



Leading Solution Provider for Multi-Unit Restaurants Moves to the Cloud

Overview

Country or Region: United States

Industry: Hosting, Application-Service, and Software-as-a-Service Providers; Hospitality

Partner Profile

Decision Logic provides web-based back office solutions for Multi-unit Restaurant Operators. Find out more at www.decision-logic.com.

Business Situation

The Company wanted to update their data center to a cloud environment to better serve their customers.

Solution

Decision Logic chose Microsoft virtualization and cloud technologies, with Microsoft Windows Server® 2008 R2 Hyper-V and System Center Virtual Machine Manager as the foundation.

Benefits

- Uptime improvement to 99.99%
- Hardware costs reduced by 75%
- New revenue opportunities

We built Decision Logic to help operators manage their two highest costs: labor and product. We provide a level of analysis and actionable intelligence that customers won't find anywhere else.

Jim Barber, Decision Logic CTO

Decision Logic, a Microsoft Gold ISV Partner, provides web-based back office solutions for Multi-unit Restaurant Operators. Decision Logic built the solution as a Software-as-a-Service (SaaS) offering. The main application and all data is hosted and managed by Decision Logic in a company run state-of-the-art data center. The company recently upgraded and re-architected their data center to a cloud-based approach, using Microsoft virtualization and cloud technologies, with Microsoft Windows Server® 2008 R2 Hyper-V and System Center Virtual Machine Manager as the foundation. The upgrade has allowed the company to move to 99.99% uptime, reduced hardware costs by 75%, and opened new revenue opportunities.

"We've found that many multi-unit restaurant companies are lacking technology infrastructure, IT resources and budgets... making it difficult for companies to stay current and implement newer, state-of-the-art technology solutions."

Jim Barber, CTO for Decision Logic

Situation

Decision Logic, a Microsoft Gold ISV Partner, provides web-based back office solutions for Multi-unit Restaurant Operators. On the road to running a successful enterprise, these operators are faced with many challenges such as inventory management, inventory spoilage and waste, budget management, hiring and payroll, reporting and analysis, and of course, they must be extremely responsive to customer trends and behaviors.

Restaurants require accurate information to run their operation. The ability to gather the right information across all restaurant units and turn it into actionable intelligence is a critical requirement for managing the organization. Making use of robust technology solutions is a central component for getting at the right data, making decisions, and successful operational and financial management.

While technology is an important component for running multi-unit restaurants, many of these organizations struggle with limited IT infrastructure, staff and budgets to support the needs of the organization.

"We've found that many multi-unit restaurant companies are lacking technology infrastructure and IT management resources," commented Jim Barber, CTO for Decision Logic. "That, combined with budget constraints makes it difficult for companies to stay current and implement newer, state-of-the-art technology solutions," continued Barber.

Some of the key technology issues facing restaurant operators include:

- **Outdated IT Infrastructure** - older servers and software and a lack of processes for disaster recovery, storage and back-up, security, and ongoing

updates makes for a challenging environment to add new mission-critical solutions.

- **Lack of IT Resources**- the number of IT staff devoted to supporting the organization is minimal at the headquarters level, and virtually non-existent at the individual restaurant level. In addition, with technology rapidly evolving, it is extremely difficult to stay current on all of the latest technology that can benefit the organization.
- **Scarcity of Capital Budgets for IT Projects**- Restaurant operators are faced with many capital projects for new equipment, remodeling, and new stores. These important expenditures naturally get the majority of available capital budgets and IT spending ends up as a lower priority due to the scarcity of resources.

With this backdrop of operational and financial management needs, information needs, obtaining actionable intelligence, and the array of IT challenges, Decision Logic saw an opportunity to help multi-unit restaurant operators solve these issues.

Solution

Decision Logic provides a web-based integrated enterprise management solution for multi-unit restaurant operators. The solution, built and deployed on Microsoft products and technologies, consists of four modules:

Inventory and Supply Chain- provides complete control over the inventory and supply chain cycle, including ordering, receiving, and depletion of the products. Automatically updates all costs across the chain, including recipe costs and order guides. Provides Theoretical versus Actual (TvA) Food Cost and Ideal versus Actual (IvA) Product Variance information and

helps store-level managers accomplish inventory tasks more efficiently and effectively.

A/P and Budget Control- provides Declining Budget P&L for each restaurant and across the enterprise. The budget report includes budget, actual, and variance calculations and is completely customizable. Also provides efficient capabilities for entering Accounts Payable transactions at the corporate office level and allows split invoice and electronic invoice import capabilities.

Payroll Management- integrates with all popular payroll providers and helps manage the new hire and payroll process. Serves as the single entry point for new hire information, allows for central control of pay rates and changes, and functions as an electronic forms depository for maintaining all employee electronic information forms.

Multi-level Reporting- integrates data from disparate sources (POS, supply chain, accounting, payroll, and many third-party partners) into a cohesive and detailed set of customizable interactive reports. The solution also serves as an enterprise data portal by centralizing mission-critical data into one repository. Users can analyze individual stores, regions, or the entire chain, rank stores on hundreds of dimensions (such as sales, labor costs, shrinkage, or CSI scores) and drill down into individual components as needed in real-time and on-demand.

"We built Decision Logic to help operators effectively manage their two highest costs: labor and product. We capture every keystroke at the point of sale, to every product that moves through the system, and provide a level of analysis and actionable intelligence that customers

won't find anywhere else," commented Barber.

Barber's comments are mirrored by Decision Logic's customers as well:

"Actionable data has led to food cost reductions across the board. Cost of goods consistency arrived when Decision Logic did," states Matthew Baizer, president and chief executive officer of Zao Noodle Bar, a California-based franchise featuring pan-Asian cuisine.

According to Susan Farrington, Director of IT of national barbeque chain, Famous Dave's, "The Decision Logic solution provides a platform for managing food cost in our restaurants through increased awareness, enhanced controls and discipline".

Decision Logic built the solution as a Software-as-a-Service (SaaS) offering. Headquarters and store personnel simply access the solution over the Internet using their browser. The application runs as a "Smart Client" within the browser. A Smart Client provides a rich user interface and robust functionality just like any desktop application, but is delivered over the Internet.

The main application and all data is hosted and managed by Decision Logic in a company run state-of-the-art data center. "With our SaaS and data center approach, we've taken the entire IT burden off our customers. They do not need to devote any dedicated IT resources at the store or headquarters level to use our solution," stated Barber.

Decision Logic recently upgraded and re-architected their data center to a cloud-based approach. The company chose to build their cloud using Microsoft

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Jim Barber, CTO for Decision Logic

virtualization and cloud technologies, with Microsoft Windows Server® 2008 R2 Hyper-V and System Center Virtual Machine Manager as the foundation. Hyper-V, the Microsoft hypervisor-based server virtualization technology, enables organizations to make the best use of their server hardware investments by consolidating multiple server roles as separate virtual machines (VMs). Everything can run on a single physical machine and also efficiently run multiple operating systems—Windows, Linux, and others—in parallel, on a single server, and fully leverage the power of x64 computing.

All data runs on Microsoft SQL Server 2005 and is now virtualized to provide 99.99% availability. The company also put a Storage Area Network (SAN) in place to speed up data performance and availability. “With our upgrades, we are finally able to leverage the benefits of virtualization and a SAN the way they were meant to be,” says Barber. “We are now also able to offer 99.99% availability of our application and customer data. Our customers rely on us to run their business and downtime is unacceptable. These upgrades improved our availability to the highest level possible in the industry,” continued Barber.

Benefits

Decision Logic customers realize a number of business and IT benefits from the SaaS solution.

Zero Burden on IT Resources

Deployment, maintenance, and product updates are all handled by Decision Logic so customers do not need to involve IT resources in any way. Customers simply sign in over the Internet to get started. Since the solution is hosted by Decision Logic, there is no need to involve strategic IT resources in getting servers up and running and loading the software.

Low Cost of Ownership

With virtually no hardware investment or ongoing maintenance and support costs, the SaaS model provides a superior Total Cost of Ownership (TCO). In addition, with a SaaS model, customers essentially lease the solution and pay a predictable monthly cost based on the number of users. This provides the greatest flexibility to scale up or down as needed and you only pay for what is used.

No Capital Expense Required

The SaaS model is a controlled monthly expense with no capital outlays required for initial hardware equipment or software licenses. The costs for the solution are considered an operating expense and can fit easily into an operator’s overall budget. Short Deployment Time and Automatic Product Updates

Since there is no need to buy and configure servers and align IT resources, customers can begin using Decision Logic within days, versus weeks or months under a traditional software deployment cycle. And since the solution is hosted and maintained by Decision Logic, every product update and upgrade is automatically available for users the next time they log into the system, so users will always have the most recent version of the product.

With the deployment of Microsoft Windows Server 2008 R2 Hyper-V, Decision Logic can provide a compelling cloud environment for its customers and also gain a number of operational efficiencies that benefit the organization.

High Availability

With the virtualized environment, if one server fails, another immediately brings up the same data automatically. Before upgrading to Windows Server® 2008 R2 Hyper-V, if a server failed, Decision Logic

For More Information

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www.microsoft.com

For more information about Decision Logic products and services, call 888-358-7728 or visit the Web site at:

www.decision-logic.com

would spend 1-2 hours manually moving data from one server to another. The upgrade has allowed the company to move from 99.9% uptime to 99.99%. "The ability to have servers and systems at high availability is mission critical for us," comments Barber.

Reduced Costs

The new data center environment cuts hardware, power consumption, and rack space costs by 75% over the old configuration. "We are able to move from one customer per server to 4 customers per server and provide a higher level of security and customization as well," states Barber.

New Revenue Opportunities

Looking ahead, Decision Logic expects to be able to leverage their new cloud environment for additional application hosting and offer new products and services to their customers. "With our new cloud environment in place, we are now providing our customers with additional, value-added SaaS offerings that help them manage their business and improve productivity. It's something we never could have imagined providing until we upgraded to Windows Server 2008 R2 Hyper-V," indicates Barber.

Microsoft Virtualization

Microsoft virtualization is an end-to-end strategy that can profoundly affect nearly every aspect of the IT infrastructure management lifecycle. It can drive greater efficiencies, flexibility, and cost effectiveness throughout your organization. From accelerating application deployments; to ensuring systems, applications, and data are always available; to taking the hassle out of rebuilding and shutting down servers and desktops for testing and development; to reducing risk, slashing costs, and improving the agility of your entire environment—virtualization has the power to transform your infrastructure, from the data center to the desktop.

For more information about Microsoft virtualization solutions, go to:

www.microsoft.com/virtualization

Software and Services

- Microsoft Server Product Portfolio
 - Microsoft SQL Server 2005
 - Microsoft System Center Virtual Machine Manager 2007
- Microsoft System Center Virtual Machine Manager 2008 R2
- Technologies
 - Hyper-V