



## **SugarCRM vs. Salesforce.com**

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**Consider the facts when choosing the  
right CRM solution for your organization**

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Dear Customer,

Thank you for considering SugarCRM as your CRM solution. This document is summary of why SugarCRM is the right solution for you. Sugar offers customers a flexible, intuitive and open CRM platform that helps solve your business problems. It's also a solution that offers you more control at a better price.

Another CRM vendor, Salesforce.com, is unable to compete with Sugar's flexibility or price, so it responds by regularly publishing a list of "considerations" for prospects who are evaluating SugarCRM. This list of considerations is nothing more than a smokescreen of "FUD": Fear, Uncertainty, and Doubt. However, we welcome the attention given to us as it validates that SugarCRM is the best alternative to Salesforce.com when you are looking for a cost effective, flexible, intuitive and open solution.

We're confident that once you see through this smokescreen, you'll agree with us that SugarCRM is the best solution for your CRM needs today and tomorrow.

If you have any questions regarding information (or misinformation) shared by any of SugarCRM's competitors, please do not hesitate to contact your SugarCRM representative or partner.

## SugarCRM – Corporate Overview

SugarCRM is the world's fastest growing customer relationship management (CRM) software company, offering customers a free open source CRM developer edition and 4 supported subscriptions. **Over 7,000 customers** subscribe to SugarCRM and **more than 750,000 users** rely on our software to execute marketing programs, grow sales, retain customers, and create custom business applications.

Our mission is to empower every organization — company, non-profit, or government agency — to gain and retain customers, clients, or constituents. We do this by delivering the most flexible and affordable relationship management solutions, giving every organization the ability to treat its customers the way they would like to be treated.

### SugarCRM Snapshot

- Over 9 million downloads on the SugarForge Community
- In excess of 28,000 registered Sugar developers
- More than 750,000 end-users
- Over 7,000 commercial subscription customers
- Over 280 global partners
- Deployments in over 75 countries
- US headquarters in Cupertino, California



- EMEA headquarters in Munich, Germany

#### Social SugarCRM

- Corporate website: <http://www.sugarcrm.com>
- Blogs: <http://blogs.sugarcrm.com> and <http://www.crmoutsiders.com>
- LinkedIn Profile: <http://www.linkedin.com/company/sugarcrm>
- SugarCRM on Twitter: <http://www.twitter.com/sugarcrm> or @sugarcrm
- Facebook fan page: <https://www.facebook.com/pages/SugarCRM/7151687461>
- YouTube Channel: <http://www.youtube.com/user/DiscoverSugarCRM>

## SugarCRM – Seasoned Leadership Team

SugarCRM was founded in April 2004 by veterans of the CRM industry. Sugar has an exceptionally experienced and strong management team with a long and successful track record in CRM, enterprise software, and open source software.

- [Larry Augustin](#), Chief Executive Officer
- [Clint Oram](#), Chief Technology Officer and Co-Founder
- [Nick Halsey](#), Chief Marketing Officer and Executive Vice President of Corporate Development
- [Jeff Campbell](#), Vice President of Sales
- [Tom Schuster](#), Vice President and General Manager of SugarCRM Europe
- [Chuck Coulson](#), Vice President of Business Development
- [Lila Tretikov](#), Vice President of Engineering/CIO

Larry Augustin was named [the most influential business executive in open source](#) (Oct., 2009), due to his role in the founding of open source and his involvement with many leading open source companies. Part of the group who coined the term "Open Source," Augustin previously served as CEO of VA Linux (now SourceForge, NASDAQ: LNUX) and Medsphere. Worth Magazine named him to their list of the Top 50 CEOs in 2000. In addition to his position at SugarCRM he serves on the Boards of Directors at Appcelerator, Compiere, DeviceVM, DotNetNuke, Fonality, Medsphere, and Pentaho.

Biographies of Larry Augustin and the Sugar executive team can be found on the SugarCRM website: <http://www.sugarcrm.com/crm/about/leadership.html>



## SugarCRM – Financial Viability

SugarCRM is experiencing tremendous growth and momentum, with record revenues quarter after quarter. We closed FY 2010 with 52% year-over-year growth and turned cash flow positive in Q4 2010. We're continuing this trend in 2011. Check the press releases linked below for further discussion of our business momentum. As a privately held company, SugarCRM chooses not to disclose any additional financial information without a signed non-disclosure agreement.

Q1 2011:

### [SugarCRM Notches Another Quarter of Record Revenues and Continues Its Cash-Positive Growth](#)

The company's first-quarter results represent a 9 percent jump in revenue over the final quarter of 2010, which saw a 56 percent jump over the same quarter the previous year. This quarter also marked another in which the company was cash flow positive, building on its achievement of cash flow positive growth in 2010.

Q4 2010:

### [SugarCRM Continues Record Growth in 2010](#)

For the fiscal year, billings increased 52 percent compared to fiscal 2009. In addition, the company turned cash flow positive in 2010, capping off a milestone year of growth in all areas.

Q3 2010:

### [SugarCRM Continues Record Customer and Revenue Growth in Third Quarter](#)

SugarCRM sees 60% revenue growth in Q3; adds nearly 700 customers as global expansion accelerates.

Q2 2010:

### [SugarCRM Continues Record Growth and Channel Expansion](#)

Highlights include a 50 percent year-over-year growth in billings, and the addition of more than 540 new customers in the second quarter of 2010.

Q1 2010:

### [SugarCRM Announces Marquee Customer Wins as Customers and Developers Gather for SugarCon 2010](#)

Announced a record quarter with the addition of nearly 600 customers in the first quarter of 2010.

Q4 2009:

### [SugarCRM Enters 2010 with Strong Growth As the Leading Provider of CRM Applications for the Open Cloud](#)

2009 was a record year across a number of key measures, including revenue and customer growth, community and partner development, and industry recognition for the company's open source and cloud-based CRM solutions.



## SugarCRM – Technical Flexibility

Sugar focuses on **making CRM simple** regardless of which one of our five configurations you choose. Sugar® Community Edition is our open source, developer-centric free download. We also offer four commercial subscriptions: Sugar® Professional™, Sugar® Corporate™, Sugar® Enterprise™, and Sugar® Ultimate™. The commercial subscriptions are designed to help companies of any size by offering unmatched cloud computing flexibility.

Leading publications such as CRM Magazine, InfoWorld and eWeek **praise SugarCRM for its ease-of-use, flexibility, and open design**. In its [latest review](#) of Sugar, eWeek said that **“Sugar gets it right”**.

*“Although many people consider CRM to be synonymous with Salesforce.com, there are plenty of competitors to the cloud-based titan. Perhaps one of the pluckiest—and possibly the best—is SugarCRM, whose eponymous CRM package is more flexible in some significant ways than Salesforce.com, and certainly less expensive.”*

J.P Connelly, eWeek article [SugarCRM Gets it Right](#)

In addition to the Sugar On-demand SaaS (software-as-a-service) option, SugarCRM runs on the leading cloud computing platforms, including Amazon EC2, Microsoft Azure, IBM Cloud, and Sugar partner and customer on-premise clouds, offering you **unparalleled choice and control of your data and deployments**.

A key differentiator between SugarCRM and all other CRM vendors is our architecture. Traditional CRM vendors that offer a choice between an on-demand and an on-premise solution do so by creating different product lines. Typically, the on-demand solution uses a 10-year old multi-tenant SaaS architecture and the on-premise solution uses a 20-year old client-server architecture.

SugarCRM’s architecture is different. We use a modern multi-instance database architecture in which each customer has a dedicated database. Sugar can run on a variety of databases, hardware platforms, and cloud environments. The benefit to you is a much higher level of freedom and control. The benefit to SugarCRM is improved focus and higher quality software, since we don’t have to maintain different engineering efforts for different deployment models.

*“The look and feel of Sugar 6 is modern and in-line with current day applications, which our users love. It is **more approachable and this drives our active use even higher.** “*

Shannon Boyd, Director of Marketing, [BNSF Logistics](#)



## SugarCRM – Freedom of Choice

Like Salesforce.com, SugarCRM offers an on-demand SaaS solution. But, unlike Salesforce.com, we also allow customers to deploy Sugar on-site, behind a firewall, without any of the risks of traditional client-server deployment. For even greater flexibility, customers can choose to deploy Sugar in public or private clouds such as Amazon Web Services, Rackspace, IBM Cloud, and others.

For on-site, public- or private-cloud deployments, we provide you with a simple, single installer file that can be installed on any server running any operating system, in any location (behind the firewall or in the public cloud). This single installer file, FastStack, will install all the components you need to run SugarCRM behind the firewall, getting Sugar up and running within minutes.

Once deployed, you can easily move your Sugar instance from our on-demand environment to a location behind your firewall, or to a public cloud.

SugarCRM offers you TRUE cloud computing, unlike Salesforce.com which only offers a 10-year old multi-tenant hosting option. Customers who must comply with specific data privacy, legal or audit requirements, are often required to keep their CRM solution behind the firewall. With Sugar, you have this choice, with Salesforce.com you don't.

**With Salesforce.com, customers do not have a freedom of choice.**

*“Salesforce.com was not performing to meet several of our requirements, whereas Sugar Professional could. Beyond that Sugar was half the price of our Salesforce.com implementation. This made our move to Sugar a no brainer.”*

Jennifer Maitland, Marketing Operations Manager, [Caplin Systems](#)

## SugarCRM – Every Customer Has Their Own Database

The underlying database architecture is the reason why we're radically different and better. With SugarCRM, customers have their own database.

Other on-demand (SaaS) CRM solutions, including Salesforce.com, are built on a multi-tenant SaaS data model. This means that all customers share the same underlying database. This model was designed 10 years ago when legacy database technology was too expensive to scale horizontally. Today's databases, such as



MySQL, are designed for cloud computing and are inexpensive to run in a massive horizontally scaled architecture like Sugar's.

The multi-tenancy model also prevents users from making more than minor code-level changes to align their CRM solution to their individual needs. This limit on customization is the first major deficiency of the multi-tenant database model. A second deficiency is the fact that customers don't have direct access to their own data, which limits back office integrations or native access by reporting and analytics tools.

Multi-tenant databases that co-mingle data from multiple customers *have been known* to inadvertently display data from another customer. Having private, individual databases eliminates this risk.

**With Salesforce.com, customers are restricted to what they can do with their own data.**

*"Our switch from Salesforce.com to SugarCRM means that we are now even better equipped to deliver excellence in customer service."*

Alex Pettefer, UK Group Marketing Director, [Loomis UK](#)

## SugarCRM – Database Backup with All Object Relationships Intact

There are two key aspects to CRM data: customer data and the object relationships between accounts, contacts, opportunities and all other customer records. For backup purposes, Salesforce.com can only provide their customers with a flat file data dump that lacks any critical object relationships. This data is of limited usefulness for offline analysis or storage. A direct and unfortunate result of the Salesforce.com data model is that customers who host their CRM solution with Salesforce.com don't have free access to their own data.

SugarCRM provides you with a full database backup of all your data with all the object relationships intact. With Sugar On-demand, you can get a daily database backup that can be restored into any database. Of course, if you choose to deploy Sugar in your own datacenter, you'll have unlimited access to your data.

With SugarCRM, you have full control of your own customer data.

**With Salesforce.com, customers are locked into the equivalent of a data jail.**



## SugarCRM – Product Features Customers Actually Use

Salesforce.com will frequently point out that it offers more features than SugarCRM. What Salesforce.com will not tell you is that more isn't necessarily better. Salesforce.com has to put all possible features in its releases because of the inefficiency of its multi-tenant database model. As a result, Salesforce.com editions suffer from feature overload, even their "entry level" editions. On the other hand, Salesforce.com reserves valuable CRM capabilities for its more expensive editions.

For example, consider the creation of custom fields, which are vital to effective CRM applications. Salesforce.com customers can only create a limited number of custom fields as specified in advance by Salesforce.com. This restricts customers' CRM deployment, as it forces them to work backwards and mold their processes around the CRM solution rather than customize the CRM solution around their processes.

Customers who use Salesforce.com for their CRM deployment regularly run into these customization limits and are forced to upgrade to a higher-cost edition. This is one of the biggest reasons why Salesforce.com customers switch to SugarCRM.

Since SugarCRM provides each customer instance with its own database, you can create an unlimited number of custom fields and custom objects. And because SugarCRM is built on an open-source development model, you have source code access: you can further extend and integrate SugarCRM with the products and capabilities you need to support your processes.

**With Salesforce.com, customers are penalized for being successful in their CRM implementation.**

*"The main goal was to get **a global solution that combined e-commerce, CRM, and logistics into one package** that everybody could standardize on. With SugarCRM and its partner Synolia, we accomplished that and more."*

Pierre Fredet, Group Director for Dry Outlets, [Coca-Cola Enterprise](#)

## SugarCRM – Modular Out-Of-The-Box Customization

SugarCRM has more robust customization utilities than Salesforce.com. Sugar administrators have access to Sugar Studio, SugarLogic™, and Module Builder, simple GUIs to create custom fields, screens, and modules to meet specific business needs. Sugar customers don't have to be programmers to make customizations.

With SugarLogic, you can easily make complex, upgrade-safe customizations. SugarLogic supports calculated fields, date fields, and calculated and dependent





dropdowns. As a result, you can mold your SugarCRM solution around your business processes rather than having to change your business process to fit your CRM solution.

With SugarLogic, you shouldn't need to make code-level customizations. However, if you need code-level developer access, SugarCRM is developed using PHP, one of the most popular scripting languages on the planet (and the same language used to build Facebook). To make changes in Salesforce.com, developers have to learn a new proprietary programming language they can't use anywhere else (not a very good allocation of resources) or forever be dependent on consultants.

Another Sugar bonus: customers who deploy in Sugar On-demand can still have on-premise development or test systems to build and test their changes, and then deploy these into the Sugar On-demand environment using the Module Loader utility.

**With Salesforce.com, complex customizations are more expensive and more difficult to make, resulting in a large hidden increase in total cost of ownership.**

*"We immediately fell in love with SugarCRM and open source. We were easily able to **customize modules and be up and running in no time** because Sugar works around our needs rather than us having to work around Sugar. **It has gone beyond ROI and is the backbone of our business.**"*

Avi Bar, Vice President, Architectural Products , [Advanced Glazings](#)

## SugarCRM – Intuitive User-Centric Design

SugarCRM has been designed for the average sales and customer service representative who needs a simplified, uncluttered interface that lets them focus on selling to new customers and supporting existing customers. Unlike Salesforce.com's "kitchen sink" interface, SugarCRM is designed to be less cluttered with features that users don't need or use.

For example, when customers turn on Chatter™ in their Salesforce.com implementation, the entire computer screen is dedicated to this internal company "chat" solution, forcing users to scroll down to find actionable customer information.

As you become more comfortable with your CRM solution and start looking at adopting CRM throughout your organization, Sugar's modular design will allow you to easily add the functionality you need while maintaining an intuitive user interface.



**With Salesforce.com, customers get a complex and inflexible user interface.**

*“SugarCRM goes two better on Salesforce.com, by offering its software as an on-premises install, and as an appliance that’s designed to be easily added to an existing IT infrastructure. These may be especially appealing to those organizations that, for whatever reason, can’t or won’t use a cloud-based application, in cases where the entire focus is on inside sales, or where the reliability of WAN connections is less than ideal. “*

J.P Connelly, eWeek article [SugarCRM Gets it Right](#)

## SugarCRM – Upgrades Made Easy, When You Need Them

SugarCRM is easy to upgrade. In 2007, with the introduction of Sugar version 5, we introduced a new framework for development that makes changes easy and upgrade-safe. This development framework applies to code developed by SugarCRM, its partners, and its customers.

In the Sugar On-demand environment, upgrades are performed automatically – just as with other SaaS CRM vendors, and they’re included in your Sugar subscription. However, unlike Salesforce.com, SugarCRM customers can choose to delay an upgrade to avoid interfering with existing mission-critical projects. If you deploy SugarCRM on-site, you can upgrade on your own timeline with Sugar-provided upgrade scripts that are easy to run.

**With Salesforce.com, customers are forced to accept service and product upgrades on Salesforce.com’s schedule – not the customers’.**

*“Sugar 6 is awesome! We love the look and feel, and it is so easy to navigate. **It was a quick and seamless upgrade** - and the new user experience is a great addition to the existing benefits we are seeing with SugarCRM.”*

Drew Sellers, Vice President of Operations with NBA affiliate team the [Utah Flash](#)



## SugarCRM – Proven Integration with Other Business Applications

Because of SugarCRM's commercial open source model, it's easy for customers and partners to write and publish integrations to other business applications such as SAP, Oracle, PeopleSoft, JDE, and Great Plains. Sugar is also supported by a wide variety of integration platforms, such as Cast Iron, Talend, Pervasive, Informatica, and others. In fact, many of these integrations are available to any customer, having been published on the [SugarExchange](#) Marketplace. And because of SugarCRM's advanced development framework, these integrations are upgrade-safe.

***“Sugar’s ability to integrate with Miller Heiman and InsideView was critical to the success of our work with our client, Insource Contract Services. Only Sugar Professional was able to offer the integration option to streamline Insource into a single location.”***

Kevin Cook, Vice President of CRM Practice at BrainSell.

## SugarCRM – Agile and Open Development

SugarCRM employs an agile and open development process with code written in one of the world's most popular development language, PHP. Sugar's source code is inspected by our ecosystem of thousands of developers around the world who intimately know every aspect of our code. This ensures that we're not dependent upon any one engineer who "owns" a code line. In comparison, proprietary closed-source products offered by traditional SaaS companies, such as Salesforce.com, offer no such peace of mind to their customers, as the source code is artificially locked away from customer inspection.

And because SugarCRM gives you source code access, you can audit the code and make changes where needed without being dependent on SugarCRM. Our agile and open development gives you more control.

Governments and companies all over the world have come to understand the [business benefits](#) of using open source software. Read more thoughts about open source and its business benefits in this [blog post by SugarCRM's CEO](#).



**With Salesforce.com, customers are not in control over their own destiny.**

*"Sugar Enterprise offers a sound, low-cost choice for organizations that want **deep customization flexibility in a packaged CRM application.**"*

William Band, VP CRM at Forrester Research and one of *CRM Magazine's* 2007 Influential Leaders.

## SugarCRM – Responses to Some of Salesforce.com's FUD

Over the years, Salesforce.com has produced several documents trying to raise FUD (fear, uncertainty and doubt) regarding SugarCRM's products and services, our customers and our financial viability. The first part of this document should have addressed most of these concerns. However, we feel that it's important to answer some of the specific questions that Salesforce.com recommends you ask us.

***Does Sugar CRM carry all the same deployment risks of traditional client server deployments?***

SugarCRM can be deployed on-premise, on-demand, or in the cloud. This gives you the freedom to choose the deployment option that best fits your needs. Some customers, due to data privacy, legal, regulatory, or audit requirements can't deploy a SaaS CRM solution. Others are looking for an on-demand solution that is hosted by SugarCRM. And some customers would like an on-demand solution hosted by their existing hosting provider. With SugarCRM, in addition to the option of deploying on premise, you have a choice of clouds: deploy in your own cloud, a partner cloud or in the Sugar cloud. With traditional SaaS, you only have one choice.

***Is managing code, fixing bugs and implementing patches my (company's) responsibility?***

Absolutely not! The beauty of our solution is that, regardless of how you deploy, you don't have to manage any code, unless you choose the flexibility to do so. In addition, we manage bug fixes and patch releases directly. If you've deployed Sugar in your own cloud, we'll post fixes online for you to download.

*"We chose SugarCRM On-Demand because we wanted to focus on our customers, not IT server hardware and complex software programming. SugarCRM also integrates well with other current and anticipated applications, which eliminates the need to create highly customized, difficult-to-support integrations on our own. All of this, along with the*



*flexibility, low cost and the simple-yet-powerful user experience made SugarCRM an obvious choice."*

Perry Sheraw, Senior Vice President, The March Group.

***Are these fixes included in the subscription fee or this an additional fee?***

All bug fixes, patches, and full release upgrades are included in your Sugar subscription, regardless of the deployment option you choose.

***Is this statement true: "Only choose Sugar if you have a developer that knows (or could study) Sugar's architecture and has the time to study the product;" your IT department is responsible for managing the architecture?***

Of course this statement is false. We have simple utilities for adding new fields or modules to a customer instance. The key difference with Sugar is that, unlike Salesforce.com, we don't limit the number of changes that can be made and fields that can be added. SugarCRM users all have access to Sugar Studio, SugarLogic™ and Module Builder, from inside the Sugar Admin user interface. Since all SugarCRM instances have their own database, there are no limitations to the number of custom modules you can build.

***Is the functionality of Sugar comprised of hundreds of modules?***

This question is very misleading and exposes one of Salesforce.com's weaknesses. Because of the shortcomings of the multi-tenant database architecture deployed in a traditional SaaS environment, Salesforce.com solutions have a limited number of custom fields customers can use to attempt to integrate their CRM solution with their business processes. As a result, customers end up having to make changes to their processes to fit Salesforce.com's limitations.

One way traditional SaaS vendors try to address this inefficiency is by putting all possible features into their different solutions. As a result, their solutions suffer from feature overload. And of course, since most "interesting" features are only available in the most expensive solutions, customers end up paying way too much for what they need.

SugarCRM provides each customer instance with its own database, allowing an unlimited number of custom fields and custom objects to be created without being limited by other customers' data designs. This makes a SugarCRM implementation more affordable, lightweight, and uncluttered by features that you don't want, don't need, and won't use.

***Are many of these modules written by individuals who no longer work for Sugar?***



SugarCRM employs an agile development process with code written in the world's most popular development language, PHP. This ensures that SugarCRM is not dependent upon several engineering wizards who control all access to the source code.

***Are many of these modules no longer supported?***

No, Sugar has well documented standards for how to add modules without sacrificing upgrades. They're called "Business Logic Hooks," and using these protects you from losing any customization during upgrades.

***Does Sugar CRM have out of the box UI customization capabilities?***

Of course! SugarCRM offers customers the same simple administrative capabilities to configure and customize Sugar as Salesforce.com. Sugar administrators have access to Sugar Studio, SugarLogic™ and Module Builder. This allows them to easily rename fields, change field layout and add new fields. Similarly, administrators can create new modules. With SugarCRM there are however **no limitations** to the number of changes that can be made, fields that can be added, or modules that can be created. This is unlike Salesforce.com, which sets, an arbitrary limit to these configurations and customization capabilities.

***Is this statement true: "Sugar CRM is unintuitive."?***

This statement is false. SugarCRM is very intuitive. The Sugar interface is built on Web 2.0 design principles. Anyone who uses Facebook, Google or other popular Web-based services will find SugarCRM easy to use.

*"In concentrating a good deal of its energies in Sugar 6 on improving its user interface, SugarCRM's attacking an area we believe other CRM players will also look to revamp soon. It's all about improving user stickiness, particularly at the SMB level."*

China Martens, Analyst with The 451 Group

***Is Sugar CRM difficult to upgrade?***

SugarCRM is very easy to upgrade. Since 2007, with Sugar version 5, SugarCRM has used a development framework that makes upgrade-safe changes easy. This development framework applies to code developed both by SugarCRM and its customers. And, of course, version upgrades are included in your subscription.

In the Sugar On-demand environment, upgrades are performed automatically – just like with Salesforce.com. With Sugar, however, you can plan the upgrade schedule to avoid interference with mission-critical business projects. Salesforce.com does not provide you with that flexibility.



Customers who have deployed SugarCRM on-premise can upgrade completely on their own timeline. And contrary to what Salesforce.com claims, the upgrade process only takes minutes and does not require any technical knowledge.

*"The upgrade to Sugar 6 was a breeze and our marketing team is using Sugar 6 for sales and marketing automation and reporting. You have made a truly excellent product even better!"*

Brad Saunders, Systems Engineer with BrandLogic Corporation

***Which deployment model (on-demand, on-site) gets the majority of SugarCRM's R&D budget?***

Trick question! Because of our modern multi-instance database model, we only need to develop and maintain one version of our software, with available add-ons based on that single code tree. All versions of SugarCRM (either on-site or On-demand) are run from the *same* code and offer the same functionality, regardless of deployment model. Where you decide to house your application has nothing to do with the level of functionality or the amount of development invested in that product.

***Why does SugarCRM not break out customer and subscriber statistics for their On-demand product separately from their on-premise solutions?***

Because... it's the same product! We don't see the need to break out customer and subscriber statistics for our On-demand and on-premise solutions because there's no difference between them.

***How many customers over 1000 users are using their On-demand offering?***

We have many customer deployments greater than 1,000 users. These customers have chosen to deploy Sugar both On-demand as well as on-premise. Flexibility is a good thing!

***When will SugarCRM become profitable?***

SugarCRM turned cash flow positive in Q4 2010.

***How many more rounds of financing will they need?***

SugarCRM has a fully funded business plan and does not need any venture capital to fund its growth.

***Have any essential teams been laid-off to remain viable?***

No.



***Are they an acquisition target?***

We have an aggressive 3-year rolling business plan. We're not seeking to be acquired and we're not managing our business with acquisition in mind.

***How much has SugarCRM invested in their On-demand infrastructure to date?***

We've made significant investments in our SaaS infrastructure. These investments include the creation of the highly scalable multi-instance architecture that allows users to access a more customizable, yet highly available and high performing, SaaS CRM solution.

***What percentage of the new funding cited above will go into SaaS infrastructure?***

We continually invest in improvements to our On-demand infrastructure, as we believe we can always improve performance and customization capabilities. And, since we use more open source components and next-generation hosting infrastructure tools that cost far less than Salesforce.com's proprietary and legacy multi-tenant architecture, we can scale and improve our operations more effectively and efficiently, without increasing prices.

***Does SugarCRM provide transparency into their system performance and availability via a publicly available website?***

We currently do not actively display performance and availability in a customer-facing web site. However, our multi-instance approach to SaaS does not result in the kinds of critical universal outages that Salesforce.com has had to warn its users about over the years.

***Does SugarCRM's SaaS offering have two mirrored production data centers where customer data is replicated in near real time over a dedicated, path-diverse network backbone?***

We have redundant data centers to ensure high availability. In fact, our data centers use seven Internet network backbones, with scalability available to 200 backbones to address user demand. SugarCRM On-demand is a highly available SaaS offering, regardless of customer size or location. Our On-demand service is backed by a 99.5% availability SLA, and our historic availability numbers are greater than 99.99%.

***What kind of security audits has SugarCRM passed? Are they SAS 70 compliant? ISO 27001? SysTrust verified?***

We use SAS 70 II-compliant data centers, and are working with auditors to complete SAS 70 and additional compliance certifications.





***What kind of development expertise is required to modify the source code for SugarCRM?***

This is a very interesting question, coming from a company that does not give its customers source code access. SugarCRM (just like Facebook) is written in PHP, one of the most popular software languages in the world.

***What is the impact of modifying the SugarCRM source code on the upgrade process?***

Again, this is an interesting question, given that Salesforce.com doesn't give its customers source code access. We provide you with source code access so that, if you choose, you can make code-level customizations to address unique business requirements or integrate with legacy applications that do not have an open API infrastructure. There are always risks associated with accessing and modifying the source code, which is why we provide our customers with developer best practices so that any upgrade issues can be avoided.

***Have any SugarCRM customers made customizations that are not “upgrade safe”? What kind of support is provided for these customers to help them upgrade to the latest version?***

Yes, sometimes our customers—who are human—don't follow the developer best practices we've set forth. For these situations we provide developer support.

***Does SugarCRM provide customers an easy way to capture support case information from a web form?***

Yes! Customers who subscribe to Sugar Enterprise and Sugar Ultimate can implement a customer self-service portal (included in the subscription), which makes it easy to capture support case information.

## SugarCRM – Questions You Should Ask Salesforce.com Before Making Your Decision

- Q Why are there all these arbitrary limits throughout your editions? Isn't it true that you publish a 9-page document listing the most commonly referenced Salesforce.com limitations?
- Q Why are you so focused on trying to sell me on the benefits of an internal collaboration solution (Chatter) when all I need is a way to better manage my customer relationships? Why do I need to add yet another social tool (Chatter) when all of my employees – and customers – are already on LinkedIn, Facebook, Skype, IM, Twitter, ...?
- Q Will I get a discount when I eventually have to upgrade from my current edition to another one?
- Q I have 5 users of Group edition and need to add a sixth user. How can I justify to my finance department the 160% price increase I will have to pay? (Note: adding 1 user to Group edition when you already have 5 users; requires that you upgrade to Professional edition.)
- Q Why do you charge your international customers more than you charge your North American customers?  
(<http://irishdev.com/Home/News/1348-Bitter-Pill-for-Salesforce-Clients.html>)
- Q Why do I have to subscribe to your most expensive solution if I want basic CRM features like Workflow (btw, Salesforce.com does not include a Workflow Engine or Approval processing), Advanced Security, Content Libraries, Campaign Management or access to the API Framework?
- Q Can I get a monthly relational database backup of my data? How often do I get access to a database backup? Is there an extra cost involved?
- Q Can I access my data through the reporting and analytics tools of my choice?
- Q I've heard that some customers who request a backup of their data at the end of their contractual term are told that the back up service is temporarily not available. Can you comment?
- Q If I terminate my service, how long do you retain my data?
- Q I've heard of customers who came back to Salesforce.com and who were told that Salesforce.com would reactivate their old system with all their old data.

Can you comment? If correct, why do you keep a copy of my customer data after I leave your service?

- Q Since you own Jigsaw, are you using my customer data to update Jigsaw data? Does this mean that I'm my competitors get my customer's most up to date contact information. Can you comment?
- Q How many API calls can I make from my CRM solution to other applications I have?
- Q Why does it cost extra to use your API framework?
- Q Do you offer both REST and SOAP APIs? Do you offer these APIs in all of your editions? If not, is there an extra charge and why?
- Q Now that I've told you I'm also considering SugarCRM, why are you suddenly offering me a bigger discount?
- Q Will the discount you are offering me today also be available when I renew my service or when I add new users?