

PUBLISHED SINCE 1997

# siliconindia

BUSINESS & TECHNOLOGY

IN THE U.S. & INDIA

SEPTEMBER - 2008

SILICONINDIA.COM



## Optimal Solutions: **Smart Moves** **Fuel Fast Growth**

Gurvendra Singh Suri,  
Founder & CEO

\$ 2 US\$ 150





# Big Plans for the Midmarket

*By Jayakishore Bayadi*

Gurvendra Suri, founder and CEO of Optimal Solutions, has grown his company significantly every year for the past 13 years providing SAP solutions and services to some of the world's largest corporations and government organizations. His plan now is to grow Optimal fourfold over the next 3 - 4 years. Here is a review of Optimal's past success and future growth plans.

In the early '90s implementations of large-scale SAP systems were in full swing among companies with expansive global operations. Many of these large projects were fraught with costly mistakes. Deadlines were missed. Costs skyrocketed. CIO careers were destroyed. There was a gaping disconnect between expensive software and critical business processes. Seamless integration of multiple systems deployed across a global enterprise was more a pipe dream than a reality.

At that time Gurvendra Suri, or simply 'Suri' as he prefers to be called, had immigrated from India to the U.S. just a few years before. He was newly married and working hard for a large wholesale pharmaceutical distribution company in Dallas. From this vantage point, Suri saw first-hand companies taking high-risk gambles with hugely expensive and complex SAP systems, and he knew there was a genuine need for consultants with the experience and know-how to bring these projects to fruition.

Then 33 years old, Suri's future was promising. He had numerous employment offers from leading, well-established companies and could easily have played it safe. But instead, Suri opted for the thrill, challenge and considerable financial risk of starting his own company. He carefully assembled a team of SAP experts with a deep understanding of enterprise technology architecture and global business process design, and in 1995 Optimal Solutions Integration was born.

Reflecting back on Optimal's beginning, Suri says he would tell other entrepreneurs to be bold, do their homework and determine precisely what will differentiate them from competitors. "While it is crucial to develop a bullet-proof business plan, it is more important to deliver value," says Suri.

In a short period of time, Optimal earned a reputation as a consulting firm that knew SAP cold, that was not afraid of complexity, that could tackle global enterprise

architecture issues, mitigate risks and make expensive SAP investments pay off.

Under Suri's steady leadership for the past 13 years, Optimal has enjoyed remarkable, year-over-year revenue growth, sustaining this growth even during the 2000-2003 tech sector meltdown and economic malaise. Optimal's global workforce today exceeds 400, and the company provides SAP consulting services to leading government agencies and corporate organizations throughout North America, Europe, Latin America and the Asia/Pacific region from offices in Irving, Texas; Washington, DC; Munich, Germany and Bangalore, India.

The primary drivers for Optimal's success? Suri's entrepreneurial vision, devotion to clients, indefatigable work ethic, and bold business savvy — the very same drivers that will propel Optimal's success as the company expands its operations to capitalize on what Suri — along with most industry experts — believes will be the next high-growth opportunity in IT: providing software and services to rapidly growing midsize enterprises.

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#### A Big Midmarket Play

To date, most of Optimal's work has been with Fortune 500 companies and large government organizations. Optimal's client roster reads like a "Who's Who" of Fortune 500, including well known global brands such as Dupont, Texas Instruments, Halliburton, Pepsi, Exxon Mobile and Universal Studios, among many others.

Optimal's work in the public sector is equally impressive. The firm has worked with the U.S. Department of Defense, NASA and the U.S. Army, among many other large government organizations.

SAP is the world's leading provider of business application software with more than 75,000 customers in 120 countries. SAP is most known for its traction with large enterprises. More than 80% of Fortune 500 companies rely on SAP software solutions to power core business processes.

Today, however, most industry experts agree that the large enterprise market for SAP solutions is nearing saturation. There is also a general consensus among experts that the market for selling SAP solutions to small and midsize companies is nearing an inflection point and is poised for rapid growth.

## FAST FACTS

|                           |   |
|---------------------------|---|
| <b>Founded:</b>           | <b>1995</b>   |
| <b>Focus:</b>             | SAP solutions and services (SME and Large Enterprise)   |
| <b>Founder &amp; CEO:</b> | <b>Gurvendra Suri</b>   |
| <b>Headquarters:</b>      | Irving, Texas   |
| <b>Locations:</b>         | Dallas TX, Washington DC, Austin TX, Munich Germany, Toronto Canada, Bangalore India.   |
| <b>Investors:</b>         | Privately held with funding from Tailwind Capital Partners  |
| <b>Clients:</b>           | Texas Instruments, Pepsi, Nokia, Dupont, IDT, Sony, Dell, Motorola, Caterpillar, Bell Helicopter, BP Amoco, Washington Post, NASA, Department of Defense, Ericsson, Exxon Mobile, i2 Technologies, Nortel, Philips, Raytheon, Universal Studios, AstraZeneca, and many more |
| <b>Partners:</b>          | SAP America, Accenture, AT&T, Microsoft, i2 Technologies, Business Objects, HP, Informatica, (among others)   |

## Optimal Solutions

“Optimal's goal is to be the premier “go-to” SAP consulting firm for midsize companies in North America,” says Suri

Always in tune with macro-economic forces and industry trends, SAP has built out an extensive portfolio of solutions designed specifically for small and midsize companies. SAP has publicly stated its aggressive goals of doubling its addressable market and having 100,000 customers by 2010, with the lion's share of this growth occurring in the SME space. To achieve its growth goals, SAP is relying heavily on its partner ecosystem to accelerate its midmarket penetration.

Up steps Optimal. With the same prescience, strategic mindset and unflappable boldness that has served him so well for the past decade, Suri is rapidly expanding Optimal's focus to include midsize companies in select vertical markets. Specifically, Optimal will target companies with revenues between \$100 million and \$1.2 billion, a market segment SAP pegs at approximately \$30 billion.

Suri is not alone in thinking that a great opportunity exists for the right company with the right qualifications — namely, Optimal — to sell SAP solutions and services to midmarket enterprises.

Tailwind Capital Partners, an independent private equity firm focused on middle-market companies, recently made a sizable equity investment in Optimal and, moving forward, will be the lead investor for providing and arranging up to \$100 million in financing to accelerate Optimal's aggressive midmarket growth plans.

“Optimal is extremely well positioned to capitalize on the growing demand among middle-market companies for SAP solutions that drive innovation and growth,” says Frank Sica, managing partner of Tailwind Capital Partners.

#### Optimal Awards

DFW Tech Titan Fast 50 (2000 to 2007)  
 Deloitte Texas Technology Fast 50 (2003 to 2007)  
 Dallas 100 (2003 to 2007)  
 Diversity Business – U.S. Div. 500 (2004 to 2006);  
 TX Div. 100 (2004 to 2007)  
 Dallas Morning News, Biggest Minority-Owned  
 Business in Dallas/Fort Worth (2007 - ranked 20th)  
 Gurvendra Suri named Ernst & Young Entrepreneur of the Year  
 Finalist (2005 to 2007)  
 Gurvendra Suri named Sikh Entrepreneur of the year (2008)

Suri is bullish on Optimal's potential. He anticipates fourfold growth over the next 3 - 4 years. “With support from Tailwind, we have the resources to dramatically scale our presence as a leading SAP solutions provider in the middle-market,” he says.

Sica concurs, “Optimal's impressive year-over-year growth since its inception in 1995 and their proven track record delivering SAP-based solutions to companies with complex global operations attests to the talent and commitment of Optimal's consulting and executive management team. We are confident in this team's ability to take Optimal to the next level.”

Optimal's midmarket expansion plan, says Suri, is to pursue an aggressive build-up strategy to quickly gain scale in strategically targeted vertical markets. For Optimal to grow as large and as quickly as Suri plans, he will most likely make several acquisitions over the next year or two. He is presently reviewing several possible acquisition targets. For competitive reasons, Suri will not name these companies, nor will he say too much about the specific vertical markets Optimal will enter.

Suri will only provide specific information regarding Optimal's recently launched product for the metals and mining industry, but it is clear from his calm demeanor and



Gurvendra Suri

### Optimal Solutions Seasoned Execs

**Sam Sliman, President**

**Andre Champagne, Senior Vice President, Operations**

**Elliott Garofalo, Senior Vice President, SME**

**Mark Patterson, CFO**

**Roy Chandler, General Manager, Washington, DC Office**

**Dr. Subi Krishnan, Managing Director, India Operations**

**Valeri Wickersham, Director, Human Resource**

**Gagan Ghai, Director, Business Development SCM**



Sam Sliman

quiet confidence that he and his executive team have a well thought out strategic plan in place for the midmarket and know precisely where they want to take Optimal.

As a nimble, mid-sized organization with low overhead, a deep talent pool, proven offshore capabilities and solid financial backing, Suri believes Optimal can build capabilities quickly and price more competitively than similarly sized companies or the larger consulting firms, whose diverse portfolio of services creates inefficiency with SAP and whose high overhead

often prices them out of the midmarket.

Optimal's goal, according to Suri, is to be the premier "go-to" SAP consulting firm for midsize companies in North America. Optimal will achieve this goal by helping middle-market companies select and implement end-to-end SAP solutions that deliver powerful, measurable results at the lowest possible cost, says Suri.

**“Optimal’s experience with Fortune 500 companies uniquely qualifies us to help middle market companies make fiscally responsible, strategically sound investments in SAP solutions,” says Sliman**

#### First Stop: Metals and Mining

These days Suri is closely watching the rise of metals and mining companies in the U.S. midwest — fast-growing companies in states such as Montana, Colorado, and Utah, among others. Suri also is keenly tracking the surge of the metals and mining sector of the global commodities market.

Being in the enterprise software space, what excites Suri is that midsize companies in the metals and mining segment are largely underserved when it comes to strategic IT investment, though recent rapid growth is putting tremendous pressure on these companies to leverage technology to streamline, innovate and automate core business processes.

What's more, these companies have the capacity to spend. If Suri's plan pans out as he expects, a good portion of the 600 - 700 thriving U.S. metals and mining companies with revenues growing into the hundreds of millions could soon become clients of Optimal Solutions.

Suri and his executive team have wasted no time in executing Optimal's midmarket expansion plan. In May of

## Suri's Philanthropy

Among Suri's many personal charitable activities is Beyond Borders, a private charity which he founded in 2003 with a \$1 million endowment. The mission of Beyond Borders is to provide care and support for disadvantaged people and non-profit organizations across borders in the form of medical care, educational grant scholarships, vocational facilities and cause-based funding. Suri also generously contributes time and funds to numerous organizations in India and the U.S. that support the International Sikh community and promote Sikh values to youth. He participates actively in local Dallas Sikh community affairs to fund and promote Sikh values. He serves on the board of the Sikh Research Institute and on the advisory board of the Sikh Coalition—both non-profit organizations focused on Sikh causes.

Suri was recognized as the 2008 Sikh Entrepreneur of the Year by SCORE during its annual conference held on Capitol Hill, Washington, D.C.

#### Optimal Charity

- Irving ISD Partner - Sponsorship of school for children from economically challenged families
- Supporting the Troops - Care packages for U.S. troops overseas (Iraq and Afghanistan)
- Katrina Relief - Fund-raising efforts for Red Cross to help Katrina victims
- Tsunami Relief - Fund-raising efforts for Red Cross to help Tsunami victims

this year, Optimal became an SAP channel partner authorized to resell the SAP Business All-in-One solution to midsize companies in North America, and by July the company had launched its first midmarket product: Optimize LodeOne for metals and mining, an SAP Business All-in-One solution preconfigured to meet the immediate and future needs of midmarket primary metals and mining companies.

Thus far, LodeOne has been favorably received among target midmarket metals and mining companies. The solution is generating considerable excitement as the metals and mining market segment flourishes and the number of companies in this segment approaching \$100 million plus in revenue steadily grows, making Suri a very happy man.

#### SAP Focus, Customer Service, Seasoned Leadership are Keys to Success

“We are one of the largest consulting companies in North America focused exclusively on SAP,” says Suri. He believes that this is one of Optimal's key differentiators and gives the company a significant competitive advantage. “Over the past decade we've seen many consulting firms re-invent themselves practically overnight to capitalize on

the latest trend or industry buzz term. Firms of this sort tend not to last very long. If they do manage to survive, their reputation and their credibility is questionable.”

One of the reasons Optimal has sustained year-over-year growth since the company's inception, according to Suri, is the firm's steadfast focus on building deep expertise implementing, customizing and maintaining SAP solutions. “We're well known for our SAP experience. Our clients rely on this experience. It is why they put faith and trust in Optimal. We know SAP. We get the job done right, on time and on budget,” says Suri.

**“Quick implementation, fast time to value and low total cost of ownership are key selling points of SAP Business All-in-One solutions,” Garofalo says**

Sam Sliman, president for Optimal Solutions, agrees and believes that Optimal's experience helping large companies with their SAP systems will translate into value for Optimal's midsize customers. “Optimal's experience with Fortune 500 companies uniquely qualifies us to help middle-market companies make fiscally responsible, strategically sound investments in SAP solutions,” says Sliman.

“The competitive and operational challenges middle-market companies face are not entirely different than those encountered by large, multi-national organizations,” Sliman adds, but he says that is very important to understand that the sales process for a midsize customer is vastly different from how Optimal sells to and engages with its large enterprise customers.

Elliott Garofalo, senior VP of Optimal's SME practice, points out that midmarket companies typically don't have a large IT staff, so ease-of-use and simplicity are very important when it comes to the software solutions they purchase.

Sales cycles for midsize customers are much shorter than large customers, according to Garofalo, and successful selling in the midmarket hinges heavily on a company's ability to quickly generate volume and scale its operations, but definitely not at the cost of customer service or responsiveness, maintains Garofalo.

“Quick implementation, fast time to value and low total cost of ownership are key selling points of SAP Business All-in-One solutions,” Garofalo says. “These are all made possible because All-in-One is preconfigured with industry best practices built in. These solutions are ready to go out of the box,” says Elliott.

Another thing that separates Optimal from the competition is the company's dedication to helping its clients succeed. Putting the customer first is more than a cliché

at Optimal, it is deeply ingrained in Optimal's culture, from the C-level to consultants to all Optimal support staff.

“Our job is to provide our clients with the best possible advice on business process design and business transformation strategies, and then to help them get the correct technical architecture in place to operate 24/7 with a sub-second response time across the world,” explains Suri. “We measure our success in terms of our clients' success. This is the most important benchmark at Optimal.”

Although Optimal is very excited about ramping up its midmarket operations, the company will in no way scale back on its work with large enterprise customers, the firm's historical bread and butter. Suri figures Optimal's large enterprise practice will continue on steadily at a 10% - 15% year-over-year growth rate.

Suri also expects to see business grow for the company's India-based workforce. He recently hired industry veteran Dr. Subi Krishnan to direct Optimal's India-based operations. In addition to supporting Optimal's offshore/outsourcing engagements and delivering successful and profitable offshore projects, Dr. Subi is tasked with driving Optimal's growth initiatives in India, a region recently recognized by SAP as one of the company's fastest growing.

“Optimal stands out as one of the very best, pure-play SAP solution providers and consulting firms in North America,” said Dr. Krishnan. “The company's impeccable reputation and proven capabilities extend to its India operations. I am proud to join such a distinguished team, and I look forward to doing my part to help Optimal achieve its full growth potential in India.”

Optimal is confident that they are on the right path, and that all their effort will pay off. Suri believes strongly that the key to Optimal's success is the firm's SAP expertise and unwavering commitment to providing exceptional value to their clients.

Suri also believes that keeping Optimal's stellar, highly experienced senior management team intact is vital to Optimal staying on track to achieving its goals. “Ultimately, the success or failure of a business comes down to making the right choices when putting the executive team together,” he says with the smile of one who is confident that he has chosen wisely.

As the demand for SAP solutions among midsize companies soars, Optimal appears well prepared, well positioned and well led to achieve its aggressive growth goals. **si**



Elliott Garofalo