek; Sage Intacct, Sage 300, X3
22. CliftonLarsonAllen* / Minneapolis	27.00	5	80	Sage Intacct
23. Clients First Business Solutions / Holmdel, N.J.	24.00	7	105	Acumatica; Dynamics AX, NAV, 365; Epicor; SAP B1
24. NexTec Group / Seattle	21.00	11	100	Acumatica Cloud ERP; Dynamics GP, SL; Sage 500, X3
25. RKL eSolutions / Lancaster, Pa.	21.00	7	98	Sage 100, 300, 500, X3, Sage Intacct
26. Rand Group / Houston	18.07	3	94	Dynamics AX, GP, NAV, 365; NetSuite
27. Navigator Business Solutions / Pleasant Grove, Utah	18.00	20	70	SAP Anywhere, ByD, B1, Business OneCloud
28. Eide Bailly / Fargo, N.D.	17.70	12	125	NetSuite; Sage 100 ERP, 500 ERP
29. Cargas Systems / Lancaster, Pa.	17.06	2	111	Dynamics GP, 365 Business Central; Sage Intacct
30. Central Consulting Group / Minneapolis	17.00	7	45	Deltek; EleVia; Sage Intacct
31. Stoneridge Software / Barnesville, Minn.	16.80	3	130	Dynamics 365, AX, NAV, GP
32. BroadPoint Technologies ^A / Bethesda, Md.	16.16	2	80	Dynamics 365 for Financials, GP, SL, NAV; Serenic Navigator
33. Crestwood Associates / Mount Prospect, Ill.	16.10	6	61	Dynamics GP, SL, Dynamics 365 Business Central; Acumatica; Greentree
34. BKD Technologies / Springfield, Mo.	15.67	9	41	Dynamics AX, CRM, GP, 365 Business Central; Sage 100, 300, 500; Sage Intacct; eoStar
35. Collins Computing Inc. ⁴ / Mission Viejo, Calif.	14.54	1	27	Acumatica; Dynamics GP
36. Encore Business Solutions / Winnipeg, Manitoba	14.50	3	77	Dynamics AX, NAV, GP, 365
37. LBMC Technology Solutions / Knoxville, Tenn.	14.20	4	58	Intacct; Dynamics GP, SL, 365 for Financials
38. FMT Consultants / Carlsbad, Calif.	13.40	2	75	Dynamics GP, 365; SAP ByD; NetSuite
39. Strategic Industry Solutions / Duluth, Ga.	12.00	5	53	Dynamics 365 Unified Operations, Dynamics 365 CRM, Dynamics SL, SharePoint
40. DSD Business Systems / San Diego	12.00	42	40	Sage; Acumatica; Dynamics
41. AcctTwo / Houston	11.81	3	60	Sage Intacct; Adaptive Insights
42. MicroAccounting / Richardson, Texas	11.80	4	48	Sage 100, 100cloud, 500, X3, Sage Intacct
43. Accordant Co. / Morristown, N.J.	11.55	1	21	Sage 100 Contractor, 300 CRE
44. Warren Averett Technology Group/Montgomery, Ala.	11.28	14	58	Dynamics GP, SL, AX, CRM, 365; Sage 100, 50, FAS, CRM, Sage Intacct; QuickBooks
45. Merit Solutions Inc. / Wheaton, Ill.	10.50	5	60	Dynamics 365
46. Explore Consulting / Bellevue, Wash.	10.30	1	55	NetSuite
47. EpiCenter / Westfield, Mass.	10.00	4	65	Epicor
48. Godlan / Clinton Township, Mich.	9.81	2	55	Infor CloudSuite Industrial (SyteLine) ERP
49. CompuData Inc. / Philadelphia	9.60	1	44	Epicor; Sage Intacct, Sage 100
50. Business Technology Partners / Deerfield, Ill.	9.30	2	43	Sage Intacct; SysPro

Key: All revenues are FY 2017, in U.S. dollars. In cases of ties in revenue, the firm with the larger staff was given the higher ranking. A Accounting Today estimate

* Data from published reports. Abila MIP — Abila MIP Fund Accounting ByD — SAP Business ByDesign B1 — SAP Business One

Notes: 1. Revenue figure includes 2017 revenue of Explore Consulting, which RSM acquired on July 1, 2018. 2. Acquired by DXC Technology in November 2017. 3. Staff figures are only for technology practice, not entire firm. 4. Revenue figure is an Accounting Today estimate; all other data is firm-supplied.

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51. Kerr Consulting / The Woodlands, Texas	8.50	12	50	Sage 100, 300; Sage Intacct; Dynamics 365
52. Stambaugh Ness Business Solutions ¹ / York, Pa.	8.30	2	28	Deltek Vision; GCS
53. WhiteOwl* / Miami	8.20	1	68	Sage Intacct; Dynamics GP, AX; Blackbaud Financial Edge; NetSuite
54. The TM Group / Farmington Hills, Mich.	8.20	2	44	Dynamics GP, SL, NAV, 365; Sage Intacct; NetSuite
55. BCS ProSoft / San Antonio	7.80	5	40	Deltek Vision; NetSuite; Sage 100, 500, 100 Manufacturing
56. T3 Information Systems / Washington, D.C.	7.70	2	29	Dynamics GP, SL, 365 Business Central; Sage Intacct; BI360
57. MIBAR.net / New York	7.70	1	28	NetSuite; Acumatica; Dynamics GP
58. GURUS Solutions / Montreal	7.59	9	75	NetSuite
59. e2b technologies / Chardon, Ohio	7.34	1	50	Sage 500, 100; Sage Intacct; Epicor
60. Innovia Consulting Inc. / Onalaska, Wis.	7.30	24	42	Dynamics NAV
61. Full Sail Partners Ltd. / Steamboat Springs, Colo.	7.12	4	36	Deltek Vision
62. JMT Consulting Group Inc. / Patterson, N.Y.	7.10	3	30	Sage Intacct; Abila MIP
63. Accountnet Inc. / New York	6.95	4	22	Dynamics 365 Business Central, GP, SL
64. Faye Business Systems Group / Woodland Hills, Calif.	6.90	4	25	Sage; SugarCRM; Act-On; Quickbase
65. The Resource Group / Renton, Wash.	6.70	1	26	Dynamics GP; Sage Intacct
66. Third Wave Business Systems* / Wayne, N.J.	6.60	5	37	SAP B1, B1 Cloud; Dynamics GP; Sage
67. Raffa / Washington, D.C.	6.60	2	24	Dynamics 365, GP, SL; Sage Intacct; JAMIS
68. JOVACO Solutions Inc. ^A / Montreal	6.50	1	44	Dynamics GP, 365
69. Silverware Inc. / Phoenix	6.50	2	30	Dynamics NAV, D365 Business Central; Sage Intacct
70. Technology Mgmt. Concepts / El Segundo, Calif.	6.31	1	27	Dynamics 365, NAV, GP, SL
71. Queue Associates Inc. / New York	6.10	5	50	Dynamics 365, AX, NAV, GP, SL, CRM
72. Business Solution Partners / New York	6.10	7	28	NetSuite; Adaptive Insights; Kyriba & Dynamics 365
73. WAC Solutions Partners* / Northborough, Mass.	6.00	13	40	Sage 100 ERP, 300, X3, Pro, 50, Live; NetSuite; Acumatica; Abila MIP, Grant Management
74. Synergy Business Solutions / Portland, Ore.	6.00	4	30	Dynamics SL, NAV, 365 Business Edition
75. Intellitec Solutions / Wilmington, Del.	6.00	1	26	Dynamics GP, SL, 365 Business Central; Sage Intacct
76. Aronson & Co. / Rockville, Md.	5.90	1	250	Sage 300 CRE, 100 Contractor, Estimating; Deltek; QuickBooks
77. CAL Business Solutions / Harwinton, Conn.	5.90	1	28	Dynamics GP; Acumatica
78. Arxis Technology Inc. / Simi Valley, Calif.	5.80	1	28	Sage Intacct; Sage 100, 300, 500
79. Sererra / Newport Beach, Calif.	5.80	4	25	NetSuite
80. Boyer & Associates / Minneapolis	5.60	1	18	Dynamics 365 Business Central, GP, NAV, SL
81. AlfaPeople USA ^A / New York	5.56	1	25	Dynamics 365, AX, CRM; Power BI
82. Furlane ² / Austin, Texas	5.50	N/A	30	QuickBooks Enterprise
83. Njevity Inc. / Greenwood Village, Colo.	5.50	6	25	Dynamics GP, PowerGP Online
84. SSi Consulting / Vienna, Va.	5.50	2	16	Sage Intacct; Dynamics 365 Business Central, GP, SL; Unanet
85. Express Information Systems ^A / San Antonio	5.50	3	15	Sage Intacct; Dynamics 365, GP
86. DWD Technology Group / Fort Wayne, Ind.	5.40	3	25	Sage 100, CRM, HRMS, 50, BusinessWorks; Acumatica; Abila MIP
87. Martin and Associates / Cincinnati	5.30	1	22	Sage ERP 100, Sage ERP 500; Dynamics GP; Acumatica
88. Templeton Solutions / West Palm Beach, Fla.	5.18	2	30	Dynamics CRM, PM for Professionals, GP, SL; Power BI; Scribe; Act-On
89. Delphia Consulting ^A / Columbus, Ohio	5.10	1	43	Sage HRMS
90. OmniVue ^A / Alpharetta, Ga.	5.05	1	20	Dynamics 365, NAV, GP
91. Southeast Computer Solutions / Miami	5.00	2	30	Sage 100 ERP, 500 ERP, ERP X3; Acumatica
92. ISM / Portland, Ore.	4.98	5	25	Sage 100 ERP, X3; Acumatica
93. goVirtualOffice / Waunakee, Wis.	4.95	2	45	NetSuite
94. InterDyn Artis / Charlotte, N.C.	4.90	3	22	Dynamics AX, NAV, 365
95. ACE Microtechnology / Atlanta	4.80	4	25	Dynamics GP, 365
96. Maner Costerisan / Lansing, Mich.	4.10	1	15	Dynamics GP, Dynamics 365 Business Central; Sage Intacct; Adaptive Insights
97. Alta Vista Technology / Southfield, Mich.	3.70	3	14	Sage Intacct; Dynamics 365 Business Central, GP; Gravity
98. Practical Software Solutions Inc. / Concord, N.C.	3.50	1	21	Sage X3, 500
99. Leap the Pond / Milford, Conn.	3.50	1	19	Sage Intacct
100. Tactical Cloud / Costa Mesa, Calif.	3.50	2	10	NetSuite

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Notes: 1. Includes Acuity Business Solutions (a division of Stambaugh Ness Business Solutions). 2. Firm is 100% remote.