

## Press Release

### SAP Business One goes to the dogs

**San Francisco, CA--SearchSAP.com--July 11, 2007--**Business One doesn't necessarily come to mind when thinking about your dog. But if San Francisco's Pooch Inc. has its way, Business One will be the foundation of the "Saks Fifth Avenue" of pet supplies.

As big-box retail pet stores like Petco and PetSmart put small, local pet stores out of business, they also created an opportunity, according to Marjorie Scholtz, founder and CEO of Pooch Inc.

The company hopes, and expects, to be the distribution channel for high-end and luxury pet products -- including accessories, apparel and home furnishings -- to the tune of \$50 million a year in five years. It's a customer base Scholtz knows well.

"I have a dog and I'm single, so he's like my kid," Scholtz said. "I'm in my 40s. I am my demographic."

This doesn't happen just by selling a couple of rhinestone collars and hoping for the best. It requires talent, money and the right systems.

Being a start-up company that hadn't even made a sale yet, Pooch didn't have the manpower to manage logistics, order processing and inventory. It was obvious that software would be needed, but when Scholtz suggested SAP, she admittedly got some quizzical looks.

"Because I had a technology background, I said, 'We need a solution like SAP,'" she said. "People thought I was crazy because they thought SAP was a multi-million-dollar software application."

And for many companies, it is. But SAP is now setting its sights on the midmarket in the hope of reaching its ambitious goal of 100,000 customers by 2010. SAP indicated that if it is to reach this goal, it will have to increase its percentage of midmarket customers from 35% in 2006 to more than 40%.

Pooch Inc. looked at accounting applications like QuickBooks and Quicken and e-commerce management tools, but none met a key criterion -- integrating with its catalog.

"I knew SAP had integration capabilities across different disciplines; I was excited to find out it was even affordable," Scholtz said. "I didn't feel confident that we'd be able to put everything together if we were using, for example, QuickBooks."

Business One is part of SAP's small business portfolio, targeted at companies with fewer than 250 employees. It is joined by All-in-One for larger small and midsized

businesses (SMBs). SAP will also release a Software as a Service (SaaS) product for SMBs in 2008 dubbed A1S, which will compete with SaaS offerings from companies like San Mateo, Calif.'s NetSuite, and possibly SAP's other midmarket products.

Pooch Inc. was aware that the initial license cost of a system is only part of the equation.

"We're watching every dollar that we're spending," Scholtz said. "So the other decision we made in choosing the application was 'How much technical support were we going to need?'"

Because it had not yet launched its retail site, Pooch Inc. could not afford a costly training and support component, Scholtz explained. So the company did most of the post-implementation training itself through manuals, with some help from the SAP team.

The strategy has largely worked, so far, but there have been hiccups. The company could customize Web page templates to some degree but was somewhat disappointed with the inability to smoothly integrate complex graphic designs into the templates, Scholtz explained.

Business One has already paid dividends for Pooch in one tough-to-measure area -- peace of mind.

"We knew that we couldn't take a risk on the platform because it's something we don't have expertise in," Scholtz said. "We needed to have someone that we knew had best practices, experience, and could back up a solution -- so it made sense, being a small business, to work with a company that I knew was going to be there."

With its retail Web site set to go live next month, Pooch Inc. does anticipate some measurable ROI and cost savings down the line, though. "The time that it takes to set up QuickBooks, the energy of it, and bringing in an accountant and setting up all the accounts -- that alone would've taken more time for us to do than setting up our back-end SAP logistics system," Scholtz said.

With the success Pooch Inc. has had with Business One so far, Scholtz would recommend it to other small businesses, even those without aggressive growth goals.

"The investment that you make into the software is efficient because you have the ability to use best practices that are already built in," she said. "You don't have to pull in five different professionals, which I would have had to do as a business owner. I would have had to pull in my accounting person, an inventory person, a shipping person, all of these different experts, when really the software tied all of that up."

#### About [Apollo Consulting](#)

[Apollo Consulting](#), LLC was founded in 1997 with the goal of helping companies achieve their business objectives through the successful purchase, implementation,

training and support of application software. With offices throughout North and South America, we have a strong team of experienced consultants that are dedicated to SAP(R) Business One. Our knowledge in accounting, technology and specialized industries combined with hands on real world situation experience will provide customers with world class service for small to mid-sized businesses.

Additional information can be found at <http://www.apollocon.com>

**Apollo Consulting Contact:**

Jennifer Chow

415-403-0888 ext. 15, PST

[jchow@apollocon.com](mailto:jchow@apollocon.com)

Copyright (C) 2007 Apollo Consulting and SAP AG. All rights reserved. Apollo Consulting, SAP, R/3, mySAP, mySAP.com, xApps, xApp, SAP NetWeaver and other Apollo Consulting and SAP products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of Apollo Consulting SAP AG in Germany and in several other countries all over the world. 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.