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What's Next for ISVs?



Open Source Provider Sees Sales Doubling After Moving Solutions to the Windows Platform

Fast Facts

ISV: SpikeSource

Web site: www.spikesource.com

Country or Region: United States

Industry: Technology

ISV Profile

SpikeSource, based in Redwood City, California, is a software company that partners with solution providers to distribute, integrate, manage, and support open source applications for enterprises.

Existing Solution

- Open source on multiple platforms

New Microsoft Solution

- Windows Server® 2003
- Microsoft® SQL Server™ 2005
- Active Directory®
- Microsoft .NET Framework
- Windows® Installer

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Corey Williams, Director of Product Management for Platform Development, SpikeSource

SpikeSource offers enterprise-class solutions by integrating open-source applications and middleware into a single package, supported and managed through its SpikeNet update service. To meet customer demand, SpikeSource began providing Windows®-based open-source solutions, which are well supported and which integrate with enterprise systems. The move has nearly doubled the SpikeSource sales pipeline.

Business Needs

Open-source software appeals to many organizations because of its relatively low cost and because of the ability to customize it for specific business needs. However, business customers resist open-source software because it often lacks basic tools and features that business customers expect, such as easy installation routines, standard file backup functionality, interoperability, and service-level agreements for formal maintenance and support. SpikeSource has built a successful

business bridging the gap between the demand for open-source software and the enterprise features and services—or lack of them—that affect whether customers adopt it.

SpikeSource works with open-source vendors to provide valuable additional features that bolster sales to midmarket organizations with revenues between U.S.\$50 million and \$1 billion. Some of the popular applications and solutions that it modifies, supports, and resells include a Web content management solution

Microsoft



from Drupal, customer relationship management software from Centric, business intelligence from JasperSoft, and an enterprise content management solution from Alfresco. SpikeSource also offers a fully integrated Web 2.0 collaboration product known as SuiteTwo, which includes Socialtext wiki, Sixapart blogging, and Newsgator RSS feeds.

SpikeSource takes these and other software solutions, then provides value-added services and features such as testing and configuration, general and security updates, installation packages, and help-desk support for end customers. The solutions are sold to end customers as “SpikeIgnited” products.

For the first three years of its operations, SpikeSource built a growing business on Linux. But it also encountered a recurring problem because the company did not have any offerings available for the Windows® operating system, says Corey Williams, Director of Product Management for Platform Development for SpikeSource.

“About half of our potential engagements ended without a sale because customers would ask us if we supported the Microsoft platform,” Williams says. “We did not have a Windows-based solution, and that hurt our business.”

Solution

To enhance its business prospects, SpikeSource decided to create Windows-based solutions and technologies for its offerings.

SpikeSource first engaged with Microsoft through the Open Source Software Lab and then the NXT program, which helps software companies adopt Microsoft® technologies easily and cost-effectively. Beginning in mid-2006, SpikeSource adopted a range of Microsoft applications, tools, and technologies to assist in developing Windows-based solutions. These included the Microsoft .NET Framework 2.0; the Visual Studio® 2005 development system; SQL Server™ 2005 database software; and the Windows Server® 2003 operating system and related components, such as the Active Directory® service.

SpikeSource also focused on delivering some of the lesser-known but important features that provide functionality that users expect in Windows-based software. For example, it incorporated the Volume Snapshot Service—sometimes called Shadow Copy—technology, a feature of the Windows operating system that enables automatic backup copies of file and folder information at specific times. It also integrated the Windows Installer, a self-executing installation technology for applications, and features such as single-sign-



on for users, which authenticates their IDs with the Active Directory service.

The company, which delivered its first Windows-based solutions in early 2007, also uses an array of other technologies such as .NET-based extensions, XML, and Web services to help business customers integrate the open-source solutions into existing Windows environments.

“We hired one person for his Microsoft skills, but other than that we didn’t have to expand our team,” says Williams. “There is a lot of support and expertise available for Microsoft technologies, and when we had questions, we could always turn to Microsoft for support.”

Benefits

By partnering with Microsoft and creating Windows-based versions of open source solutions and software, SpikeSource is generating customer enthusiasm and sales that did not exist before.

“The Windows platform helps us to provide a better overall user experience with the open-source solutions,” says Dominic Sartorio, Director of Product Management for Partner Products at SpikeSource. “It delivers a familiar experience for common tasks, like updating software or registering a product. The value of our solutions’ screenshots and demos to our

sales efforts went through the roof when we were able to show how the open source solutions appear in the more familiar Windows environment.”

Even more important than customer enthusiasm is the growth of customer sales. The use of the Windows platform has substantially increased revenue for SpikeSource, and has led to major sales engagements. For example, it has formed a partnership with NEC in Japan to deliver Windows-based versions of several open-source solutions.

“That portion of potential customers who said ‘no’ in the past because we could not provide Windows-based solutions is now saying ‘yes’ to us during sales engagements,” says Williams. “Moving to the Windows environment delivered an immediate benefit. It increased our sales pipeline nearly 100 percent because we now support an operating system environment that many of our target customers want.”