

Church's Chicken expands outsourcing to India's Sonata

By **John Ribeiro**

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IDG News Service - Fast-food chain Church's Chicken is planning to outsource more IT functions to Sonata Software Ltd. in Bangalore, India, including application development and IT consulting.

The decision is a result of cost savings and the high quality of service that the company has already received from Sonata, said Harsha Agadi, president and CEO of Church's Chicken, an Atlanta-based chain owned by private equity fund Arcapita Inc.

Church's Chicken moved its IT infrastructure management about a year ago from IBM to Sonata, a midsize outsourcing company. The deal was worth \$5 million over five years.

The company has saved about 40% of its IT infrastructure management costs by offshoring to Sonata, Agadi said in an interview last week.

The savings that Sonata is generating has freed up cash for Church's Chicken to open 20 new restaurants that will generate about \$20 million of sales annually, according to Agadi.

Church's Chicken has about 1,600 stores in 18 countries that it manages centrally from Atlanta to ensure efficiencies in procurement and to ensure consistency across its operations including IT.

"What we needed was an IT partner who not only would host and manage our infrastructure and give us 24/7 service, but who would [also] understand and partner with us in our business," Agadi said.

Sonata provides remote infrastructure management, network and data center management, and help desk and application management to Church's Chicken. The servers are hosted by Sonata with a third-party hosting services company in the U.S., with backups both in the U.S. and in Hyderabad, India.

Most of the management and support is done remotely from Hyderabad, where Sonata also runs a Spanish-language help desk for Church's Chicken Spanish-speaking employees, said B. Ramaswamy, president and managing director at Sonata. Sonata has about 25 staffers in India working on this project, in addition to five employees in the U.S., he added.

About a month ago, Sonata also started running the management information system for Church's Chicken, including providing daily sales figures and analysis by region and country, Agadi said. The company now plans to offshore to Sonata the enhancement of its point-of-sales systems, software for data management and business intelligence products, he added.