

## Market Roundup

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### EMC and Oracle Announce Database Solutions/Services

By *Charles King*

EMC and Oracle have announced what they describe as the first certified joint best practice for creating non-disruptive copies of Oracle 11i application environments. By using a combination of EMC TimeFinder and the Oracle AutoConfig utility, customers can create a “clone” of their application for testing, upgrades, business continuity planning, backup and recovery, data warehouse loading, or hardware migrations, all while production systems remain online. In a separate announcement, the two companies introduced the Oracle on EMC Database Accelerator Service. The new service is a joint effort between Oracle Consulting and EMC Global Services designed to assist customers in designing, deploying, and optimizing EMC storage systems, software, and networks running Oracle databases including Oracle9i. The Oracle on EMC Database Accelerator Service is currently available in North America, and will become available worldwide in early 2003.

At one level, the EMC/Oracle announcements qualify as a sort of “geekier than thou” technical advance that will matter most to owners and managers of large Oracle database installations. At the same time, however, the announcements serve as a clear reflection of subtle motions we see roiling the surface of the IT sector. Beginning with the geeky side of life, the companies have discovered a way of combining EMC TimeFinder and Oracle AutoConfig so that Oracle 11i applications can be cloned while a system is up and running. How big a deal is this? Pretty big, actually, for people who maintain the health and well being of database solutions. While cloning database information is common in many disaster recovery and business continuity solutions, usable application clones are more complex and difficult to create, though they are of considerable value for testing and planning purposes. Of particular note is that EMC is the only storage vendor to have tested and validated such a solution with Oracle’s participation and blessing.

The subtle motions we alluded to earlier have largely to do with the evolving shape of the IT industry. In the good old days, specialization was king, and vendors with unique expertise ruled the bleeding edge of the market with state of the art solutions. After IT spending hit the skids and many vendors hit the ropes, specialization fell into disfavor, replaced by more general, cost-efficient approaches from large systems vendors that leveraged multiple technologies, solutions, and service offerings. What we have been seeing increasingly over the past year are groups of specialists strategically banding together to cast larger shadows. EMC’s partnership with Dell was one of the first and most successful of these efforts, though others have also emerged. That being the case, what dynamics do we see propelling the relationship between EMC and Oracle? First and foremost are the history and thousands of customers the companies share. While EMC was emerging as the leader of enterprise storage, Oracle was creating the databases that put storage to work. As the two come under increasing pressure from hungry, powerful competitors such as IBM, it makes practical

and strategic sense for them to develop unique offerings such as application cloning that leverage their strengths. We may be seeing the beginnings of new product and service offerings that marry the best of many vendors, effectively offering an alternative to the "buy everything from us" tendency of the IBM's, HP's and SUN's of the world.

## The Same Old Playbook

By Jim Balderston

Microsoft announced this week that it reached agreement to acquire PlaceWare Inc., a Web conferencing services provider. PlaceWare offers web-based conferencing services through its conference center, as well as software that allows for what it calls collaborative meetings. Features of both include Internet whiteboarding, slide presentations, file swapping, application sharing, remote control of desktops, live polling, live Q&A, instant messaging to presenters, and other features designed to make meeting interactive. Placeware says its conference center can scale up to thousands of users simultaneously claims a large number of Fortune 500 companies as clients. PlaceWare says its conferencing technology can be used for sales training, analyst briefings, company meetings, and a host of other events that have been largely held on a face-to-face basis. Microsoft noted that the PlaceWare acquisition expands its information worker solutions product base. Microsoft also announced the formation of a new business unit, Real Time Collaboration Group.

So why would Microsoft buy PlaceWare? If one looks at the functionality found in MS Messenger now, many of the same features — like application sharing, whiteboarding, and file swapping already exist. Now some of these features work better than others, and some have severe restrictions — most notably the ability to scale up to larger groups. But in many ways, we see this as a well-used page from the Microsoft playbook, much like "Student Body Right and Student Body Left" were used by USC in the glory days of the USC football program. As an opponent, you knew it was coming, and knew it was coming all the time.

Microsoft has never really been a pioneer in technology spaces. Instead of leading the wagon train — and getting a chest full of arrows — they prefer to hang back a bit and wait to see what technologies are gaining traction in the marketplace and then, after some of the danger has been cleared out, move in with gusto. Here we see that same pattern. Microsoft has seen the increasing appeal of Instant Messaging both on the consumer side and increasingly within the enterprise firewall. As IM becomes more prevalent, especially in the enterprise, it begins to make the communication time frame of email look more and more like snail mail in comparison. Considering email has long been known as "the killer app" on the Internet, one suspects there is a real opportunity here. Microsoft has continually beefed up its Messenger product; we see this acquisition as a means to add perhaps more polish and stability to its collaborative applications package while cleverly sidestepping potential future legal and licensing issues with AOL. Such an addition to its dominant office productivity tools will be no small thing. We also suspect that using PlaceWare's conferencing center will be a boon to Redmond from two possible directions. Firstly, the conference center is a service: one subscribes to it just as one does to, say, MSN. Second, what could provide a better test bed and research facility into future product development than an active, real-world service? By noting which features are used — or ignored — Microsoft can determine how to push its development efforts in the area of collaborative meeting software. It can also watch how users attempt to hand-wire existing product features into a new functionality, thereby giving a roadmap to the company for future feature enhancements. We also can't help but wonder how a more interactive and feature-rich Messenger or Messenger-like product will go over with consumers who also are beginning to use IM as a more collaborative tool.

## Roto-Rooter Unplugs More Than Drains

By Jim Balderston

Roto-Rooter Inc., the nationally known plumbing outfit with the distinctive and eternal jingle, has announced that it will begin equipping its 1,500 plumbers and drain cleaners with wireless technology that will automate billing and payment procedures as well as adding dispatch of the company's trucks and employees. The new system will be built around a software system built by Minneapolis-based Gearworks Inc., and will use

Motorola mobile data phones with GPS systems to pinpoint where trucks and workers are. Gearworks specializes in wireless and Web-based applications that are focused on the point of delivery where dispatched workers delivering goods or service interact with customers. The system will also allow Roto-Rooter to manage customer billing and credit card payments through mobile credit card terminals and portable printers using Gearworks' etrace application. The company plans to begin distributing the phones and associated gear to employees later this year.

When your drain is plugged up and the basement is slowly filling with water time is truly of the essence. One could argue that such a situation actually puts new meaning on the over-used phrase "real time." In fact, time can't get much more real than when the next twenty minutes will determine whether the drain can be unplugged before it swamps the furnace, water heaters, electrical circuitry, and the like. A house without heat, hot water or electricity is somewhat diminished as a domicile, at the bare minimum.

What we find most intriguing about this announcement — like others before it — is the seemingly mundane nature of the application of the technology at hand. Plugged drains have been around for years, and so has Roto-Rooter. What is notable here is that it is an example of an application of existing — and not particularly cutting edge — technology that could have a truly transformative effect on the company that deploys it. There is little here that is cutting edge. Existing phones, wireless networks, and hardware are being placed in the hands of people who need them, and who will be better able to serve their customers and the enterprise as a result. Isn't that the goal of such deployments? One would not be so sure in looking at some of the cutting edge deployments of, say, CRM or ERP in the past few years. Images of the future tossed about by Internet and IT "visionaries" always seem to focus on some yet-to-be-realized market niche that may or may not ever materialize. The lesson here seems straightforward enough: there are still many opportunities to offer real business-changing products that are time-tested and consist largely of off-the-shelf components. We would argue that there are still large swaths of the business community that could be substantially aided by the deployment of what many visionaries would see as dated technology. These market opportunities are here, and now, and real. And in our way of thinking, that's real, real-time.

## NetLedger Adds Further CRM Integration

By Myles Suer

NetLedger announced this week that it has added sales management, order placement, customer service, marketing automation, and Web publishing to its product mix. NetLedger claims the new CRM features match or surpass Web delivered CRM applications such as SalesForce.com. In contrast to SalesForce.com, however, NetLedger integrates its CRM application with its back-office accounting, inventory, and shipping applications. These features and enhancements are free of charge to current subscribers. New subscribers can access NetLedger's application services starting at \$50/user/month.

We believe that NetLedger may be on to something in enabling customers to manage all their key business processes in a single, integrated system. That has been a dream for any number of current and failed vendors, and with only a bit more than 6,000 customers, it is too early to declare NetLedger the long-term winner in the Web-delivered, outsourced service space. However, at the same time we believe the company's value proposition extends to those making software for the Global 2000, since NetLedger has become (probably accidentally) a laboratory for learning how enterprise applications should be integrated. For many ISVs, applications are still developed by separate, disconnected corporate fiefdoms; at NetLedger, the application and product management teams seem to act in concert. Given this, we believe that what the company learns could extend far beyond the small and medium sized companies that NetLedger serves.

With this addition of business intelligence, NetLedger will be the first company to fit all of its significant business applications/processes under one tent, a distinction we believe will help this enterprise software laboratory to become increasingly valuable to the industry, if not stockholders, over time. Maybe this is why Oracle is looking over NetLedger's shoulders and Larry Ellison has personally invested in the enterprise.