

# The Partner Business Opportunity In Manufacturing With Microsoft 365

## Introduction

Forrester Consulting conducted a Total Economic Impact™ (TEI) study to examine the revenue and profitability opportunities available to Microsoft partners that build practices and business solutions focused on manufacturing customers. Manufacturing organizations require unique partner solutions that serve the needs of knowledge workers and firstline workers leveraging the Microsoft 365 F1 or E1 SKUs (and sometimes the E5 SKU). With Microsoft 365, workers can be more productive, collaborative, and creative in their roles using Office 365, Windows 10 Enterprise, and Enterprise Mobility + Security (EMS).

Forrester interviewed more than 20 Microsoft partners across North America and EMEA with well-established Microsoft 365 practices for a series of partner studies; this study focuses on five partners with strong manufacturing practices and solution sets. This analysis also pulls from another case study titled, “The Partner Business Opportunity For Maximizing The Impact Of Firstline Workers With Microsoft 365,” which explores the end-to-end business opportunity for serving firstline workforces across a number of industries using Microsoft 365.

Our interviews revealed many incremental revenue and profit opportunities available to Microsoft partners that invest in building Microsoft 365 product and service offerings focused on manufacturing customers. Creating offerings tailored to the needs of manufacturing customers provides partners with the opportunity to work with a userbase that has been traditionally underserved by IT — 80% of manufacturing employees previously were unlikely to be using Microsoft solutions. Partners also created future revenue streams by supporting manufacturing customers with change management and offering a variety of managed services and value-added resalable intellectual property (IP).

Partners work with manufacturers to make their digital transformation initiatives successful using Microsoft 365 packaged with their own value-added services and IP solutions. Typical high-priority initiatives for manufacturing organizations include:

- › Research and design for custom quoting and specifications.
- › Inventory and logistics.
- › Quality control.
- › Capacity planning across plants.
- › Communication and collaboration for employees.

The three-year revenue and profit opportunity analysis below is built on a composite 20,000-user deal, 16,000 of which are firstline workers, representing the deal characteristics identified in Forrester’s partner interviews. It is intended to be used as a framework for partners to understand business potential associated with Microsoft 365 manufacturing deals.

“With our manufacturing customers, the entry point is almost always their knowledge workers. We then expand into all their firstline workers.

- EMEA partner



“There is a 4 to 1 ratio of firstline workers to corporate workers in a number of verticals we work with [including manufacturing]. This represents an opportunity for hundreds of thousands of new users for our Microsoft 365 practice.”

- EMEA partner



**4:1**

Ratio of firstline to corporate workers in industries including manufacturing

**\$432**

Anticipated increased revenue for leading solution partners, per user, over three years

**34%**

Average gross margin on end-to-end Microsoft 365 manufacturer solutions

# Microsoft 365 Helps Microsoft Partners Position Themselves As Trusted Advisors While Growing Their Total Addressable Market

Partners interviewed by Forrester benefit in the following ways from building out and scaling Microsoft 365 practices serving the needs of manufacturing customers:

- › **Ability to increase the value of existing customers by becoming a trusted advisor.** Almost all partners Forrester interviewed are keenly focused on driving growth in their existing customer installed base. Given the long sales cycle associated with bringing in net-new brands, partners are revisiting existing customers with successful corporate user Microsoft 365 implementations, with the objective of expanding their digital transformation initiatives to other areas of the business. Next-phase Microsoft 365 project work could encompass tens of thousands of users or more compared to previous knowledge worker initiatives.
- › **Increased win rates on new Microsoft 365 deals through practice verticalization.** Partners, many of which historically adopted a horizontal go-to-market approach, revealed that the convergence of several technology and customer trends is making partner hyper specialization a table stakes issue. Customers are increasingly looking for partners that understand their business needs and have experience successfully delivering and supporting productivity, collaboration, and security solutions in their industry. The shift in technology decision making to the lines of business has heightened this trend.<sup>1</sup> Furthermore, while email tends to be relatively standard across industries, successful deployment and usage of Microsoft 365 workloads, including SharePoint, Microsoft Teams, EMS, and Office ProPlus, often requires more sophisticated industry consulting expertise.
- › **Achieving growth with low customer acquisition costs and minimal upfront investments.** Given that all interviewees had existing Microsoft 365 practices, these partners made only minimal initial and ongoing investments in new talent, research and development (R&D), marketing, and sales to pursue this adjacent market opportunity. Furthermore, customer acquisition costs are contained for partners cross-selling and upselling to their existing customers bases, given their track record of past project successes. With that said, partners with limited existing Microsoft 365 capabilities and proven expertise in the manufacturing sector will likely need to make incremental investments in talent acquisition, marketing, sales, training, and R&D.
- › **Annuity and recurring revenue through managed services and follow-on project services.** Beyond the initial strategy and deployment project work, partners are having success with downstream value-added professional and managed services that bolster user adoption of Microsoft 365 and ensure all manufacturing employees can work productively and securely. These downstream revenue streams grow customer lifetime value and ensure that partners are continually engaged with their customers as new business challenges and opportunities arise. In addition, these recurring and annuity revenue streams deliver high-margin, predictable cash flows for partners.

“CSPs have many managed services opportunities. If you have an application on Azure, we manage it. If you do a Microsoft 365 project, we put managed services around that. Our customers don’t want to think about managing these assets.”

- EMEA partner



Forrester interviewed five Microsoft partners with well-established Microsoft 365 practices focused on serving manufacturing customers across North America and EMEA. Partners interviewed for the study had the following characteristics:

PARTNER	REGION	SCALE
Partner 1	EMEA	Over 50 employees across two offices in Europe.
Partner 2	NA	Sixty employees with approximately 10 million CAD in annual revenue.
Partner 3	EMEA	100 employees; USD 7 million in revenues.
Partner 4	NA	A USD 480 million practice with several industry-specific productivity and security solutions delivered by over 2,700 employees.
Partner 5	EMEA	250 employees; €20 million.

In addition to in-depth interviews, Forrester also conducted a survey, which included 26 Microsoft 365 partners with manufacturer practices. Notably, 85% of respondents indicated their Microsoft 365 practices helped position their organizations as a trusted advisor for their manufacturing clients, while nearly 70% indicated that Microsoft 365 was helping their businesses shift their revenue mix toward higher-value consulting offerings.

**Microsoft 365 helps partners improve their businesses in the following ways:**



Base: 26 Microsoft 365 partners with manufacturing practice

Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, March 2018

Forrester also asked partners what made them successful in serving manufacturing customers. The top four responses are shown below.

**“What has made you successful with [manufacturing customers]?”**



Base: 26 Microsoft 365 partners with manufacturing practice

Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, March 2018

## Partners That Pursue Manufacturing Opportunities Will Expand Their Total Addressable Market And Increase Share Of Wallet

All Microsoft partners interviewed for this study are growing their revenue and profitability by building a portfolio of solutions that activate, complement, and support Microsoft 365 for their manufacturing customers' firstline and

knowledge workforces. For the solution areas and revenue and profit streams below, Forrester has included proof points from the interviewed partners. Readers should apply the solution areas that are most relevant to their organization.

Our interviews found that Microsoft 365 manufacturing practice solution catalogs varied based on each partner's strategic emphasis on the sector and level of specialization, and subject matter expertise in executing business transformation initiatives for manufacturing clientele. The table below shows the breakdown of the types of products, services, and solutions offered by partners, from "good" practice offerings to "best-in-class" offerings provided by Microsoft's most advanced partners.

### Microsoft 365 Manufacturing Practices: Good, Better, And Best

Good	+	Better	+	Best
 <p><b>Licensing</b></p> <ul style="list-style-type: none"> <li>Microsoft 365 F1/E1 licenses</li> </ul>		 <p><b>Pull-through project services</b></p> <ul style="list-style-type: none"> <li>Change management and adoption consulting</li> <li>SharePoint portals and Teams groups and workflows</li> </ul>		 <p><b>Pull-through project services</b></p> <ul style="list-style-type: none"> <li>Continuous learning, adoption, and innovation services</li> </ul>
 <p><b>Direct project services</b></p> <ul style="list-style-type: none"> <li>Assess current-state technologies, employee personas, and business processes; build road map</li> <li>Deploy critical identity, threat protection, communication, collaboration, and productivity tools</li> </ul>		 <p><b>Managed services</b></p> <ul style="list-style-type: none"> <li>Technical and end user support</li> <li>Modern desktop management and update services</li> </ul>		 <p><b>Managed services</b></p> <ul style="list-style-type: none"> <li>Security monitoring and remediation services</li> <li>Device-as-a-service (DaaS)</li> </ul>
				 <p><b>Repeatable IP</b></p> <ul style="list-style-type: none"> <li>SharePoint social and intranet solutions</li> <li>Microsoft 365 usage reporting and applications</li> <li>Line-of-business solutions</li> </ul>

## Direct Project Revenues

Microsoft partners offer a variety of professional service and consulting solutions aimed at deploying, tailoring, and enabling Microsoft 365 workloads and capabilities for manufacturing workforces. The first partner business opportunity on a manufacturer's transformation journey to Microsoft 365 is a consulting engagement to assess and better understand the existing technologies, systems of record, and business processes within each customer's operational environment. These projects typically last between six weeks and two months and involve onsite analyses and interviews to understand, segment, and develop personas for the entire customer's workforce, along with the development of a comprehensive technology road map and set of strategic recommendations. This baseline engagement is critical for understanding the business challenges, pain points, and legacy business processes and technologies that are hampering the efficiency, effectiveness, and employee experience of the organization. One partner explained: "We try to segment firstline workers into seven to 12 personas and provide our customers with advice on what workloads and licenses they need, along with advice on how to ensure strong workforce adoption [of Microsoft 365]. We have found that [Microsoft 365] adoption is very persona related."

"The first projects are focused on technical architecture with email migration and sometimes Office migration. There is a heavy focus on technical adoption and personal communication. Forty percent of the work is business consulting."

- EMEA partner



These initial strategy consulting projects typically are followed by a series of Microsoft 365 deployment and migration projects. Deployment and migration projects are broken down into manageable waves to ensure successful organizational adoption. The first wave typically consists of email and Office Online, with subsequent phases covering SharePoint, OneDrive, and Microsoft 365 teamwork workloads, including Microsoft Teams. Deployment and migration project revenues vary significantly, from a low of around \$20,000 to over \$200,000 for workloads such as Microsoft Exchange.

Interviewed manufacturing partners revealed that direct strategy, deployment, and migration project services generate gross margins ranging from 20% to 50%. More importantly, successful delivery of these services increases the likelihood of higher-margin follow-on project work and managed services, improving per-seat revenue and profitability.

## Pull-Through Project Revenues

Microsoft partners with more advanced practices offer follow-on consulting work, or pull-through projects, that extend their value proposition to manufacturing customers. These projects can include adoption and change management consulting; portal, group, and workflow development in SharePoint and Teams; continuous learning and innovation services; incremental deployment work around security and modern desktop management workloads in EMS and Intune; and business consulting services. While partners noted that most of their manufacturing and supply chain customers are laggards in terms of the sophistication and maturity of their security policies, processes, and technologies, growing cyberthreats and the advent of the General Data Protection Regulation (GDPR) were seen as two catalysts for future adoption of partner-provided security solutions and services among their manufacturing customer base. As one partner noted, “If you are a manufacturing organization, odds are you have overseas operations, so compliance with the GDPR is very important.”

Pull-through project services allow partners to continually engage with their customers over time, ensuring that their customers’ workforces effectively adopt and utilize the productivity and security enhancing technologies and tools that are deployed during earlier project phases. Change management and adoption projects and services, including the development of training portals, on-demand content tailored to specific job roles and personas, and organization usage analytics and reporting, are impactful ways to continually engage with your manufacturing customers and to drive revenue growth with existing customers.

- › “Ninety percent of the [Microsoft 365] project is change management and re-engineering legacy business processes.”
- › “Over one-third of our professional services revenue is change management related today.”
- › “For every dollar of deployment and migration project revenue we earn, we generally see approximately 15 cents to 40 cents of change management service revenue.”
- › “We offer continuous learning and innovation services that include a quarterly activity of evaluating and assessing organizational adoption that ranges in price from \$5,000 to \$20,000 per organization, per month, based on the customer size and technical complexity.”

“While our customers’ office workers are normally connected to IT, their manufacturing people . . . are not. This is a huge opportunity for us to increase our installed base and deliver more value to our existing customer base.”

- EMEA partner



“Our change management and adoption capabilities are particularly important in serving firstline workforces in the manufacturing and supply chain and logistics sectors. By supporting strong workforce adoption, we position ourselves to win the next project.”

- NA partner



## Managed Services

While managed service revenues may represent only a small portion of a partner's overall business mix today, partners serving manufacturing customers indicate that these services are growing in strategic importance. While partners revealed that recurring managed services make up less than 20% of their revenue mix today, they expect significant growth over the next three-year horizon. One partner is expecting managed services to account for over 50% of its Microsoft revenue over the next three years, as its manufacturing customers increasingly focus internal IT on other value-added activities within their organizations outside of managing and keeping Microsoft 365 and Azure workloads up-to-date. Attaching managed services to large manufacturing digital transformation projects is one way to shift the business mix toward monthly recurring revenue (MRR).

Partners that previously established managed services offerings for information workers typically offer similar services for firstline workers, although organizations are more likely to purchase more basic and less comprehensive service tiers for their firstline workforce. Modern desktop management and technical and end user support services typically see the highest adoption across organizations, with attach rates that vary from as low as 10% to as high as 80%. In addition, some partners have success providing security and device-as-a-service (DaaS) managed services for manufacturing customers, although this is typically limited to pilots within specific geographies, departments, or job functions (e.g., senior leadership).

Below are specific quoted examples of the Microsoft 365 managed services developed and marketed for manufacturing customers:

- › “We offer a training and end user support around the Microsoft 365 F1 SKU as a managed service for €2 per user, per month.”
- › “We have a complete desktop managed services we deliver based on EMS and Intune for \$8 per user, per month.”
- › “We offer support for onboarding new users onto Azure AD. We try to charge between customers €1 and €3 per user, per month.”
- › “We offer basic managed services starting at \$9 to \$10 per user each month, growing to \$70 per user for our most premium managed services. For a couple of deals, we bundle in premium devices, bringing our monthly per seat revenue up to \$170 per seat, per month.”

## Microsoft 365 CSP Channel Margin

Incremental channel margin and rebates from the resale of Microsoft 365 licenses to manufacturers' firstline workers can vary in strategic importance for Microsoft partners. As a reseller, partners can accrue additional revenue by reselling Microsoft 365 F1 and E1 licenses to at least a portion of their customer base. Partners are also able to upsell Microsoft 365 Enterprise E5 to a portion of their customer's workforce to capitalize on Advanced Threat Protection and other more advanced security and compliance workloads.

All partners interviewed for the study were CSPs that resold licenses and managed the billing relationship with customers. Notably, one partner found the resale of Microsoft 365 and other third-party application licenses to be a strong business opportunity in the large enterprise space, indicating that “large enterprises don't want a bunch of different invoices for each of their applications; they want a single invoice for 10 to 20 of their applications. We average 20% to 30% margins across our license reselling business.”

“Our goal is to have 100% of our customers adopt our managed services offerings. We are all measured on the growth of our managed services business.”

- EMEA partner

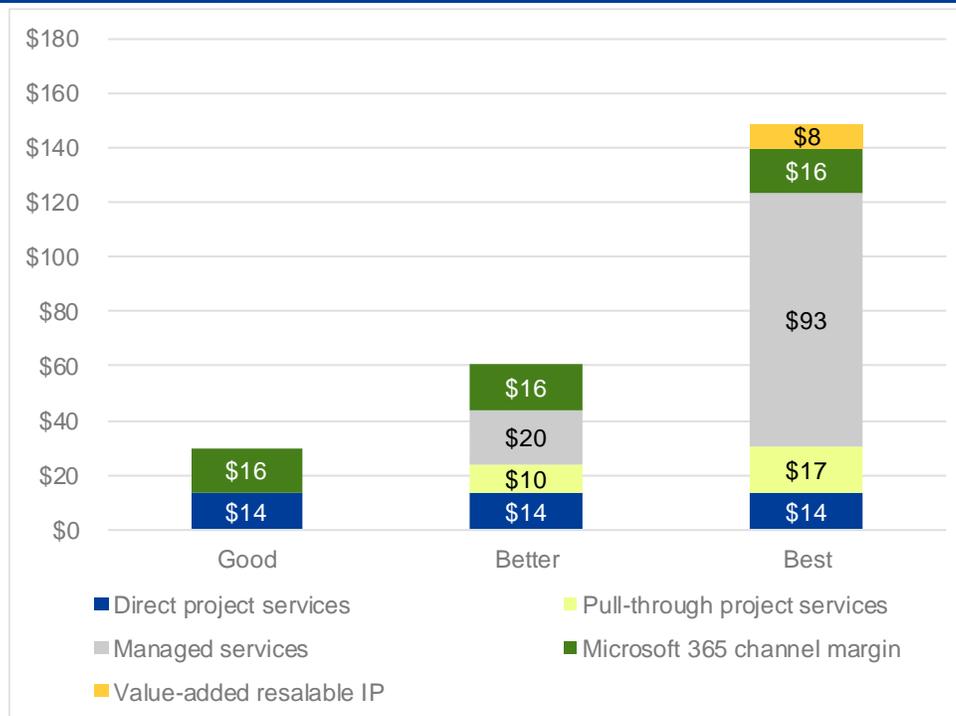


## Value-Added Resalable IP

To shift their business mix toward recurring revenue over time, partners are building proprietary software and applications that meet the evolving business needs of their customers. Solutions that complement and augment Microsoft 365's workloads or help organizations drive and improve adoption and utilization of Microsoft 365 tools and capabilities are a core focus for many partners with large Microsoft 365 installed bases. These offerings are the easiest to attach to broader manufacturing workforce transformation projects. Some examples of successful value-added pieces of IP include the following:

- › “We offer a prebuilt intranet solution for SharePoint that has very high adoption across our Microsoft cloud customer base. This is a very competitive market, so revenues average about €10 per user, per year.”
- › “We offer a native application for Microsoft 365, including a personalized organizational newsfeed, that we price at 65 cents per user annually.”
- › “We’ve created a digital workplace solution that we sell to 80% of our customers. It costs €1 to €3 per month.”

Three-Year Per-User Gross Profit Opportunity: Composite 20,000-User Manufacturing Deal By Partner Maturity



## Manufacturing Practice Investment Requirements

Partners interviewed for the study had well-established Microsoft 365 practices that predated their new, strategic emphasis on manufacturing customers and their firstline workers. As such, interviewees had existing sales, presales, engineering, and developer talent sets that could be repurposed to build out and scale their manufacturing cloud productivity solutions. However, partners are still making additional hiring investments to support and grow the business. For example, one partner hired a seasoned industry practice lead for the manufacturing sector at a fully burdened salary of \$185,000, who was responsible for driving sales and acting as a thought leader in manufacturing deals. Another partner made several new hires to scale and support the organization's change management capabilities, noting, “We are hiring educators, not engineers, to become productivity consultants for our change management offerings.” One partner hired 15 behavioral science graduates to support its change management and adoption services offerings.

Partners also make significant ongoing investments in training and talent development. Average annual partner training expenditures ranged from a few thousand to hundreds of thousands of dollars annually, with these funds targeted at

achieving various Microsoft certifications and building expertise in industries such as manufacturing. Additionally, partners invest significantly in R&D to build out managed services offerings; to scale, streamline, and optimize managed service delivery; and to build proprietary value-added applications and solutions around common customer challenges that can then be sold to customers or packaged as part of their managed services. One partner took 18 months and five developers to build a cloud sales portal for third-party independent software vendors (ISVs) that it then marketed and sold to its installed base. Another partner spent \$50,000 building an internal performance dashboard using a Power BI consultant and Microsoft application program interfaces (APIs) to determine which offices and countries were underperforming on sales, and on which Microsoft 365 workloads.

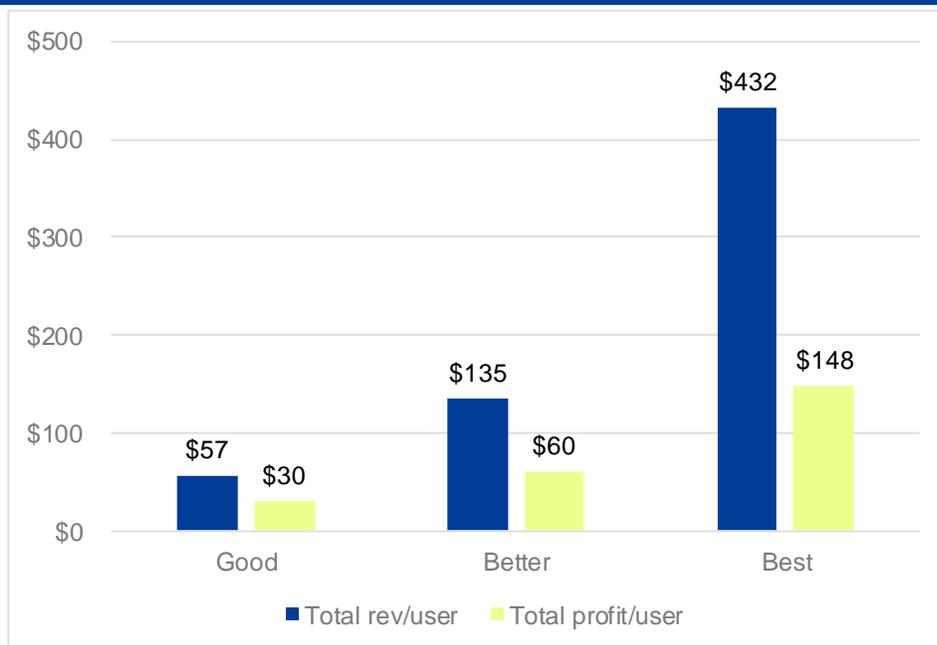
While some partners reallocate marketing resources from existing marketing budgets to their vertical practices, others add incremental digital and content marketing investments to promote growth. Forrester has benchmarked additional marketing spend to be approximately 5% of gross manufacturing practice sales to account for incremental digital and content marketing spend to grow brand recognition and mind share with manufacturing prospects and customers.

## A Financial Example: Good, Better, And Best Partner Practices And Solutions

This study outlines the various revenue and profit streams that Microsoft partners may realize from building Microsoft 365 practices and solutions for manufacturing. To more clearly illustrate this, Forrester has built a simple model that depicts the product and service revenue opportunities for a manufacturing customer that adopts Microsoft 365. This economic model is built on the following assumptions:

- › The economic model is based on a single deal with 20,000 users, 16,000 of which are firstline workers, and a two-year managed services contract. The model assumes 2% customer churn in Year 3 of the analysis, consistent with what we learned from interviewees.
- › Direct project services are segmented into two phases. The first phase includes assessing the existing technologies, systems of record, business processes, and workforce personas for the organization, and brings in average project revenues of \$100,000. The second phase is made up of Microsoft 365 deployment and migration projects, focusing on workloads including Exchange, EMS, SharePoint, OneDrive, and Microsoft Teams. Deployment project revenues for these workloads total \$620,000 in this analysis. Forrester notes that engagement revenue will vary significantly across industries and organizational sizes. Direct project service gross profit margins are benchmarked at 40% of revenue.
- › Pull-through project revenues are included for the “better” and “best” partner scenarios. These revenues are generated through the delivery of change management and adoption consulting projects, SharePoint portal and Teams group and workflow development, and continuous innovation services. Over the three-year analysis, total pull-through project revenue generated from these services can exceed \$830,000. Change management sees 75% attach rates and average project revenues of \$400,000 for an organization with 20,000 seats. SharePoint and Microsoft Teams pull-through projects see 50% attach rates and are benchmarked at 32% of Year 1 direct project services revenues based on the findings from the Forrester Consulting case study titled, “The Partner Opportunity For Microsoft 365 Enterprise.”<sup>2</sup> All pull-through project revenues are adjusted to reflect the attach rates provided by partners. Pull-through project gross profit margins are benchmarked at 40% of revenue. Forrester notes that pull-through project revenues will vary significantly across partners and readers should consider revenue streams most applicable to their own business models.
- › For the “better” and “best” case partner scenarios, our model incorporates several managed services offerings. Managed services included in the “better” partner scenario cover modern desktop management, as well as technical and end user support, which sees attach rates ranging from 13% to 20% over the three-year analysis, and per-user monthly revenues ranging from \$8.00 to \$10.25. Managed services gross margins range from 25% to 45%. The “best” case partner scenario includes a few security-oriented managed services along with a device-as-a-service (DaaS) offering. For more detail on the attach rates, pricing, and service components of each managed service offering, please see the table below.

## Three-Year Revenue And Profit Opportunity: Composite 20,000-User Manufacturing Deal Across Practice Categories



SERVICE LINE	ATTACH RATE	PER-USER, PER-MONTH FEE	EXAMPLE SERVICE LEVELS
Modern desktop management	13% - 20%	\$8	Desktop management based on EMS and Microsoft Intune and security updates for more than 40 standard applications
Technical and end user support	13% - 20%	\$2.25 per user, per month or sold through enterprise block plans	Tier 1 and 2 technical and end user support for manufacturing industry employees and their IT administrators
Device-as-a-service	5% - 10%	\$40	Device, onsite delivery, technical support, configuration, break-fix services
Security managed services	15% - 20%	\$23	Security monitoring, alerting, and remediation and support for onboarding new users in EMS and Azure AD

- › CSP channel revenue is 12% of the license costs paid to Microsoft. Microsoft may offer, from time to time, promotional “kickers” that could increase the revenue share percentage. For Microsoft 365 channel revenue, Forrester assumes an 80% gross margin since some of these monies are intended to go back into increased user adoption activities. In addition, Forrester assumes that the partner is only eligible for revenue sharing for 33% of the organization’s firstline workers. User licenses for the organization’s 4,000 office workers are not included in the revenue and profit analysis above.
- › Resalable value-added IP brought 70% gross margins and attached to approximately 40% of manufacturing industry deals for partners that offered their own IP. Per-user annual pricing varied from 65 cents for a Microsoft 365 personalized use application to \$10 annually for a prebuilt SharePoint intranet solution.

Forrester’s interviews with five existing partners and the subsequent financial analysis found that a manufacturing composite organization based on these interviewed partners can accrue revenues of \$432 and gross profits of \$148 per user over the three-year analysis for the best-case partner scenario. For an organization with 20,000 workers, the business opportunity opens the door to over \$8.6 million in revenue and over \$2.9 million in gross profit for the best-case

partner scenario over three years, resulting in a 34% overall deal gross margin. As partners increasingly look to achieve growth from their existing customer installed base, products and services that enhance manufacturers' knowledge and firstline worker productivity, creativity, collaboration, and security will become an attractive business opportunity for Microsoft partners.

## Disclosures

The reader should be aware of the following:

- › The study is commissioned by Microsoft and delivered by Forrester Consulting. It is not meant to be a competitive analysis.
- › Forrester makes no assumptions as to the potential ROI that other organizations will receive. Forrester strongly advises that readers use their own estimates within the framework provided in the report to determine the appropriateness of an investment in building a Microsoft 365 manufacturing practice.
- › Microsoft reviewed and provided feedback to Forrester. Forrester maintains editorial control over the study and its findings and does not accept changes to the study that contradict Forrester's findings or obscure the meaning.
- › Microsoft provided the partner names for the interviews but did not participate in the interviews.

### **ABOUT FORRESTER CONSULTING**

Forrester Consulting provides independent and objective research-based consulting to help leaders succeed in their organizations. Ranging in scope from a short strategy session to custom projects, Forrester's Consulting services connect you directly with research analysts who apply expert insight to your specific business challenges.

<https://go.forrester.com/consulting/>

### **ABOUT TEI**

Total Economic Impact™ (TEI) is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders. The TEI methodology consists of four components to evaluate investment value: benefits, costs, risks, and flexibility.

<https://go.forrester.com/consulting/content-marketing-consulting/>

© 2018, Forrester Research, Inc. All rights reserved. Unauthorized reproduction is strictly prohibited. Information is based on best available resources. Opinions reflect judgment at the time and are subject to change. Forrester®, Technographics®, Forrester Wave, RoleView, TechRadar, and Total Economic Impact are trademarks of Forrester Research, Inc. All other trademarks are the property of their respective companies. For additional information, go to [forrester.com](http://forrester.com).

<sup>1</sup> Source: "Death Of The Traditional IT Channel," Forrester Research, Inc., October 5, 2017.

<sup>2</sup> Source: "The Partner Opportunity For Microsoft 365 Enterprise," a Forrester Consulting report prepared for Microsoft, July 2017.