

Client Success Story

# Wholesale Nursery Expands SAP Footprint by Driving Down Support Costs



## Color Spot Nurseries

**Client Profile:** Color Spot Nurseries is a wholesale nursery that grows, markets and distributes a range of plants and flowers to more than 2,000 retail and commercial customers in the western and southwestern United States.

**Headquarters:** Fallbrook, GA

**Geography:** Operates 12 production facilities across United States; customers include Home Depot, Lowes, Wal-Mart, K-Mart, Rite-Aid, Kroger, Orchard Supply

**Industry:** Manufacturing

**Employees:** 3,500

**Applications:** SAP R/3 4.7

**Hardware:** Windows Server 2003/SQL Server 2005



*"Color Spot's use of independent support from Rimini Street for their core SAP applications was a game changer, allowing the company to drive down costs which, in turn, allowed Color Spot to respond to their customers' needs."*

**Jeff Moad**

Research Director & Executive Editor  
Frost & Sullivan

Color Spot specializes in the production and distribution of high-quality bedding plants, vegetables, herbs and shrubs throughout the United States.

### The Color Spot Challenge

Since 2001, the company has relied on SAP for mission-critical operations, including finance, human resources and payroll processes. An internal audit in late 2009 showed that SAP vendor maintenance fees consumed over 20 percent of the total IT budget and did not deliver value commensurate with the support the company received. At the same time, SAP had announced that it would no longer provide support for release 4.7C, which would have forced Color Spot to undergo an expensive, unneeded and disruptive upgrade to ECC 6.0, or else face de-support.

### The Rimini Street Solution

In 2010, Color Spot's chief information officer, Eric Robinson, made the decision to switch from SAP to Rimini Street. Robinson explains the key drivers behind Color Spot's move to independent support: "The number-one driver by far was the current steep cost of vendor maintenance compared to the value we were receiving. I have a flat IT budget, and we went from 20 percent of the budget for SAP support to nine percent with Rimini Street. That's real money I can use for other forward-looking strategic IT initiatives."

With Rimini Street, Robinson immediately cut his maintenance budget by 50 percent, gained support for customizations at no additional cost and received guaranteed support for Color Spot's existing SAP R/3 release for at least another decade. The switch to Rimini Street has enabled Color Spot to avoid costly, disruptive upgrades that would have been performed for the sake of continuing support. Color Spot also utilizes the Rimini Street Tax Engine for SAP Payroll and receives regular tax, legal and regulatory updates. That keeps the organization in compliance with changes taking place at the local, state and federal levels.

## Benefits

- **Expanded SAP Footprint with No Disruption in Support:** Color Spot Nurseries is aggressively extending the reach and functionality of its SAP landscape.
- **Gained Mission-Critical Savings:** Color Spot has exceeded its cost reduction goals through significant reduction in support fees.
- **Enjoying Expert Service:** Significantly improved the level of support received compared to vendor support; Rimini Street considered a valued partner and extension of IT team.

*“The number-one driver for moving to independent support was the current steep cost of vendor maintenance compared to the value we were receiving.”*

**Eric Robinson**  
Chief Information Officer  
Color Spot Nurseries

## For More Information

To read more about Color Spot Nurseries or to read other client success stories, visit [www.riministreet.com/clients](http://www.riministreet.com/clients).

## Client Results

Color Spot has aggressively managed its business to optimize market opportunities and streamline internal operations for the past three years, including making acquisitions to enter or consolidate markets. To enable this growth and expansion, Color Spot has expanded its use of SAP, including the purchase and deployment of new SAP licenses.

In 2014, Color Spot CIO Eric Robinson received a richly deserved distinction: being named a winner of the 2014 CIO Impact Awards by Frost & Sullivan. Robinson was recognized in the Enterprise Architecture category for enabling Color Spot to optimize its market opportunity, streamline internal operations and grow its SAP footprint through the innovative use of Rimini Street independent support for its SAP environment.

Robinson reflects on the value Rimini Street has brought to his business: “I would say I am able to leverage best practices, because I consider best practices to be what is most efficient for the business — not what a software vendor says is best practices. We now make the software do what we want rather than the other way around, and Rimini Street is a big part of that process. The only thing Rimini Street does is support — it is not simultaneously a software factory — so it makes sense that Rimini Street is acting as a formulator and executor of best practices in maintenance and support.

CIO Robinson describes Color Spot’s vision for SAP five years from today: “In five years we will still be running SAP R/3 4.7 but we will have built significantly around the edges of our core ERP system. For example, we have developed, and will continue improving, a web portal that enables orders to be entered and inventories to be taken for our team out in the Home Depot stores. We plan to significantly expand its functionality. We will have other add-ons to SAP that we have either bought off the shelf or built ourselves — for example, DRP, APO and CRM. It is likely we will have heavily modified SAP to work exactly the way our user community needs it to maximize their efficiency (again, for example, Order Entry needs streamlining).”

“Three years ago, we made the critical decision to switch from SAP vendor support to Rimini Street and we couldn’t be happier with the decision and the results. Their support model works as advertised and we have been able to achieve great success, including reducing our software maintenance costs from 20 percent to only nine percent of my overall IT budget, and significantly improving the level of support we receive,” said Robinson. “Today, Rimini Street is much more than a vendor – I consider them a valued partner and extension of my IT team, especially during this important period of growth and expansion.”

## Worldwide Headquarters

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