

Microsoft .NET Technologies and Clarus eMarket Propel Startup to Industry Leadership in Web-Based Real-Estate Procurement Services



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By basing development on Microsoft .NET technologies and the Clarus eMarket Digital Marketplace Platform, the people at AvidXchange managed to launch an online exchange solution for the commercial and multifamily real-estate industry in just two months—while providing twice the functionality for less than half the cost of what their competitors are spending on otherwise equivalent UNIX-based solutions.

Situation

When Mike Praeger and David Miller began working to provide online exchange services for the commercial and multifamily real-estate industry, they envisioned their goals in a simple manner: be the first, be the best, and do both for a lot less money than the competition. A year later, they're happy to report that their company, AvidXchange, has met those goals, and it's done so with the help of a solution based on Clarus eMarket and Microsoft .NET technologies.

Praeger, who is CEO of the 10-person, Charlotte, N.C.-based firm, explains that he and other AvidXchange executives faced a crucial choice when they were evaluating a platform for their projected Web-based procurement and customer-management marketplace solution. Of the four products they considered—Clarus eMarket Digital Marketplace Platform, Ariba Tradex, i2 TradeMatrix, and PurchasePro—some ran in a Microsoft environment and others, in a UNIX environment. This meant the executives had to select not only an e-marketplace platform but also an operating-system environment that would determine the long-term technology direction of their startup enterprise.

In making their selection, the executives considered time-to-market, cost, and scalability—and decided easily on Clarus eMarket and the Microsoft® Windows® 2000 operating-system environment. According to Miller, who serves as president of AvidXchange and head of the technology team, the most attractive aspect of the Microsoft environment was the presence of the .NET technologies, especially Visual Studio® .NET and SQL Server™ 2000. "We felt we could deliver our products and services to market much faster with the tools available in the Visual Studio .NET development suite than with those found in the UNIX and Oracle environment," he says. "We also knew we could count on the widespread availability of top-notch and affordable

Solution Overview

Customer

Launched in early 2000, AvidXchange develops Web-based e-marketplace solutions for commercial and multifamily real-estate companies.

Situation

AvidXchange wanted to build an online exchange more quickly and cost-effectively than UNIX-based competitors.

Solution

Benefits

Rapid time-to-market, less than half the cost and twice the functionality of a UNIX-based solution, 100 percent availability and easy scalability.

Software and Services

Microsoft Windows 2000
 Advanced Server including Internet Information Services 5.0
 Microsoft BizTalk Server 2000
 Microsoft SQL Server 2000
 Microsoft Commerce Server 2000
 Microsoft COM+
 Microsoft Visual Studio .NET

Clarus eMarket
 Clarus Auctions
 Great Plains eEnterprise

Partners

Clarus Corporation
 G.E. Capital
 Great Plains
 TPN Register
 Grainger.com

Scenario

B2B online exchange

development talent in the .NET world. Moreover, we were very confident in the ability of SQL Server 2000 to scale up to meet our projections for rapid growth.”

Solution

Working with Clarus eMarket and Microsoft .NET technologies, AvidXchange developers moved quickly to deployment, and within just 60 days the company completed its first transaction using the solution. As Miller explains, a central part of the solution is its comprehensive integration with financial services, and for this Visual Studio .NET and other .NET technologies were essential. For instance, in just two days developers working with Visual Studio .NET coded a custom COM+ component that enables real-time communication with G.E. Capital, an AvidXchange e-marketplace partner, to provide sophisticated credit decisioning for customer purchases. Microsoft BizTalk® Server 2000 uses this component to pull the relevant customer and transaction data from Clarus eMarket, which relies on Microsoft Commerce Server 2000 components and SQL Server 2000 to help it transmit the data to G.E. Capital and then complete or reject the transaction based the decision issued by that entity.

“To spend just two days coding such a powerful component means we were working twice as efficiently as we would have been able to in the prior Visual Studio environment,” Miller says. “Developers were amazed at how much easier this was.”

Benefits

Half the Cost, Twice the Functionality

By having selected a solution platform based on Clarus eMarket and Microsoft .NET technologies, Miller, Praeger, and their colleagues are enjoying not only a faster time-to-market but also a lower cost of ownership and higher level of functionality as compared with available UNIX-based solutions. As Praeger points out, within four months of company launch, AvidXchange became the recognized technology leader in Web-based procurement services for commercial and multifamily real-estate companies. “Analysts, industry consultants, strategic investors, and venture-capital firms are always surprised when they learn that we’ve spent barely half of what our UNIX-based competitors have spent on technology and still manage to provide twice as much functionality and a more comprehensive overall solution.”

One factor helping to keep costs down for AvidXchange is the sizable and cost-effective base of professionals who are familiar with Microsoft technologies. “Because we outsource most of our software development, we strongly appreciate the fact that there are many more programmers who are familiar with Windows than with UNIX,” Praeger says. “And as highly qualified as they are, their services generally come at a lower cost than those of their counterparts in the UNIX environment. The cost of other resources is lower, too, including auxiliary software, hardware, and the licensing of the operating system, database, and development tools.”

As for functionality, Praeger notes that while competitors focus mainly on e-procurement, AvidXchange augments that functionality with competitive-bidding and auction capabilities. “Independent observers, customers, and our own developers are continually astonished at how much we’ve been able to accomplish so quickly,” he says.

Server Hardware

Two servers for Web and applications and one for BizTalk Server 2000, each with dual 1 GHz Pentium III processors, 1 GB RAM, and RAID 1 18.2 GB storage.

One server for SQL Server 2000 with dual 1 GHz Pentium III processors, 2 GB RAM, and RAID 5 18.2 GB storage.

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Mike Praeger
CEO
AvidXchange



Ready for Growth

Availability and scalability are additional advantages that Clarus eMarket and Microsoft .NET technologies are providing to AvidXchange. According to Miller, the solution has easily exceeded expectations for availability, with no crashes and no unplanned downtimes between launch in September 2000 and this writing in April 2001. "We've essentially enjoyed 100 percent availability," he says.

As for scalability, the site as currently designed is easily handling current needs, and Miller believes it will continue to do so into the foreseeable future. To meet the demands of a customer base that's doubling every quarter, the company has scheduled the implementation of a SQL Server 2000 cluster and will probably enlist Microsoft Application Center 2000 to manage the way the solution uses available hardware. "It's satisfying to know that as we grow, we'll always have the cost-efficient option of clustering," he adds.

The Versatility of Web Services

Currently, AvidXchange developers are building Web services and other applications necessary to make information available to external business partners. One major project will expose line-item transaction data, shipping and receiving notices, and electronic invoicing and payment detail to Web services that will enable e-marketplace customers to integrate their accounting and ERP systems. Further, AvidXchange developers have used BizTalk Server 2000 and Visual Studio .NET to integrate their e-marketplace with their internal ERP system and with Great Plains (now a Microsoft company) eEnterprise to create a unified e-enterprise application.

Other projects under development will rely on BizTalk Server 2000 to broker integration with additional AvidXchange business partners for supplying content, evaluating credit, and implementing related applications. BizTalk Server 2000 will enable such functionality by controlling a process that takes transactional or other data from Clarus eMarket and moves it through Great Plains eEnterprise and then on to the business partner using the XML features of both products.

As Miller points out, BizTalk Server 2000 is becoming a critical tool as AvidXchange positions itself as the leading provider of software services for the commercial real-estate industry and as the leading partner for other companies providing solutions for that industry. "We consider the e-enterprise solutions and services we are building with BizTalk Server 2000 and the other Microsoft .NET technologies to be one unified application," he says. "And by connecting those technologies with Clarus eMarket and Great Plains eEnterprise, we're managing to make it a flexible, scalable, and very powerful application."

It's also a very doable application, considering the time-to-market and cost advantages that Miller and his colleagues will continue to enjoy in the Clarus eMarket and Microsoft .NET environment. "We only had a hunch of what those advantages could mean for us in terms of customers and partners back when we first began evaluating Clarus eMarket and Microsoft .NET technologies against platforms based on the UNIX environment," Miller says. "Now we know for certain."

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President
AvidXchange

The .NET Enterprise Servers constitute Microsoft's comprehensive family of server applications for building, deploying, and managing next-generation integrated Web experiences that move beyond today's world of standalone Web sites. Designed with mission-critical performance in mind, .NET Enterprise Servers will provide fast time-to-market as well as scalability, reliability, and manageability for the global, Web-enabled enterprise. The .NET Enterprise Servers are built from the ground up for interoperability using open Web standards such as XML. The .NET Enterprise Servers are a key part of Microsoft's broader .NET strategy, which will enable a distributed computing model for the Internet based on Internet protocols and standards in order to revolutionize the way computers talk to one another on our behalf.

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For more information on AvidXchange products or services call (704) 943-3860 or visit the company's Web site at <http://www.avidxchange.com/>.

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