Innovative Vendors at Software 2007

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We interviewed three innovative software vendors at Software 2007 held at the Santa Clara Convention center, May 8-9, 2007.

Ketera Technologies²

Based in Santa Clara, California, Ketera provides on-demand spend management solutions. We met with its CEO, Burton Goldfield.

Ketera's solutions encompass spend analysis, sourcing, invoice management, supply chain management, and procurement applications for mid to large-size clients. It has an extremely impressive list of customers — from ABC Distributing to The Washington Post Company. Ketera was one the 25 software vendors selected as an Innovation Showcase presenter at the event.

Ketera's main competitors are Ariba, ICG Commerce, Oracle, Perfect Commerce, and SAP, although not all of them offer on-demand solutions.

LucidEra³

Based in San Mateo, California, the company was founded in 2005. We met with Ken Rudin, CEO. Ken was the senior executive at Siebel who launched its hosted CRM solution.

LucidEra's business intelligence solution consists of two layers — the platform and pre-built solution, such as FORECAST-TO-BILLING, and is offered on an on-demand basis. Traditional vendors (Business Objects, Cognos, Oracle/Hyperion) have typically focused on large enterprises. Their solutions are quite expensive and take months, if not years, to implement. LucidEra's implementation takes just few days. LucidEra is focused on small and medium-size businesses (SMBs) that i) do not have in-house expertise to develop BI solutions, ii) can not afford the large vendors, and iii) opt not to use their internal IT for BI and decide to use a hosted software-as-a service (SaaS) model.

Among the answers to many questions we asked Ken, two are noteworthy.

Q. Are open source BI solutions, such as Jaspersoft and Pentaho, a threat to LucidEra?

A. "Open source vendors appeal to companies that have the specialized skills in-house to manage complex BI deployments, because you have to manage it yourself. We appeal to companies that don't have those skills and don't want to pay for them," again emphasizing open doesn't mean free. (We thought this answer was lucid, no pun intended!)

Q. Can the traditional vendors also start offering their products on a SaaS model?

A. "No, their current software architecture just won't permit it. It is like opening the hood of your car and adding two wings. That won't turn your car into a plane."

We add LucidEra to the growing list of smaller, innovative, agile, and nimble vendors that are challenging the entrenched ones and totally blowing their pricing models and margins.

¹ <u>http://www.itnewswire.us</u>

² http://www.ketera.com

³ <u>http://www.lucidera.com/</u>

Zoho⁴

Based in Pleasanton, California, Zoho is a division of AdventNet (over 600 employees) and was founded in 1996. We met with its Evangelist, Raju Vegesna.

Zoho offers a very rich set of free, online collaboration and personal productivity tools, including word processing, presentation, spreadsheet, wiki, chat, planner, project management, and CRM, much richer than, for instance, what Zimbra offers. We are tempted to use Zoho's tools and intend to review them in the coming few weeks.

More than Zoho's products, what impressed us was what Zoho is doing in the social scene in India. Based in Chennai, Zoho runs Zoho University there. Instead of hiring highly paid and sought-after Indian Institute of Science and IIT graduates that are notorious for high turnover rates, Zoho visits smaller towns— currently in South India—and recruits high-school graduates who are financially challenged to afford college education. Zoho then enrolls them in Zoho University, teaches them English, if needed, and extensive programming skills for six months, after which they start developing software. This way, the students get real-world education and not what most schools teach. Zoho intends to expand this program to other cities and states in India to scale better. We highly commend Zoho and its leadership in its efforts to lift the underprivileged in India.

⁴ <u>http://www.zoho.com/</u>