



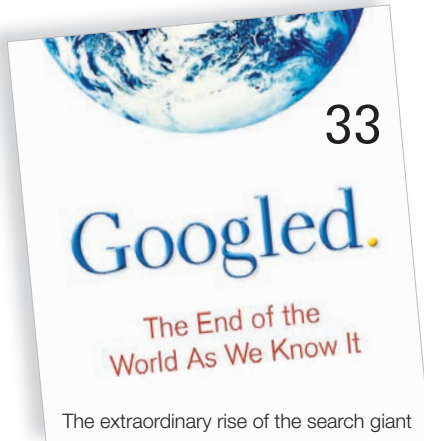
# Tipping point

**Tibco's CEO on Enterprise 3.0  
and the "two-second advantage"**



20

Do mainframes still have a role to play?



33

The extraordinary rise of the search giant

Cover story



10

Tibco CEO and founder Vivek Ranadive

3 From the Editor

To Tweet or not to Tweet?

The intelligence

6 News

Businesses ignore Twitter  
Sybase and Orange team up for mobile management

People

10 Old dog, new tricks

Since founding Tibco in 1985, Vivek Ranadive has torn up the rule-book on integration technology time and again.

12 Q&A

Brett Dawson, CEO of Dimension Data tells Janine Milne about the IT services firm's vision for providing managed services.

16 Q&A

Last year Dell cut \$160m from its IT spend. CIO Robin Johnson explains how combines delivering business value with driving cost efficiencies.

Insight

20 Still a main player?

People have been writing off the mainframe for almost as long as it has been around. Does Big Iron still have a role to play in a modern IT infrastructure? Steve Evans reports.

25 Practice makes process

In an article exclusively for CBR, vice president and distinguished analyst at Gartner, Bill Rosser, outlines what he believes are the seven major guidelines for a successful business process management project.

Special report

26 State of the nation: procurement

As the recession lifts, what does this mean for budgets? Our exclusive survey lifts the lid on European procurement trends among technology buyers and sellers. Janine Milne reports.

Market intelligence

31 Bill of rights

As the Digital Economy Bill passes through the House of Lords on its way to the House of Commons to be passed as law, CBR rounds up the online reaction to the controversial act.

Deals

32 Results and key deals

Steve Evans rounds up the latest financials and M&A activity.

Books

33 Evil is as evil does?

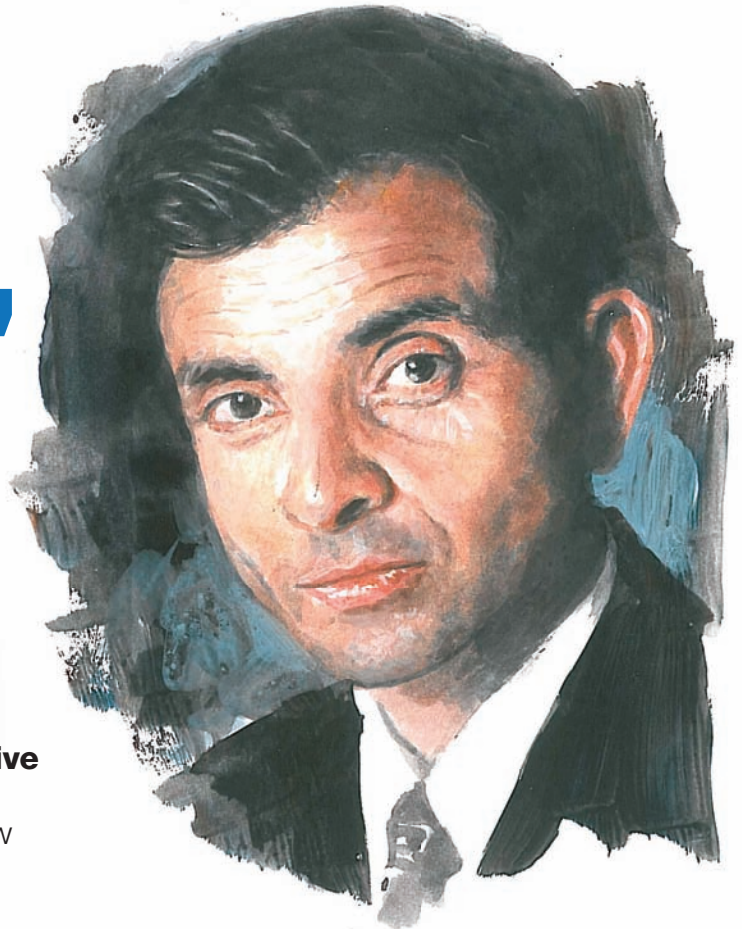
Jason Stamper on Googled, a book about the extraordinary rise of the search giant, and its implications for rival companies and adjacent industries.

Directory

34 Top five laptops under £500

CBR looks at the portable PC options for those on a budget

# Old dog, new tricks



Vivek Ranadive, CEO and founder, Tibco.

Since founding Tibco in 1985, **Vivek Ranadive** has torn up the rule-book on integration technology time and again. So what is his new treatise on ‘the two-second advantage’? Jason Stamper finds out.

**T**he CEO and founder of Tibco may give a first impression of a quiet, considered soul, with a penchant for staying at the rather traditional Dorchester hotel on Park Lane during his UK stays: “I like their cream teas,” he has told me. But get him onto the technology subject closest to his heart, integration, and Vivek Ranadive is terrier-like.

In 2005, he told me that Sonic Software’s claims that it invented the Enterprise Service Bus were, “A complete joke.” Commenting on rival Software AG’s acquisition of webMethods in 2007, Ranadive told me the deal was like, “Tying two stones together and hoping they will float.”

Ranadive can get away with being rather bullish at times, given his company’s track record. While other integration firms such as Ardent, webMethods, SeeBeyond and even BEA have come and gone, Ranadive has managed to grow Tibco as an independent company. In the quarter ended 30 November 2009 Tibco reported sales up \$10m to \$195.6m, with net income of \$32m.

For the full year 2009, revenue came in at just over \$621m. While that was down from the \$644m revenue in 2008, the company’s net income grew to a recession-busting \$62.3m, up from \$52.4m in 2008.

But it is by no means business as usual at Tibco as we enter 2010. Having bought grid and cloud computing software player

DataSynapse last year, Insightful for Complex Event Processing in 2008 and SpotFire for business intelligence in 2007, Ranadive believes Tibco has the right portfolio to help companies turn themselves into “Enterprise 3.0” firms.

## From Teknekron to Enterprise 3.0

Ranadive started Teknekron in 1983, with a software product it called The Information Bus (TIB), which was especially suited to processing stock quotes. In 1994, Teknekron was acquired by Reuters, but it would not be long before a company, named Tibco after the TIB product, was launched.

In January 1997 Tibco Software was established as a separate entity to create and market integration software outside the financial services sector. Reuters retained Tibco Finance to do similar software for the financial services sector. In July 1999, Tibco went public on Nasdaq.

From relatively early on, Ranadive emerged as not just an entrepreneur but a thought-leader in the space. His first book on the subject, *The Power of Now: How Winning Companies Sense and Respond to Change Using Real-time Technology* (1999) became a New York Times business best-seller. He followed that up in 2006 with *The Power to Predict*, and he tells me he is about to publish his third book, *The Two Second Advantage*.

“The key building block is the information bus. In Enterprise 2.0, the key application was ERP. In 3.0, that application is end-to-end business process.”

So what's the thinking behind this latest work? “The two second advantage really means that a little bit of the right information before hand can be more valuable than all the information in the world six months later,” he says.

“Having a two second advantage is about being more effective,” Ranadive continues. “Take an example in the airline industry. If you lose someone's bags and they only know about it after waiting at baggage claim for half an hour, you have angry customers on your hands. If you have the information at your fingertips, you can tell that customer via SMS as they step off the plane that their bag has been diverted accidentally, but that you will have it delivered to their hotel and deposit 1,000 air-miles in their loyalty card account. You'll have fewer angry customers.”

Of course, this kind of foresight requires a new approach to the way that companies accumulate, manage and analyse not just data, but events. “This is what I call Enterprise 3.0,” Ranadive explains. “The key building block is the information bus. In Enterprise 2.0, the key application was ERP. In 3.0, that application is end-to-end business process. You need predictive technologies and you need complex event processing (CEP).”

Ranadive cites India's Reliance Telecommunications as an example of a company that embraced Enterprise 3.0 concepts: “They tried to solve customer churn with Enterprise 2.0 technologies – they spent tens of millions trying to analyse data after the fact to reduce churn. They implemented a 3.0 enterprise nervous system and Tibco Business Process Management (BPM) and found they could reduce churn by offering free minutes in return for dropped calls. They found customers tended to churn after the fifth dropped call; now after the fourth they offer them some free minutes and lose far fewer of them.

“Citibank was struggling with Enterprise 2.0 to get its outbound marketing going,” Ranadive says, “but the company turned the problem on its head with 3.0. Now every time someone swipes their [Citibank] card it is an event. With CEP, that event can trigger a promotional offer whether you are on their website or at an ATM on Orchard Street.”



### DON'T MISS...

Don't miss CBR's 15-minute podcast interview with Vivek Ranadive on CBRonline.com at <http://bit.ly/cvF1VG>, covering cloud computing, Enterprise 3.0, Complex Event Processing and more.

Ranadive is particularly proud of the SpotFire technology, which it garnered through an acquisition in 2007. He calls the business intelligence capability “next generation” because it offers in-memory analysis, with a very visual, interactive front-end. The technology has been winning praise from some analysts of late.

But he also insists that the real power of Tibco's portfolio is the integration it has done between the acquired SpotFire, Insightful and DataSynapse buys (BI, CEP and grid, respectively). Another key element is its business process modelling (BPM) capabilities.

But isn't its BPM a little behind the curve today, coming largely from its acquisition of workflow vendor Staffware back in 2004? “We think we can be the gold standard in BPM,” Ranadive argues. “We made Staffware our centre of excellence for BPM but you also need the SOA infrastructure, CEP rules, master data management solutions. You can't do it in isolation.

“We made a huge investment in BPM and moved it a quantum leap beyond where it was,” Ranadive says. “Our BPM gives you 360 degree views of business processes and enables you to identify goals. We call it goal-oriented BPM and nobody else can do that. Our BPM revenue doubled between Q3 and Q4 last year.”

### Facing down the competition

Ranadive is the first to admit that the firm faces competition in most of these areas, though he is still scathing of Software AG. “I do lose sleep over IBM; IBM is no Software AG, it's a serious contender,” he says. “IBM is definitely our competition. The fact they have admitted they need BPM [they recently bought BPM player Lombardi] to compete is an admission that what we have been doing is correct.” He notes that IBM now has a product called WebSphere Business Events. “We called our product Tibco BusinessEvents three years ago,” he quips.

But it isn't just IBM that is gunning for Tibco and its customers. Despite Ranadive's attitude to Software AG, the firm grew sales 18% last year thanks in part to acquisitions. Its acquisition of IDS Scheer gives it the de facto leader in high-end process modelling tools, and it has set out its stall to become a leader in what it calls business process excellence, too.

Meanwhile in the CEP space companies like Progress Software, StreamBase, Sybase and Informatica thanks to its Agent Logic buy last summer, are all making similar claims.

But Ranadive is no stranger to confrontation, and is confident Tibco's portfolio is the best match for his vision of Enterprise 3.0. “We're shifting to a world which is event driven,” he says. “You need 21st century technology to tackle 21st century challenges.”

Or to put it another way, I suggested, if you're not on the bus then you could find yourself on the road in front of it. “I like it,” Ranadive said, his eyes glinting. “I might just use that.” ■

**Listen to the podcast interview with Vivek Ranadive on CBRonline.com at <http://bit.ly/cvF1VG>**