

How ACCPAC ADVANTAGE COMPARES TO GREAT PLAINS

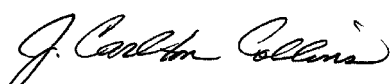


COMPETITIVE ANALYSIS & REVIEW
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INTRODUCTION

Microsoft Business Solution's Great Plains software has always been a very good product with an excellent reputation. Great Plains has a wide array of modules and tens of thousands of happy customers. An argument could be made that Great Plains has been the top mid-market solution in the world in years past. However no product is perfect and by today's standards, Great Plains lacks features and functionality that are offered by other top products. Presented below is a summary of some of the key advantages ACCPAC Advantage 5.2 offers over Great Plains 7.5. This article was written at the request of ACCPAC International, and the purpose of this article is to point out some of the major advantages ACCPAC offers over the Great Plains solution.



HOW ACCPAC ADVANTAGE COMPARES TO GREAT PLAINS

TECHNOLOGY

The most obvious difference between ACCPAC Advantage and Great Plains is that ACCPAC runs on a wide variety of technology platforms and database applications. The table below summarizes the platforms and databases supported by each product:

	ACCPAC ADVANTAGE	GREAT PLAINS
Technology Platforms Supported	Windows LINUX Novell NetWare OS/400	Windows
Databases Supported	Microsoft SQL Server Pervasive.SQL IBM DB/2 Oracle	Microsoft SQL Server MDSE C-Tree

From the table above we see that ACCPAC offers more technology choices, and basically includes all of the top choices available today. Comments about specific technology solutions follow:

LINUX - Because ACCPAC supports LINUX, many would argue that this makes ACCPAC a more affordable solution from a technology standpoint, especially for larger corporations. Many companies have found that LINUX is not only a less expensive technology platform, but more stable and reliable as well. ACCPAC was the first major accounting software solution to embrace the LINUX platform; the first LINUX version of ACCPAC Advantage was released in 1999.

IBM AS/400 - ACCPAC Advantage supports the IBM AS/400 platform using the OS/400 operating system. Today many larger companies have standardized on the IBM AS/400 platform, and ACCPAC allows them to

implement a superior accounting system solution on this tried and true IBM platform. Over the past five years, the IBM AS/400 has consistently proven to be the most stable and reliable technology platform anywhere. By contrast Windows NT servers must be rebooted about once a year on average. ACCPAC provides a financial accounting solution that works well in this popular environment.

PERVASIVE - ACCPAC Advantage also runs on Pervasive.SQL, a database option that performs well for 50 to 100 users, but costs much less and requires virtually no database administration. By contrast, Microsoft announced plans in 2002 to discontinue new sales of Great Plains on the Pervasive database. Support for the Pervasive based version of Great Plains 7.5 (as well as Great Plains 7.5 on the C-Tree database) is scheduled to end on December 31, 2004, although support for the tax and regulatory updates for both the Pervasive and C-Tree versions ended on March 31, 2004.

ORACLE & IBM DB/2 - ACCPAC Advantage runs well on the Oracle and IBM DB/2 databases in addition to the Microsoft SQL Server database. The IBM DB/2 database is the most widely used high-end database in the world with approximately 42% market share world wide. The Oracle 11i database is widely considered to be the most powerful database in the world by far - all financial system benchmark records set in the past ten years have been set using the Oracle database.

MICROSOFT SQL SERVER - Both Great Plains and ACCPAC Advantage support the Microsoft SQL Server database, which in recent years has proven to be the most popular database by far. Beginning with version 7.0, SQL Server has proven its worth as a fast, reliable database. Arguably, Microsoft SQL Server has become the de-facto standard in the industry and this solution represents the most promising database platform of the future.

Many companies complain bitterly when their accounting system drops support for the current database forcing the company to move up to a more expensive and complex database. In 1998 Solomon dropped support for Pervasive in favor of Microsoft SQL Server and Macola did the same in 2000. In both cases their customers were very vocal in expressing their discontent. The trend of abandoning Pervasive continues with companies like Yardi and Great Plains. Developers make these choices because they view benefits of developing just one version of their accounting system optimized for SQL Server as a good strategic approach. By contrast, ACCPAC believes that producing an accounting system that embraces all of the top technologies and provides customers with choices is a better approach. While I tip my hat to SQL Server, I acknowledge that ACCPAC's approach is the most desirable.

ASSESSING THE FUTURE

The future of both ACCPAC Advantage and Great Plains is fraught with uncertainty. Consider:

Comments Regarding ACCPAC's Future:

- As of 2004, ACCPAC Advantage is now owned by Best Software – the world's largest accounting software company. In many ways this development makes ACCPAC Advantage a more promising product for the future. For example, Best Software is in a position to open new doors for ACCPAC, integrate more products, feed more leads to ACCPAC resellers, and convert more Peachtree users to the ACCPAC family of products. Best's management team and strategies are arguably
- better positioned to grow the ACCPAC product and the Best resources are far greater as well.
- Some insiders argued that Best Software might show more favoritism towards the MAS 90 product line over ACCPAC Advantage, but I believe that this is not likely. Compared to MAS 90, ACCPAC has a wider customer and reseller base world-wide, and ACCPAC's technology and integration is superior. ACCPAC is also a deeper product in terms of features. It is true that Best Software has positioned some of its' accounting software products to maintenance status, but it is hard to conceive that Best would cede that same fate to a product as successful and widely deployed as ACCPAC.

- The ACCPAC product has been specifically designed to be portable from one technology platform to another and from one database platform to another. This portability was achieved by developing and packaging the product's business rules in a library separate from the rest of the technology. As a result ACCPAC can be easily adapted to new technologies and database platforms as they emerge. By contrast, other competing products have programming code that is commingled with the product's database, which makes it impractical, (if not impossible) for these products to move to newer technologies without re-writing a significant portion of the product.

Comments Regarding Great Plains' Future:

- I believe that initially Microsoft acquired Great Plains to better control the "database destiny" of current and future Great Plains customers. Since that acquisition, Great Plains has standardized on SQL Server as both the Pervasive and C-Tree versions of Great Plains are being phased out. In other words, Microsoft's motives for acquiring Great Plains was based on efforts to better establish the SQL Server database, and not on efforts to better meet customer needs. *(This does not mean that Microsoft does not intend to also meet customer needs.)*
- If Great Plains was in fact acquired to be used primarily as a marketing tool for selling Microsoft SQL Server (and other Microsoft technologies), then it stands to reason that the future direction of the Great Plains product might be subordinate to other corporate objectives such as promoting the .NET or .NEXT platforms. These other objectives may, or may not be in the best interest of the end user.
- Under Microsoft's control, Great Plains sales stagnated for several years. (I don't blame this stagnation on Microsoft; it is my opinion that the entire accounting software industry has been in a recession which was caused by the Y2K bug hysteria. This hysteria influenced millions of companies to upgrade their accounting systems prior to Y2K.) Nonetheless, some products have experienced increasing sales during this time frame including ACCPAC, MAS 90, and Navision. However beginning in the Fall of 2003, Great Plains sales began growing, thanks to a new "Lite" version priced 30% lower, and the purchase of, and tighter relationship with Trinity Software which provides 17 modules of advanced distribution features to Great Plains.
- Historically, Microsoft is used to selling products to the masses. Product sales of operating systems and applications in the millions of units are the norm, and high volume is expected. By comparison, the sale of a few thousand copies of Great Plains and the revenue generated is relatively insignificant compared to the revenues generated by other Microsoft divisions. The revenue of the entire accounting software product line for all Microsoft accounting software solutions represents less than 2% of Microsoft's total revenue.
- From Microsoft's most recent 10-K filing we see the following: *"Microsoft Business Solutions revenue was \$106 million, \$308 million, and \$567 million in 2001, 2002, and 2003. Microsoft Business Solutions includes Microsoft Great Plains, Navision, and bCentral. Microsoft Business Solutions revenue for fiscal 2003 grew \$259 million from fiscal 2002, of which \$246 million was attributable to the acquisition of Navision at the beginning of the fiscal year. Microsoft Business Solutions operating loss for fiscal 2003 increased 44%, primarily due to operating losses associated with Navision, increases in sales and marketing expenses, research and development expenses, and acquisition related costs."*
- It is reported that the entire accounting software division for Microsoft is losing 60+ cents for every dollar of revenue this division generates. A quick review of Microsoft's 10-K filing for the third quarter of 2003 shows that revenue for the entire Business Solutions division amounted to \$388 million compared to \$7.84 billion overall for Microsoft. Keep in mind that this revenue amount for the Business Solutions division includes revenue for all bCentral activities, as well as sales of Navision, Axapta, and Solomon products. There is speculation by some industry pundits that Microsoft may totally revamp this division or adopt extreme cost cutting measures to reduce losses.

- Microsoft has announced that it will be releasing a new accounting software solution (code name "Green") based on .NET technology and early estimates were for this product to begin shipping in 2004. This product is now scheduled to begin shipping in 2007. It was announced at the Microsoft Stampede conference in Minneapolis in Fall of 2002, that this new product would provide an upward migration path for existing Great Plains, Solomon, Navision, and Axapta users. Over the long haul, this is very good news – a new generation of accounting software from Microsoft with new and improved capabilities will be a good thing. However, natural questions arise from this announcement. For example, how will this affect customers and resellers in the short term? Will Microsoft force customers to migrate to this new product when it arrives, or will Microsoft continue to support Great Plains well into the future – say to the year 2010 and beyond? Given the division's financial losses, there might be pressure to discontinue the current products in favor of the jump starting sales of the newer .NET-based product, or at the very minimum reduce development of the older product lines in favor of the newer .NET-based product.

Microsoft answered some of the questions recently by declaring continued support for Great Plains through the year 2012. Microsoft also declared that purchasers of Great Plains would be given the choice of upgrading to the new "Green" product for no additional charge once this product is ready. With these two announcements, Microsoft did a good job of answering these nagging questions and addressing these issues.

- It was mentioned briefly on stage at the Microsoft Convergence Conference in Spring 2003 that the new .NET-based accounting system solution would most likely look like Microsoft Outlook. If this is the case, then users who migrate from the current Great Plains, Solomon, Navision, and Axapta products may have a significant learning curve to endure in transition to the new product.

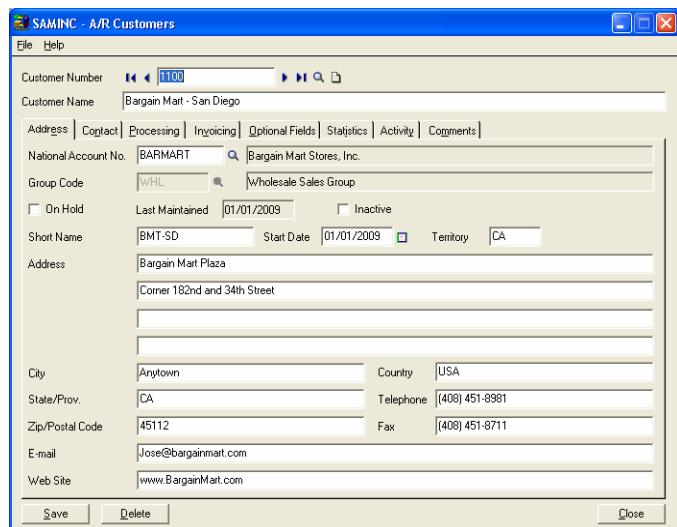
market dynamics for both products. With these acquisitions, both products have new resources and opportunities at their disposal. However both products now live under a subtle cloud of uncertainty as well which can be subject to the priorities and whims of management. All signs seem to suggest that both ACCPAC and Great Plains will continue to be powerhouse products well into the future. At this time it is probably fair to position the future outlook for these two products as a "tie".

PRODUCT LOOK AND FEEL

When it comes to the "look and feel" of an accounting system, the screen designs should be consistent and well organized. Field labels and data fields should line up in an organized column so the eyeball does not have to "dart around" to find data. The data fields should use proper colors and fonts so the data literally "jumps off" the screen and is easier to read. The system should include attractive and obvious icons, shortcuts, VCR buttons, drop downs, and information boxes. The screens should work with or without a mouse. Both ACCPAC and Great Plains provide all of these features. However, there is a significant difference between these two products in terms of screen design in that ACCPAC provides tabs at the top of each dialog box to conveniently organize user screens whereas Great Plains does not. For example, the Great Plains screen below depicts where new customers are entered and set up in the Great Plains system.

The bottom line is that the acquisition of Great Plains by Microsoft and ACCPAC by Best Software changes the

As you can see, there are no tabbed dialog boxes to provide easy access to related customer screens. These other screens must be accessed individually.



By contrast, the ACCPAC Advantage Customer screen shown above provides a total of 8 tabs for easy access to related customer screens including contact information, invoice and processing default settings, customer statistics, optional fields, etc.

PRICING

When it comes to product pricing, ACCPAC is available in 4 different versions: The Discovery Series priced at \$2,495 for 5 basic modules; the Small Business Series priced at \$995 per module and \$500 to \$1,000 for each additional user; the Corporate Series priced at \$1,995 per module and \$1,000 to \$2,000 for each additional user; and the Enterprise Series priced at \$2,995 per module and \$2,000 for each additional user.

Each of these four product offerings are the same product, except certain functionality has been turned off for the less-expensive version. This approach allows small companies to purchase the higher end ACCPAC for entry level to mid-range prices. Over time as a company grows and its needs change, the company can upgrade to higher end versions of ACCPAC, but the system's user interface and database remains the same.

By contrast, Great Plains offers only two purchase options at a much higher price point with modules priced from \$1,000 to \$15,000 each depending on the module, and user licenses priced at \$1,700 to \$2,000 each depending upon the number of users. In order to gain a fair comparison of pricing for the Great Plains and ACCPAC product lines, the following table compares the pricing for the same 8 modules for both products at 1, 5, 10, 25, and 100 users. It should be noted that Great Plains does offer a third option called Small Business Manager (SBM), which is a scaled down hybrid of Great Plains running on the MDE database. While this is a good inexpensive option, it does not offer all of the functionality of Great Plains.

The pricing table on the next page provides insights into pricing for the various editions of ACCPAC Advantage and Great Plains. The pricing represents the same eight modules (general ledger, accounts payable, accounts receivable, payroll, inventory, order entry, job costing, and system manger) priced for 1, 5, 10, 25 and 100 concurrent users.

With each data entry activity, tabbed dialog boxes tend to save a couple of seconds of time compared to the more laborious method of accessing menus, launching multiple dialog boxes, and then navigating them by moving some out of the way and bringing others to the top. At first glance these wasted seconds may seem trivial, but a little work with a calculator proves otherwise. Assume for example that the process of entering an order takes 5 extra seconds due to the absence of tabbed dialog boxes. Now multiply those 5 wasted seconds times the number of orders entered each year – typically 36,000 for a mid sized company.

In this case the total amount of time wasted amounts to 50 hours per year, or \$1,250 assuming a salary of \$30,000 plus fringe benefits. Now multiply this amount by the dozens of different activities such as receiving cash, entering bills, processing paychecks, receiving inventory, etc. the lack of tabbed dialog boxes can cost even a small company \$5,000 to \$10,000 per year in terms of inefficient labor costs.

In addition to being more efficient, tabbed dialog boxes are also friendlier, and new users feel more comfortable faster with a product that uses tabbed dialog boxes. This allows users to master the product quicker and have more confidence with the system.

	1 User	5 Users	10 Users	25 Users	100 Users
ACCPAC Advantage Discovery	\$2,495	N/A	N/A	N/A	N/A
ACCPAC Advantage Small Business 5.0 (Pervasive)	\$8,500	\$10,000	N/A	N/A	N/A
ACCPAC Advantage Small Business 5.0 (SQL Server)	\$12,500	\$18,000	\$23,500	N/A	N/A
ACCPAC Adv. Corporate Edition 5.0 (Pervasive)	\$16,500	\$21,500	\$26,500	\$41,500	\$116,000
ACCPAC Adv. Enterprise Edition 5.0 (SQL Server)	\$24,000	\$34,000	\$44,000	\$74,000	\$224,000
ACCPAC Online 5.0 (Web Based Solution - Rental Fee Arrangement)	\$380/ month	\$775/ month	\$2,230/ month	\$5,155/ month	\$19,780/ month
Great Plains 7.5	\$20,000	\$28,000	\$38,000	\$65,500	\$198,000
Great Plains 7.5 on MDE (Limited to 10 users)	\$14,000	\$19,600	\$26,600	N/A	N/A
Microsoft Small Business Manager (GL, AR, AP, PR and 1st Yr Service of \$425 single user; \$725 multi-user)	\$1,920	\$3,720	N/A	N/A	N/A

As you can see by the above table, ACCPAC is approximately 8 to 12% less expensive than Great Plains “Lite” (running on the MDE database), and 20% to 40% less expensive than Great Plains. ACCPAC offers more pricing options particularly for companies with less than 10 users.

.NET

You have no doubt heard that Microsoft’s .NET platform represents a significant advancement in product design, and it does. But what exactly is .NET? Even Microsoft’s executives have struggled to describe .NET in simple terms. In a nutshell, .NET is a set of standards that allow separate devices to communicate in much the same way that the Structured Query Language (SQL) standards allowed databases to communicate. In other words, .NET allows your computer, PDA, cell phone, and other devices to easily share data with any system or technology platform based on .NET.

Ironically, while Microsoft has announced that a .NET-based accounting system will ship in 2007, ACCPAC Advantage is already one of the first mid-market applications to embrace .NET, including the .NET Framework Common Language Runtime (CLR) model. ACCPAC’s code is a collection of more than 750 COM objects and one benefit of this approach is that ACCPAC’s applications that are developed in Web Services development environments (J2EE or .NET) can easily communicate with the Advantage Series application. For example, a front-end application developed in J2EE residing on a Linux server can communicate over the Internet to validate a sales order in ACCPAC running on a Windows server in a remote location. Even more, all this can be done securely and in real time. This example illustrates the essence of Microsoft’s .NET strategy, and ACCPAC delivers this functionality today.

KEY FEATURE DIFFERENCES

There are hundreds of features that differentiate ACCPAC Advantage and Great Plains. Presented below are a few of these differences:

CONSOLIDATE & SPLIT REPORTING UNITS

In some situations, organizations change their structure either as they grow or shrink or decide that another reporting structure would be more appropriate. For example a company might re-organize itself into a new set of divisions or reporting units. From an accounting system standpoint, what happens to the current and historical information that was reported using the old structure? The answer is that users should be able to change the structure of their organization, tell the accounting system what to do with each code combination, and have the system restructure both current and history reports as if the new structure had always been the case. This includes both the process of combining two divisions or departments into one, or separating a single division into multiple divisions or departments. ACCPAC Advantage provides this capability, whereas Great Plains does not.

ALLOCATION WATERFALL TO OTHER ALLOCATION ACCOUNTS

The allocation of revenue and expenses is important to virtually any company that has multiple departments or divisions. As revenues and expenses are generated or incurred, it is easiest to post those amounts to a single account, and allocate them accordingly at month's end to gain the most accurate view of a business's results of operations.

As an example, consider a company's copy center in which a separate group makes copies and performs other printing related services to the various departments. Further assume that this group purchases a box of paper for \$20. In this simple situation it would not make sense to allocate this purchase across multiple departments. In fact an accurate basis for making this allocation might not even be known at this time.

In this case it is more appropriate to accumulate all expenses for this service department and then allocate

them at month's end to the various departments using some allocation basis such as the number of copies consumed by each department. Many accounting systems support this capability. However, it is very common that each department may then want to re-allocate these allocated expenses to various jobs or sub-accounts. In this situation, this specific feature is called a "Waterfall Allocation". It would be desirable for the accounting system to support this chain of allocations automatically without forcing the user to post manual adjustments to the system. While both Great Plains and ACCPAC Advantage both support allocations, only ACCPAC Advantage supports automatic waterfall allocations.

ACCOUNTS PAYABLE BY DEPT

As in the case of Accounts Receivable, some companies might split their accounting functions along departmental or divisional lines. This would necessitate the establishment of separate accounts for Payables as well as Receivables. They could accomplish this by treating the two (or more) departments or divisions as if they were separate companies, and consolidate the financial statements, but this might not be convenient. These companies might wish to maintain one set of books for all departments and divisions, and account for Accounts Payable separately for each department or division. In this case, ACCPAC Advantage provides this capability, whereas Great Plains does not.

AUTOMATICALLY PRORATE LANDED COSTS TO DROP SHIPPED ORDERS

Drop shipments are becoming a more popular occurrence which allows companies to avoid the cost of double shipping an item. Instead, the item remains at the source and is shipped directly to the customer. This arrangement can dramatically reduce cost, not just shipping costs, but carrying costs as well.

In effect, companies who drop ship items to customers never physically receive those items into inventory. Without physically receiving an item into inventory, some accounting systems do not allow the company to then add on extra landed costs to those items. In many cases, the extra costs associated with a drop shipped item include an actual drop shipment surcharge, charged

by the drop shipper. In this case, the company would usually prefer to apply this additional cost to the cost of the item itself, rather than track a separate account for drop shipment surcharges. ACCPAC Advantage provides features and functionality that allows a company to add on landed costs to a drop shipped item, whereas Great Plains does not.

COPY PAST PURCHASE ORDERS

While no two purchase orders from the same vendor need be identical, the items required, quantities required, and special instructions might be similar enough to make it easier to copy and modify a past order slightly rather than creating a new one from scratch. ACCPAC Advantage provides features and functionality that allows a company to create a purchase order from an existing purchase order, whereas Great Plains does not.

WORKFLOW – BASED APPROVAL PROCESS

Many organizations require supervisors to approve purchase orders that exceed a certain dollar limit. In this instance, the completed purchase order in question should be routed to the proper higher level authority automatically. In turn, that supervisor should be able to see which purchase requests are awaiting action, look at each in turn, approve them or reject them as the case may be, and return them with specific notes attached. This entire sequence of events should be handled automatically. ACCPAC Advantage provides the features and functionality of workflow-based approvals whereas Great Plains does not.

FORECAST REQUIREMENTS BASED UPON TIME-PHASED DEMAND FORMULAS

If the accounting system calculates a suggested order quantity, many organizations prefer this calculation to be based upon a forecasted demand, not a static reorder quantity. Since users cannot calculate the forecasted demand for each item each month, the system needs to be able to read the history files over a user-defined number of most recent periods, and use any one of several forecasting equations which will predict what the demand will be at a future point in time. Then it can easily determine what should be ordered and when. The user determines the constants used in these equations as well as how the history files will be interpreted. The

system does the actual calculations, but it has to be smart enough or instructed to take into account normal seasonal changes in demand or to ignore what is quite obviously a one-time exceptional sale. ACCPAC Advantage provides features and functionality to forecast raw material requirements based upon time-phased demand formulas, whereas Great Plains does not.

PREFERRED MANUFACTURERS

Many distributors stock the same item from different manufacturers. Since users might prefer the products of one manufacturer over another (if for no other reason than consistency), the system should allow them to note the preferred manufacturer for each item, and then print that manufacturer on the Purchase Order. ACCPAC Advantage provides features and functionality to track the preferred manufacturer right out of the box, whereas Great Plains requires the user to include an added field to accomplish this feat. In the case of Great Plains, manual procedures are then need to visually identify the preferred manufacturer before the order can be properly prepared and submitted. The ACCPAC approach is automated, whereas the Great Plains approach is not.

DISTRIBUTE FREIGHT TO LINE ITEMS BASED ON USER SELECTED DISTRIBUTION METHOD

Once an organization has decided to prorate freight charges to each line item, it has to decide a basis for the distribution. Ideally the system should ask the user how to distribute the freight, and then carry out the distribution automatically with the user having the ability to modify the distribution before posting the voucher. While both ACCPAC and Great Plains support this functionality, only ACCPAC also allows the user to choose how freight is to be distributed for each line item, whereas Great Plains relies on the default distribution method set up in the module.

SCHEDULE INVOICE PAYMENT OVER TIME

The purchase of a particularly large quantity or dollar value of goods might be accompanied by an agreement whereby the invoice is to be paid over a period of several months. If this is the case, only that portion of the current obligation should be scheduled by the system for payment. The input of this schedule should accompany the input of all other data concerning the

invoice. ACCPAC Advantage provides features and functionality to schedule invoice payments of an extended period of time whereas right out of the box, Great Plains does not. However there is a third party add-on application that can be purchased that will allow Great Plains to achieve this functionality.

1099 BACKUP WITHHOLDING

Certain companies must comply with IRS regulations and withhold taxes from certain vendors. In this situation, all withholding amounts affect the payables account, but the calculation operates in exactly the same manner as payroll withholding. ACCPAC Advantage provides this feature, whereas Great Plains does not.

SUPPORTS DISPUTE RESOLUTION APPLICATION

Disputes will arise between sellers and buyers. This is a business fact of life. Rather than trying to track these disputes using an entirely manual system such as notes, letter files and other aides, the accounting system itself is the best place to provide users with a central data location that allows them to identify a problem or dispute and track that dispute until it has been resolved. Most systems that offer this functionality allow users to attach a flag to an invoice or sales order that identifies an item as being in dispute. Once an item has been identified, the system typically then provides users with the equivalent of a contact management system that allows them to record notes and recall the item on a regular basis until it has been resolved. While both Great Plains and ACCPAC Advantage provide dispute tracking, only ACCPAC captures and displays the past dispute history for a given customer.

PRINT MULTIPLE INVOICE COPIES AUTOMATICALLY

Some customers, particularly government agencies, require several invoice copies. Rather than going through the process of manually copying these additional forms or reprinting individual invoices, some accounting systems contain a field for specifying the number of invoice copies required. ACCPAC Advantage provides this feature, whereas Great Plains does not.

WRITE OFF SMALL AMOUNTS AUTOMATICALLY

Some accounting systems can automatically identify small customer balances on the books and write them off automatically without the users having to do so. The mechanism by which this automatic write off takes place depends upon what limits the users establishes. ACCPAC Advantage provides this feature, whereas Great Plains does not.

AUTOMATICALLY SEND STATEMENTS ELECTRONICALLY

In this day and age, it does not make much sense to waste printing, handling and postage costs associated with producing customer statements when they can be sent electronically via FAX, e-mail or via the Internet. A key to the success of using an electronic statement system is that the statements must be sent automatically at exactly the same time other statements are being printed; and no user intervention should be necessary. If the customer has an electronic address, then consideration should be given to sending statements electronically. ACCPAC Advantage provides this feature.

IMPLEMENTS RETROACTIVE PAY RAISE

In some cases, organizations occasionally extend retroactive pay raises to employees. In other cases an employee should have received a pay raise, but did not for various reasons, such as the company simply forgot. In either case many systems are unable to calculate the difference, and then pay the differential to the employee the first time the new pay rate is processed. However, ACCPAC Advantage does provide this feature, whereas Great Plains does not.

PROCESS MULTIPLE CHECKS FOR ONE EMPLOYEE

Some companies may elect to establish procedures whereby regular pay and special pay are printed on separate checks. This is particularly true for vacation checks and other benefits. If this is the case, the software should be capable of including both checks in the same processing cycle. ACCPAC Advantage provides this feature, whereas Great Plains does not.

INVENTORY SUPPORTS SUPERSEDED ITEMS

A superseded item is one which has replaced an existing item. It isn't really just a changed item ID number, but an entirely new, but similar item. In many instances, the difference between the two is a difference in manufacturers. If a user orders the old part number, the system should immediately jump to the new item, but prompt the user that this item has been superseded.

If an item has been superseded, and a user is examining the order or usage history of that item, the system should combine the history files together so that a single and complete picture can be painted. ACCPAC Advantage provides this feature, whereas Great Plains does not.

PICKS ITEMS BASED ON SHELF LIFE

If an item has a limited shelf life, and this could apply to lots as well, the system should prompt the user to use the oldest lot number or other marking number first. ACCPAC Advantage provides this feature, whereas Great Plains does not.

MANAGES CUSTOMER OWNED INVENTORY

Many organizations stock not only their own material, but that of customers as well. Even though they may not own the material, they manage it just as if it were their own. In addition, they charge customers for storage, handling, and other services; as well as, generating all of the standard inventory forms such as pick tickets, packing lists and bills of lading. ACCPAC Advantage provides this feature, whereas Great Plains does not.

CUSTOMER PRICE MATRIX OPTIONS

Many companies prefer to create special pricing matrices for specific customers or customer groups. A good example of a customer group might be wholesale and retail customers. In addition, specific customers might be given special pricing, either across the board, for specific items or for specific item groups. ACCPAC Advantage provides this feature, whereas Great Plains does not.

PRICE CHANGE CONVENTIONS

There are many methods for changing prices. Considering the fact that competition plays a part in the pricing decision, users might want to establish a number of pricing conventions defined by them and applied to each item in inventory. This gives users the ability to establish prices which will return them the greatest margin of return under any set of circumstances. The task of changing the price in each Master File can be significant, and as such, the system should have the ability to change prices automatically. ACCPAC Advantage allows users to apply blanket price increases or decreases to all items, or to groups of items, whereas Great Plains does not.

TIME-BASED DISCOUNT PRICING

Many retail companies offer sales prices, and in many cases they prefer to limit the sale to a specific length of time. The task of changing all of the prices manually can become significant, particularly if the sale is for a relatively short period of time. In this spirit, companies should be able to use the power and versatility of their software to change prices automatically. ACCPAC Advantage provides this feature, whereas Great Plains provides this feature only through a third party add-on application.

INDUSTRY SPECIFIC MODULES OFFERED BY ACCPAC ADVANTAGE, BUT NOT BY GREAT PLAINS

ACCPAC Advantage offers third party industry specific solutions for the following industries, whereas Great Plains offers no such solution for these particular industries.

*Automotive Sales
Chemical
Consumer Packaged Goods
Metals Wholesale & Distribution
Pharmaceuticals
Restaurants
Telecommunications*

WEB BASED E-COMMERCE SOLUTIONS

When it comes to e-commerce and web stores in particular, ACCPAC Advantage offers perhaps the best and most affordable solutions on the planet. E-Transact is ACCPAC's ecommerce solution featuring both B2B and web store functionality. Most impressive is that E-Transact uses a wizard driven setup procedure and a preinstalled web server to create and publish web stores on the fly – in less than 30 minutes. Specifically ACCPAC E-Transact grabs the necessary customer, inventory, pricing and picture data, and automatically generates a web store on the awaiting ACCPAC web server for the affordable price of \$300 per month. Thereafter, the ACCPAC web store is live, online, and automatically integrated to your ACCPAC Advantage data. Price changes that you enter into your ACCPAC system show up instantly on the web store. Virtually anyone using ACCPAC can instantly create and operate their own web store. You can see a live demonstration web site here: <http://etdemo.accpaconline.com/>. Great Plains offers a very similar solution, however this solution costs a great deal more. Historically, E-Commerce users purchased the Great Plains e-commerce modules separately and these modules were priced at \$20,000 each. Further because Great Plains did not initially offer a wizard driven web site generation tool, programmers were required to set up the web store. Based on these arrangements, it has been common for companies to spend \$200,000 to \$250,000 or more to create a web store using the Great Plains solution. (Great Plains has since reduced prices by 40% and introduced a wizard driven web store creation tool.) By contrast, ACCPAC Advantage users could create a web store in a matter of minutes for a starting price of \$300 per month. As if that weren't low enough, ACCPAC E-Transact also works with ACCPAC Simply Accounting Professional Series in which the accounting software product sells for \$99 and the web store solution is priced at just \$60 per month. In conclusion, both ACCPAC and Great Plains offer good e-commerce and web store solutions, but ACCPAC's solutions are less expensive.

ON-LINE SOLUTION

Both ACCPAC and Great Plains were very quick to jump aboard the hosting/web-based accounting model in which users access their accounting system through an ordinary browser. Great Plains deployed its solution through an assortment of third party hosting providers such as Rose and Future-Link using a traditional Citrix

solution. ACCPAC deployed its solution internally, as a web-based solution requiring only a browser. Both solutions work well, but the Great Plains approach results in a more expensive solution because Citrix software and a Citrix Server (or Terminal Server) are required. A typical Citrix implementation can cost \$15,000 to \$20,000. By contrast, ACCPAC's implementation requires no such costs – a simple browser and access to the Internet is all that is needed.

The results of these two separate strategies shows that ACCPAC is the better solution because it is easier to deploy, less expensive to deploy, and more reliable when you consider that many of Great Plain's hosting providers have gone out of business.

You can see the web based ACCPAC Online product at <http://www.accpaconline.com/> where this application has been up and running since 1999. The pricing for the web based solution is as follows: \$35 per month per module, and \$95 to \$195 per month per user, depending upon the total number of users. For example, a company that needs 10 users and 8 modules would pay \$2,230 per month for ACCPAC Online. This solution would be instantly available to all users via secure encrypted internet access.

CRM INTEGRATION

Both ACCPAC and Great Plains offer a CRM tool and both are decent solutions. However, ACCPAC's CRM integration is widely considered to be the best in the business. Touch points embedded throughout ACCPAC give users the ability to access and/or update CRM data in either ACCPAC or the CRM tool. The ACCPAC CRM tool runs either as a stand alone solution or as a web-based solution. The product is integrated to Lotus Notes, Outlook and other common tools and it works with PocketPC and WAP enabled devices.

Microsoft's CRM solution has generated a great deal of interest, but knowledgeable resellers with both CRM products generally acknowledge ACCPAC's superiority in this area.

IN FAIRNESS TO GREAT PLAINS

As stated earlier, this article was specifically written at the request of ACCPAC to emphasize the advantages that ACCPAC Advantage holds over Great Plains. Hence, admittedly this article was written from a one-sided point of view. In fairness to Microsoft and Great Plains, I would like to point out the following:

- Great Plains has long been one of the top accounting software solutions in the world. The product has been very stable, very dependable, and very reliable.
- There are almost 50,000 happy Great Plains customers.
- The Great Plains solution includes more than 30 modules including advanced modules such as human resources, manufacturing, advanced distribution, and e-commerce.
- The Great Plains reseller channel is very mature and knowledgeable.
- Microsoft has more than \$40 billion in the bank.
- Microsoft is a master at marketing.
- Microsoft's staff consists of the most talented large group of programmers in the world.
- With all of the Microsoft technologies and resources at its disposal, it would be easy to visualize Great Plains product as having a tremendous future ahead.
- Microsoft's management is very smart and capable.
- The acquisition of Great Plains, Solomon, Navision, and Axapta represents a new type of venture for Microsoft, and even mighty Microsoft may misstep a few times as they assimilate these products into their organization. However I have no doubt that Microsoft will eventually get it right.

CONCLUSION

Both Great Plains and ACCPAC Advantage are well proven products. Both products are offered by excellent companies. ACCPAC supports more platforms, more databases, and offers more pricing options. ACCPAC's screen designs are better and the CRM solution is widely considered to be better integrated. The ACCPAC product is priced less than Great Plains at all levels. There are obvious feature differences that set these products apart, and certainly Great Plains offers many features that are absent in ACCPAC just as ACCPAC contains many features that are absent in Great Plains. For example, in a review of the 50 most important features in an accounting system's general ledger, ACCPAC has 40% more of these features (45 for ACCPAC compared to 32% for Great Plains). Any company who is interested in purchasing ACCPAC Advantage or Great Plains software would be well advised to conduct their own investigation, and seek out customer references before making a final purchase decision. For a more detailed review of ACCPAC Advantage and Great Plains, as well as comprehensive lists of missing features for both products, visit our web site at www.asaresearch.com.





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J. Carlton Collins is an accounting software analyst and the editor of the Accounting Software Advisor, Accounting Software News, and ASA Research web site. Since 1984, Carlton has worked in the accounting software industry installing systems, consulting with end users, lecturing to more than one hundred thousands businesses, consulting to accounting software companies, publishing books, articles and web sites. Carlton is experienced with many of the top accounting software packages such as SYSPRO, SouthWare, MAS 500, BusinessWorks, Great Plains, ACCPAC Advantage, ACCPAC ProSeries, Navision, Axapta, ACCPAC Advantage Series, Platinum, Epicor, Open Systems Traverse, MAS 90, MAS 200, Exact Software's Macola ES, Compiere, Peachtree Complete Accounting 2004, Solomon, SAP R/3, QuickBooks, NetSuite, AccountMate, BusinessVision 32, and more.

Selected Positions, Awards & Accomplishments:

- Has published extensive articles on accounting software in the Journal of Accountancy and other magazines.
- Has personally delivered over 1,500 technology lectures as far away as Australia & New Zealand.
- Past Chairperson of the AICPA Technology Conference.
- Past two-term Chairperson of the Georgia Society of CPAs PC Advisory Committee.
- Past five-term President of the PC Consultant's Group of Atlanta - which he founded.
- Recipient of the Outstanding Discussion Leader Award from the Georgia Society of CPAs.
- Recipient of the AICPA Lifetime Technical Contribution to the CPA Profession Award.
- Named "Top Ten CPA Technologists" by Accounting Technologies Magazine.
- Lead author for PPC's Guide to Installing Microcomputer Accounting Systems.
- Has lectured in more than 40 States and five countries.
- Has delivered keynote lectures at dozens of accounting software conferences, including the Microsoft BBC Conference and Best Software's AccountMate Conference in 2004.
- Created the GSCPA National Microcomputer Consulting Certificate program.
- Has provided consulting services to many computer companies (*including Compaq, IBM, Microsoft, Apple, Novell, Peachtree, Epicor, Best Software, Softline, Exact Software, ACCPAC, Intuit, Peachtree, Great Plains, and others*).

Carlton's diverse background is an asset in providing his specialized consulting skills. He has more than a decade of accounting, auditing and tax experience in the areas of health care, construction, distribution, automobile dealerships, insurance, manufacturing, and general business. His tax experience includes corporate, individual, partnership, fiduciary, and estate tax planning work. Carlton also has been heavily involved in the other areas of financial forecasts, bond issues, Medicare and Medicaid reimbursement, conventional financing, pension and profit sharing plans, and business planning.

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