



Software firm partners with BT for global deployment



Seamus Brennan (left) CEO CUSP Point Software, Ruth O'Connell Corporate Account Manager BT Ireland, and Leo O'Leary CEO BT Ireland.

To set a new bar in the electronic document management sector around the delivery of Software as a Service (SaaS), CUSP contracted BT Ireland as a one-stop managed service provider.

Executive summary

A privately owned company, headquartered in Dublin with three offices in the US (Chicago, Denver and Ohio), CUSP Point Software is an information management specialist that has repositioned itself as a leading provider of electronic document management solutions. Under new management, the company went to market in the first quarter of 2008 through a network of Value Added Reseller (VAR) partners selling a new product called PaperTrail.

The solution is designed to be delivered using a SaaS business model on a scale that is unprecedented in the document management sector. With broadband to the desktop now more widely available and successful firms like Salesforce.com championing the online delivery model, CUSP identified SaaS as a way forward that would better serve its customers and help differentiate itself in an increasingly crowded market.

CUSP's management team quickly recognised that the success of the strategy would depend on finding the right partner. The ideal scenario was to find a single global vendor that could deliver data centres to a rigid specification and provide network and hardware procurement, all wrapped in 24/7 support.

For the ASP [Application Service Provider] model to succeed, the provider would have to have strong capabilities in security, infrastructure and architecture, elements that become as important as the features and functionality of the product when the delivery model is SaaS.

"In the past, SaaS solutions in our sector have focused on the software but we believe that data security, scalability and performance are absolutely critical to how document management should evolve," explains CUSP CEO Seamus Brennan.

Security certification was a priority for the product launch. CUSP is currently ISO 27001 certified and will begin its SAS 70 Type II audit in June 2008, setting a new bar for SaaS document management.

Global capability was another requirement that CUSP looked for in a provider. The service provider must have the capability to provide multiple data centres across different countries, all SAS 70 Type II compliant, to keep up with CUSP's aggressive growth strategy.

BT Ireland won the three-year, €2.5m contract in November 2007. A crucial part of the BT proposition was that it provided a one-stop managed service that encompassed everything from application hosting to hardware procurement across multiple vendors. Not only did it provide the rack space, it sourced and managed the equipment that resided there.

"I could see that a true partnership was what we required if it was going to work," says Brennan, "and I could see early in the discussions with BT that they could deliver on this. When we needed answers BT got us the answers. When we needed a valuation BT got a valuation. There was a lot of horsepower behind them that I felt would be there if we were to have any problems in the future."

CUSP is now able to utilise BT's global expertise and harness its specialist knowledge to construct a custom-designed solution. Going forward, CUSP can replicate the design and solution across multiple regions, procuring all of its global hardware requirements centrally through BT Ireland.

"When we needed answers BT got us the answers. When we needed a valuation BT got a valuation. There was a lot of horsepower behind them that I felt would be there if we were to have any problems in the future" goals and BT has helped us do it"

Seamus Brennan
CEO
CUSP Point Software

Case Study

CUSP Point Software

The Business Case

Background and Challenges

2007 was a big year for CUSP Point Software, a leading provider of electronic document management solutions to many sectors including manufacturing, government and financial services. Not only did the company re-finance and re-brand itself (changing its name from BridgeDoc), it installed new management and set about reinventing its product focus.

By January 2008 CUSP was ready to launch PaperTrail, a document management solution aimed at the VAR community of scanning, service bureau and record storage management companies, as an ASP (Application Service Provider).

The first phase was to establish 40 TB storage capacity in five global data centres, enabling any VAR partner and their customers, small or large, to take advantage of the delivery mechanism.

While there were some small scale SaaS models in the document management space, there was a gap that CUSP management identified and then set out to explore. With unparalleled security, scalability and performance, CUSP's corporate mission is to be the best-in-class, end-to-end electronic document management solutions provider.

In a business sector that Brennan describes as "sleepy" little attention was paid to document security. "The problem is that the market hasn't moved to meet the challenge. Our competitors don't want to invest the money, but to me, when you read about document security breaches in the newspapers almost every single day, it's not a question of being asked, it's a question what is required. We decided it was time to raise the bar."

Setting Standards

CUSP chose to adopt the US Statement on Auditing Standards (SAS) No. 70 Type II "without compromise" and are currently in the process of preparing for the audit. It is a way for service organisations and service providers to demonstrate they have adequate controls and safeguards around hosted data that belongs to its customers, SAS 70 Type II is a widely recognised standard achieved through an in-depth audit that encompasses information technology and related processes over a set period of time.

"We wanted a level of security certification between the customer and the data centre that offered a chain of custody that couldn't be broken, with security of process around the access and retrieval of electronic documents," explains Brennan.

In Europe, CUSP had already stolen a lead over its competitors by ensuring that its Information Security Management System was ISO 27001 certified, supported by BT's accredited hosting infrastructure. For the US market, the big step was to use data centres that are SAS 70 Type II compliant.

According to Brennan, high-level certification should be a requirement for its customers. "They need to look beyond what the product is to where it resides. That is a function of infrastructure. It's also about having redundancy with multiple data centres that have real-time mirrored redundancy as opposed to just failover redundancy."

At the same time, CUSP was looking to build an architecture based around Sun Solaris 10. CUSP's 18-strong development team had built PaperTrail using Solaris 10 development tools. A key selling point of the product is monthly upgrades, seamlessly delivered to the desktop, so it was imperative that the racked environment in the data centre was the same as the development platform.

Case Study

CUSP Point Software

A Managed Service

End-to-end Provision

CUSP went to market for a hosting and storage service solution that would provide the bedrock for its future strategy. BT Ireland won the three-year, €2.5m contract because it came back with the most compelling evidence that it could deliver on the SAS 70 security certification and match CUSP's aggressive expansion plans.

The roadmap was to launch PaperTrail out of a BT's New York and Dublin data centres in April 2008, followed by one in Minnesota in June. Thereafter, roll out plans for additional data centres would include the UK and EMEA in the immediate future and Asia-Pacific in 2009.

Implicit in this strategy was an ongoing demand for hardware so CUSP had to make a decision on whether to outsource the procurement or do it internally. It looked at the option of staffing the data centres and using its own employees to deal directly with key suppliers like Cisco, Sun and Nokia.

"We became convinced that BT, working with our core operations team, would be able to manage both the application and hardware more efficiently and more effectively than if we tried to do it ourselves," says Brennan. "After negotiations it was still slightly more expensive than doing it on our own but we felt we were getting a better performance from the service level agreements [SLAs] and it allowed us to concentrate on our core competency which was developing the product."

Rather than CUSP having to deal with different vendors, multiple contracts and different SLAs, BT is charged with all the network and hardware procurement. "Basically we wrapped everything in one contract, with BT as a single point of contact," says Ruth O'Connell, Corporate Account Manager, BT Ireland. "We would manage their servers, SANs, firewalls – all of the environment up to operating system level – in accredited SAS 70 Type II facilities, and act as a broker for all of their hardware."

This included the build and ongoing maintenance of the Solaris 10 environment. "We needed a partner that had extra teeth in managing that solution," stressed Brennan, "and BT had no problem with that capability."

Meeting CUSP's Needs

When the CUSP management team drew up a list of elements that were crucial to the success of its new product portfolio, it became evident that partnering with a host and storage expert would be essential for success.

Each element was crucial in helping to differentiate the product and each relied heavily on the prowess of the service provider.

BT Ireland matched each of the requirements:

- Security certification – all BT data centres will have SAS 70 Type II accreditation
- Infrastructure – BT is a global communications specialist with best-in-class network capability
- Architecture – End-to-end management of architecture is part of BT's expertise, along with an ability to meet specific clients needs (the Solaris 10 environment in the case of CUSP)

"We wrapped everything in one contract, with BT as a single point of contact"

Ruth O'Connell
Corporate Account Manager
BT Ireland

Case Study

CUSP Point Software

Strategic Partnership

Forging a Relationship

“If you don’t have a global partner then you are not in the space,” says CUSP’s Seamus Brennan, a concise summary of how important BT’s international prowess has been to the company’s SaaS launch.

The strategic nature of the partnership will be crucial to long-term success. Providing a managed service on a global basis, with a single point of contact and strong SLAs will make it possible for CUSP to achieve its ambitious growth strategy of opening five data centres in the short term and up to 10 more in the coming years - something only a global company with proven capability can deliver.

A significant US telecom player with global reach was also on the shortlist but CUSP opted for BT for a number of key reasons. As well as meeting the technical and security requirements, CUSP felt “a level of comfort” in working with a global player that also operated out of Ireland.

Outsource engagements frequently go wrong because the partnership is flawed at the outset. CUSP and BT have been careful to ensure that both parties understand their respective roles.

BT is very clear about its responsibility. “CUSP analysed the benefit of having a managed solution by weighing up the costs to hiring their own staff to maintain servers. But the efficiencies and ease of the solution we offer made CUSP opt for a managed service,” says Ruth O’Connell. “The heart of CUSP is all about its software programmers and the innovation they bring to its products. We allow them to focus on that business while we keep the infrastructure up and running on a 24/7 basis. BT is now firmly part of its future strategy, working with CUSP as a partner as opposed to a vendor.”

For CUSP the contract is about giving BT end-to-end responsibility without relinquishing control. “In a partnership somebody may lead the dance but you’re still dancing together. We will maintain control and manage what’s happening but we’re adding a partner to the mix who can deliver the solution,” says Brennan. “They are a fabulous team and we are very optimistic about what we can achieve with them in the future.”

The deal has helped position CUSP exactly where it wants to be: “Our products are leading the way and we are setting precedent within the electronic document management industry.”

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