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## Trilogy Making A Name For Itself

One of the best-kept secrets in the e-business software marketplace is Trilogy Software. You don't know Trilogy?



By [Laton McCartney](#) | July 28, 2000 -- 19:46 GMT (12:46 PDT) | Topic: [E-Commerce](#)

**One of the best-kept secrets in the e-business software marketplace is Trilogy Software. You don't know Trilogy? Well, there are a number of good reasons you should.** -- *by Laton McCartney, Inter@ctive Week*

10 May 2000 - Privately owned and based in Austin, Texas, Trilogy has quietly emerged as a major player in both the enterprise e-business software and dot com spaces. It sells exclusively to Global 2000/Fortune 500 firms, employs 1,200 people and has more than 300 corporate customers and 200,000 worldwide users. Although it's an 11-year-old enterprise software company targeting brick-and-mortars, it has also incubated a number of successful dot com start-ups, including pcOrder.com.

Earlier this year, however, Trilogy entered into a joint Internet venture with Ford Motor that earned the software company a prominent and highly visible place in the e-commerce arena. The new entity will oversee all of Ford's Web-based dealings with customers and dealers. The venture "earns Trilogy a world-class reputation in the e-commerce software market," according to Forrester Research.

"That the second biggest company in the U.S. would choose to do something strategic with us is really a validation for Trilogy," says Ajay Agarwal, the company's executive vice president of sales and marketing and the primary architect of Trilogy's e-commerce strategy.

All this has been accomplished largely outside the limelight. "We haven't made a lot of noise," says Krista Rollins, vice president of corporate communications at Trilogy. "We sell direct to the Fortune 500, so there hasn't been a need for massive market awareness."

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Yet, the company keeps penetrating new markets. Trilogy is starting to market its much touted configuration engine, which is almost a standard in the computer industry, to the automotive, electronics, financial services, health-care and manufacturing industries.

Not bad for a company started by a bunch of kids from Stanford University.

Trilogy was founded in 1989 by Chris Porch and four other Stanford students - including current Chief Executive and President Joe Liemandt, who today still reportedly drives a Saturn and chows down at Wendy's even though he's made the Forbes 400 list, grew up in what one of his associates terms "a Fortune 500 household."

Liemandt's father was one of Jack Welch's senior managers at General Electric. Watching GE's operations from the familial sidelines, Liemandt, saw the problems big manufacturers experienced selling complex products such as computers, which typically were delivered with the wrong - or missing - parts. Determined to start a company that could use technology to address this issue, Liemandt dropped out of college and, with his four Stanford colleagues, started Trilogy.

Over several years, Trilogy developed a software configuration and pricing engine that enabled corporate chief information officers to analyze and order exactly the system they needed. Trilogy, which sold its software to computer vendors such as Compaq Computer, Hewlett-Packard and IBM, had about 80 percent of the computer industry as customers by the mid-1990s.

Then along came the Net and the first killer business on the Web - selling computers. Trilogy was in the right place at the right time, though inadvertently so. "I'd like to tell you this was a grand scheme of ours, but unfortunately that's not the case," says Porch, who now serves as CEO of the Trilogy-Ford venture. "Certainly, though, the configuration, pricing and ordering [capabilities] we developed early on would become key components to our e-business strategy."

As the Internet started to take off, Trilogy added a customer-driven front end to its software that featured Web-enabled business tools such as an electronic catalog. In 1996, it spun off pcOrder, which was aimed at suppliers, resellers and end users who bought and sold PCs over the Web. "PcOrder.com led our Internet charge," Rollins says. Today, the company generates an estimated US\$44 million in revenue.

With the success of pcOrder, Trilogy expanded into other vertical markets, such as financial services and the automotive industry, with additional spin-offs such as carOrder.com, which leveraged its

configuration, pricing and ordering capabilities. On the software front, however, the big move was the shift to a multichannel e-commerce platform that was built to fill the requirements of major corporate users. "It's based on an architecture designed exclusively for Fortune 500 companies with hundreds of thousands of customers and multiple sales channels," Agarwal says.

"As an example, we're selling to auto companies like Toyota that are massively scaled and have, say, 20,000 simultaneous hits, yet require subsecond response time," Rollins says.

## **Blue-chip clients**

With that platform as core, Trilogy has added a number of industry-specific solutions that have helped it secure blue-chip clients in about a dozen vertical markets.

In the automotive industry, for example, Trilogy has Ford and recently signed on Bridgestone/Firestone and Jaguar Cars. It remains a dominant supplier in both the computer hardware and software sectors, with a client list that includes EMC, HP, IBM and Tivoli Systems. Trilogy also has a strong presence in financial services, with customers such as Fidelity Brokerage Services and Mutual of Omaha. Leaders in health care, medical supplies, electronics consumer durables, telecom and heavy manufacturing are also well-represented. It's a client list would be coveted by any vendor.

Now that Trilogy's success is no longer such a secret, it's likely to encounter some heavy opposition from both dot com and established software vendors. "There's a broad range of competitors out there," says Eric Schmitt, an analyst at Forrester, who lists BroadVision, Calico Commerce, i2 Technologies, IBM and Oracle among the vendors with which Trilogy will be increasingly vying for both business and talent.

"In the past, Trilogy has been able to attract really bright programmers out of college," says Schmitt, who notes the company's increased visibility may make its employees recruiting targets. "The challenge will be keeping employees around."

In response to this challenge, Trilogy, which in the past targeted specific colleges such as Cornell University, Duke University, Rice, Southern Methodist University and Stanford for management and technical talent, plans to expand its recruiting efforts.

And with the security of selling to giant, well-established clients coupled with spin-off opportunities, the company thinks it is well-positioned to attract and retain the talent it needs to keep pace with its accelerated growth.

"I really think we offer the best of both world," Porch says.

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