

Rust Report

News and views of the action in Australasia's IT sector this week

May 8, 2009

THE RUST BUCKET

Tough new world

TECHNOLOGY VENDORS these days need to communicate their offerings in entirely new ways to customers, prospects, employees, partners, the media, and the industry analysts. The media and the analysts need timely information to build community with the marketplace. These two driving forces are virtually inseparable, especially with today's market conditions.

In many cases communications programs in Australia have been falling flat over the past 12 months. Companies often neglect the crucial final steps — figuring out how to merchandise the leverage of their current achievements, if there are any.

Few marketing programs seem to do "what are we going to do with our recent successes". Such stories can increase the value of press placements, speaking engagements, customer presentations, and award wins.

Taking your best shot at landing mainstream media coverage should also include getting senior executives to tell the company's story. There's nothing scientific about why the CEO brings clout to a story but if there is one filter that can be used to determine the importance of a story it's the spokesperson. Needless to say the use of the CEO gives greater importance — but supported by product personnel where necessary.

Some of the consequences of the current technology downturn are slashed budgets, disappearing pipelines, and merger and acquisition rumours. Vendors are also switching from in-house marketing teams to outside teams, and vice versa. Several marketing teams have become has-beens and have shrunk beyond all recognition. Incidentally, we wonder how much of this is apparent back at headquarters — another of today's moot points.

Welcome to the new ICT world, where businesses can boom or bust quarterly. We are still in a world where technology rules, but operations need to be flexible and scale effectively — maintaining marketing positions in line with meeting growth goals, responding to the economic downswing, or weathering another unforeseen market shock. Marketing needs to be throttled up or down to meet changing and, in many cases, unpredictable requirements.

More and more every part of media relations is online. The future will be more so. Marketing communications, crisis communications, branding, and financials are generally available online, principally through e-mail, Web site blogs, and online conferencing.

One important change is that media relations in many cases are no longer local. They are global. One must assume that whatever is written or published can be seen anywhere around the world by anyone — and will be!

Continued on page 2 >

Qld developer grows via British acquisition

Softlink International, a Queensland-based developer of library and information management systems, has bought its UK distributor, Softlink Europe, in the process boosting its user base by some 4000 customers in Europe, the Middle East, India, and Africa. "The acquisition also strengthens Softlink's position in the international information management industry, with an Oxford office, staff, and customers that include Emirates, the Birmingham Law Society, Dubai Financial Services, and Cambridge University," claimed Kim Duffy, CEO of Softlink. The company now has offices in Seattle, Oxford, Hong Kong, New Delhi, and Auckland.

Duffy added that even in these troubled economic times the deal made sense for the Brisbane company. "Despite the state of the world economy Softlink is well positioned to respond to government initiatives to improve literacy and learning, and increases in government spending," he explained. www.softlinkint.com

AtMail scores sale in Rwanda

AtMail, a Brisbane-based provider of e-mail management systems, has been selected to supply a system to the Rwanda Development Board. The e-mail solution will be used to help the board meet its objective of consolidating all government agencies on to a single platform that could be extended to mobile devices.

"AtMail will allow RDB to easily customise the AtMail Webmail interface while still utilising its existing server system," explained Corey Bissaillon, vice president of AtMail.

Bissaillon added that AtMail now supports more than 15 million e-mail accounts around the world. "From a Webmail system to a turnkey e-mail server, AtMail provides organisations with all of the e-mail solutions necessary for mission-critical business activities," he claimed. www.atmail.com

INSIDE THE RUST REPORT

Insider Edition	Page 2
● This week's orders and installations	
Aussies worth watching	Page 3
● Companies making waves at home and abroad	
Deal Makers	Page 4
● Mergers, acquisitions, & funny business	
By Association	Page 5
● AIIA takes action on ICT equipment recycling	
Rust e-Research	Page 6
● What the analysts said and did this week	
Revolving doors	Page 8
● Who's in work and whose jobs they took	

INSIDER EDITION

iSoft completes Pacific solution

iSoft has completed the installation of a Web-based patient administration system at Tonga's Vaiola Hospital. The project, which was sponsored by the World Bank, provided the hospital with a patient master index and modules for admissions, discharges and transfers, medical records, emergency, theatre, outpatients, billing, pathology, results, and referral management. www.isofthealth.com

- IBA Health (which has now changed its name to iSoft) has selected Verizon to provide IP services for its global network. The fully managed solution will connect more than 4200 company employees at 22 locations around the world.

Transport fund joins THELMA

The Railway and Transport Health Fund has signed up as a user of ICSGlobal's THELMA health transaction exchange. The fund will use THELMA for its medical claims service. www.thelma.com.au

Audinate drives Star Trek revival

Australian audio networking company Audinate provided the technology to drive sound systems at the recent premiere of the new *Star Trek* movie at the Sydney Opera House. The screening involved more than 80 loudspeakers. www.audinate.com

RUST BUCKET *Continued from page 1*

A company's ultimate goal can cover a wide range of activities — from breaking into new sectors such as healthcare, attracting and retaining personnel, securing venture capital funding, positioning oneself as a viable acquisition target, or just being seen as the vendor of choice in the community. No matter what the end-goals, an effective media campaign must be closely aligned with the company's strategy. Success is determined by how quickly the company can respond to the changing market dynamics.

Successful businesses and IT organisations will not be those that sit on their hands and wait for the crisis to pass. Instead, they will be the ones that find new ways to perform their day-to-day duties and achieve their strategic objectives.

— Len Rust RustOz@bigpond.com.au

InfoMaster picks up SA agency

InfoMaster, a subsidiary of Sirius Corporation that provides asset management systems, has been awarded a contract to provide a solution to the South Australian Department of Water, Land, and Biodiversity Conservation. The company's AssetMaster product will help the department manage risk and will also assist with the long and short term development of asset and financial management strategies, said Frank Licciardello, group managing director of Sirius.

InfoMaster made its first sale to a state government agency in March when it was selected by Queensland's Department of Main Roads, (*Rust Report*, Mar 27, p2). "This second win to a state government department is a major win for InfoMaster in a very competitive market," Licciardello said. "It will also assist in setting up an important asset management footprint into South Australia." www.sirius.com.au

Ajilon nabs WA Police deals

Australian consulting and solutions company Ajilon has formalised a second contract with the Western Australian Police. The larger of the two deals requires Ajilon to provide IT applications management and support for the next five years, said Giles Nunis, Ajilon's managing director. The company is already supporting 113 WA Police applications.

The second contract is a five-year appointment to an IT project services panel. "Winning this prestigious contract with the WA Police will significantly strengthen our market position not only in Western Australia, but nationally," Nunis added. www.ajilon.com.au

... CSC muscles in on the action

CSC has also picked up two contracts from the Western Australian Police.

Under the terms of the first deal CSC will provide SAP application support services for the Police resource management information system for five years. The contract has been valued at \$A15 million and requires CSC to tailor a flexible staffing model for the Police activities throughout the state.

In the second contract CSC has been selected as one of two companies competing to provide infrastructure, applications development, systems integration, and consultancy services. www.csc.com.au

BUSINESS EVENT

Business process improvement including SEBA demonstration.

When: 28th May 2009

Where: Sydney

Register: 1300 55 30 50 [click here](#)



Need to reduce your software costs?

SEBA's flexibility and speed of process automation maximises cost saving for



INSIDER EDITION

Continued from page 2

Objective waves flag in Qld

Objective is the only Australian company to be included on the Queensland Government's panel for the provision of electronic document and records management systems. It is understood the other suppliers on the panel are Hewlett-Packard, with its Australian-developed Trim, and Open Text.

Objective is also included on the EDRMS panels of the Western Australian and South Australian Governments, and has been selected as an approved supplier on the NSW Government Information Asset Management panel, explained Tony Walls, CEO of Objective. www.objective.com

SingTel banks a half billion deal

ANZ Banking Group has awarded Singapore Telecommunications a \$A500 million contract for the provision of telecommunications and managed network services over five years. Part of the deal requires SingTel and its subsidiary Optus to provide managed network services in Australia and 30 other countries around Asia and the Pacific region.

SingTel is also required to provide a single platform for the delivery of voice, data and managed services to more than 34,000 staff. In Australia, Optus will manage the roll-out of a new data network to more than 850 retail branches, as well as end-to-end management of call centre infrastructure. www.optus.com.au

Orders & Installations

- The Australian operation of international electronics group Thales has upgraded to the latest version of Cincom's Control ERP system. The migration took seven months to complete. www.cincom.com.au

- Cathay Pacific has extended its long-running contract with Unisys Australia for the provision of passenger service and logistics systems until the end of 2012. www.unisys.com.au

- Perth-based systems integrator Expanse IT has deployed Riverbed Steelhead application performance accelerators for the Australian and NZ operation of European oil and gas giant OMV. The devices take in offices in both countries as well as one oil rig off the west coast of the North Island of NZ. www.expanseit.com.au

Aussies worth watching**This week we continue our focus on finalists in the Consensus Software Awards 2009**

- **FINANCIAL SYNERGY** provides its Acurity system to meet a variety of superannuation, investment, and post-retirement requirements. This administration package also has a fully integrated online solution, extensible user interface, and the flexibility to be customised to meet changing business needs. www.acurity.com.au

- **HIIVE SYSTEMS** provides Web-based client and task management software products — Affinity and Gravity — to help service organisations deliver fast, co-ordinated service. Affinity is a flexible CRM system while Gravity helps companies and teams work in a consistent, transparent, and co-ordinated manner with integrated and adaptive project management and job tracking. www.hiivesystems.com

- **BROOKSTONE TECHNOLOGIES** has developed the Brookstone VirtualOffice (BVO), which is a collaborative business environment designed to capture, manage, and share valuable business knowledge. BVO is an integrated suite of business knowledge management modules and provides a simple forms-based workflow-directed application. www.brookstone.com.au

- **PRONTO SOFTWARE** provides the Pronto-Xi Service Scheduler to assist in the effective allocation of resources to increase productivity at a service centre. The intuitive interface reduces the cost of field service operation and training requirement and improves customer responsiveness with accurate engineer scheduling. Pronto-Xi Mobile Service facilitates the allocation of calls directly to field staff in real-time through PDAs. www.pronto.com.au

- **WE'RE ALL ABOUT MARKETING** produces the Web Embrace integrated business solution that enables SMBs to manage their own business and to interface with their clients and suppliers. An integrated single platform, Web Embrace empowers the owners and staff of the business through its CRM and project management automation, and provides all stakeholders access to relevant information. www.waam.com.au

- **IT EXECUTIVE CONSULTING** has developed the ClearCost integrated service financial management support and information system which helps internal service departments prepare and manage their budgeted costs and service charges in a commercial way. It is particularly helpful to IT departments applying ITIL or CobiT or just seeking to improve financial management of IT. www.itexc.com.au



A bug we like. At Mitrais

mitrais
continuous commitment

Bali

info@mitrais.com
www.mitraissoftware.com

DEALMAKERS

LANSA buys access to Web

Australian development tools developer LANSA has acquired the aXes product suite from Melbourne company Arterial Software (www.axeslive.com). The aXes products form a set of native IBM i software that allows 5250 business applications to run over the Web without changes to the host system.

"LANSA's sweet spot is the IBM i platform and the addition of aXes means it can now address the entire i application modernisation process from initial refactoring through to redevelopment," explained Marjanna Frank, LANSA's marketing manager Asia-Pacific.

"LANSA will apply its global reach to grow the size of the aXes user community and has committed to a significant R&D effort that includes a major new release by mid-2009," Frank added. www.lansa.com

SMS buys Sydney consultancy

SMS Management & Technology has bought Sydney-based consultancy Pelion Group (www.pelion.net), which specialises in data management services. The range of services offered by Pelion includes information management, performance management, and business intelligence.

"We have already partnered with Pelion on several projects and I am confident of the synergy benefits and cultural fit," said Tom Stianos, CEO of SMS. David Ertle, managing director of Pelion, will head SMS's data management practice in NSW. www.smsmt.com

NetComm buys manufacturer

NetComm has bought C10 Communications, a design and manufacturing subsidiary of Lemarne Corporation. David Stewart, managing director of NetComm, said C10 has strengths in specialised filter products, which make it an "excellent fit" with NetComm's product portfolio. C10 will operate as a standalone entity.

"The strong product portfolio that comes with C10 will expand NetComm's offerings to suit a broader range of international markets. Most importantly, C10 strengthens NetComm's growing relationships with recognised telecommunications carriers and ISPs," Stewart added. www.netcomm.com.au

Avaya to sell Prognosis worldwide

Australian developer Integrated Research has entered a global distribution agreement for its Prognosis voice quality monitoring systems with Avaya. Under the terms of the deal every user of Avaya's Communications Manager will receive a free licence for Prognosis VoIP monitor.

"This alliance reinforces the ongoing relationship between Avaya, a global leader in IP telephony, and Integrated Research," claimed Mark Brayan, CEO of Integrated Research. www.voicequality.com

Telstra runs with ShoreTel products

Telstra has added unified communications products from US company ShoreTel (www.shoretel.com) to its Telstra Business System customer program. "With the addition of ShoreTel to its portfolio the Telstra Business System program offers customers of all sizes a scalable and reliable telephony solution that offers the industry's lowest total cost of ownership," claimed Sarah Palmer, director of converged IP solutions in Telstra Business. www.telstra.com

Leaning Seat appoints NZ agent

Learning Seat, an Australian company that specialises in the provision of online learning centres, has appointed Kiwi company Renaissance Corporation its representative in New Zealand. Under the terms of the agreement Renaissance will handle sales and marketing of the products, while Learning Seat manages the technical development of the courses from Australia, explained Michael Solomon, CEO of Learning Seat.

"Having recognised a need in the New Zealand market for a high-calibre online training and compliance management company, we intend to replicate our Australian success across the Tasman," Solomon said. www.learningseat.com

Webfirm buys WA developer

Digital media specialist Webfirm Group has agreed to buy Perth-based Web development and online marketing company Human Traffic. Human Traffic was set up in 2007 by Andrew Dalton, a former employee of Webfirm. www.webfirm.com

IBA name change

Australian health systems developer IBA Health has formally changed its name to iSoft Group and will now trade on the ASX under the ISF code.

"The decision will align the company's name with its major brand and embrace a common identity," claimed Gary Cohen, the company's executive chairman. IBA bought iSoft in 2007. www.isofthealth.com



Connecting Up™ **09 Conference**
Australia
The online future of nonprofits ...are we there yet?

Register now

Technology =

Fundraising & Marketing
Social Action
Service Delivery
Social Entrepreneurship
Community Building
Governance

Conference - 11 & 12 May
Workshop - 13 May

Sydney Novotel, Brighton Beach

Directors, CEO's, Marketers, Fundraisers, Business developers,
and others. **Think strategically about ICT!**

Call +61 2 9280 3677 or connectingup@slatteryit.com.au

Go to www.connectingup.org

DEAL MAKERS

Continued from page 4

Data-inCrypt appoints reseller

Data-inCrypt, an Australian company that has developed a secure email system, has entered a reseller agreement with Melbourne-based Security Advisory (www.securityadvisory.com.au). Security Advisory will market and sell the products to customers throughout the Asia/Pacific region, and already has its sights set on sales to an international mining company, a large Australian private health fund, a Victorian TAFE college, and a global hotel chain, explained Ronald Moir, managing director of Data-inCrypt's parent company Synergy Equities Group. www.data-incrypt.com

Business Briefs

- Brisbane-based distributor POS POS has been appointed a value-added distributor of Motorola and has its sights set on a number of vertical industries, particularly government and health. Avner Danielli, CEO of POS POS said the company is looking for resellers for the Motorola products. www.pospos.com
- Videlli, the remnant of ERG that now exists solely to manage legal action with the NSW Government, is to be removed from the ASX. www.videlli.com
- Melbourne developer Caseflow has appointed Sydney consultancy Red Rain Corporation (www.redraincorp.com) a reseller of its case and matter management system in NSW, Queensland, and South Australia. www.caseflow.com.au
- Ensim, a US provider of user provisioning and access control software, has appointed Infotronics Software a master distributor for Australia, NZ, and the Pacific Rim. www.infotronics.com.au
- Australian CAD specialist Solidtec Solutions has been licensed to sell and support Dassault Systemes' SolidWorks 3D CAD software in Australia. The DS SolidWorks software is widely used in Australian tertiary education institutions, noted Darren Beale, managing director of Solidtec. www.solidtec.com.au
- US diversified industrial manufacturer Eaton has entered a distribution agreement with IT distributor Synnex Australia. The deal covers the sale of Eaton's MGE Office Protection Systems range of uninterruptible power supplies in Australia. www.synnex.com.au
- In partnership with Walter Adamson's Newleasg2m (www.newleasg2m.com) the Social Media Academy has been launched in Australia to offer executive training in social media strategies. www.socialmedia-academy.com/html/australia.html
- ADC Krone and power and cooling specialist APC have formed a partnership to offer integrated data centre solutions. The two expect their offerings to combine APC's expertise in physical infrastructure management with ADC Krone's know-how in connectivity and fibre cable management. www.adckrone.com.au
- OzHosting.com has moved back to its roots to offer a Web hosting service for SMBs. www.ozhosting.com

BY ASSOCIATION

The recycling bug

By Ian Birks*

EVERY YEAR 1.6 million PCs end up in Australian landfill — and a further 5.3 million are collecting dust in storage. Clearly, the ICT industry has a challenge and a responsibility to look after its e-waste.

This week, AIIA signed a compact with the Total Environment Centre focusing on end-of-life computer equipment. The compact was developed in recognition of the urgent need for a product stewardship scheme for computer equipment, and identifies that the lack of a comprehensive, national computer equipment take-back scheme has resulted in extensive unnecessary dumping of electronic waste into landfill.

The document, produced with the support of Environment Victoria and Clean Up Australia, calls on both federal and state governments to mandate participation by all industry stakeholders in a product stewardship scheme based on shared responsibility between government, consumers, businesses, and community interest groups.

Interestingly, a number of news reports took the view that the industry was now 'in bed with the enemy' — that the environmental movement and the ICT and electronics industries are somehow natural enemies and that this is a strange outcome indeed. From a distance, this is perhaps an understandable perspective. However, nothing could be further from the truth when you examine the detail.

Firstly, companies across our industry want to do the right thing. And secondly, it is becoming increasingly important for companies to demonstrate strong green credentials in order to compete successfully in the marketplace.

Last year for example, Gartner released studies concluding that by 2010, 75 per cent of organisations will use 'full lifecycle energy' and CO2 footprints as mandatory PC hardware-buying criteria. This means a strong focus on extended producer responsibility — looking at all environmental aspects of the products and services they deliver, from energy consumption to recycling.

It is becoming clear that addressing the challenges of creating an environmentally friendly ICT sector into the future will mean the co-operation of government, community and industry — an approach which AIIA is already promoting through the Byteback recycling program.

An initiative of AIIA in partnership with Sustainability Victoria and leading ICT companies, Byteback combines government, consumer, and industry responsibilities in the recycling of computer waste. The program is currently being piloted in Victoria and will be progressively expanded in 2009.

In order for computer equipment and peripheral recycling to be developed effectively across the entire industry, we need a level playing field. This is something that can only be established through effective legislation at the national level that ensures all suppliers, not just those motivated to do the right thing, are committed to end-of-life recycling of their products. To ensure this, we need to develop a framework that excludes 'free riders'.

The meeting of all state and federal environment ministers at the Environmental Protection Heritage Council at the end of May is the first opportunity for genuine consideration of this agenda at the federal level in a number of years. Both the ICT industry and the environmental movement will be watching with great interest for the outcomes.

*Ian Birks is CEO of the AIIA www.aiaa.com.au

RUST e-RESEARCH

The year of the mini-notebook in A/P

Shipments of mini-notebooks in Asia/Pacific in 2009 will reach four million units in 2009, growing by a robust 82 per cent over 2008, according to Gartner. Growth will stabilise at 20 per cent or more in 2010 and 2011, when mini-notebooks will account for more than 14 per cent of all mobile PCs shipped.

"The mini-notebook is a great tool for casual and entry-level computing, especially among younger users who are obsessed with social networking sites," said Lillian Tay, principal research analyst at Gartner. "The falling cost of mobile broadband as well as the continued roll-out of third generation (3G) services and coverage in countries such as China will encourage more desk-based PC users to switch to mobile replacements, as well as stimulating purchases of mini-notebooks as second PCs."

Tay said Gartner expects significant growth in shipments to the more mature IT markets such as Australia, Taiwan, South Korea, and Singapore and to major cites in emerging countries such as China, the Philippines, Thailand, and Indonesia.

In Australia, shipments of mini-notebooks is expected to grow 40.8 per cent this year when the devices will account for 13.7 per cent of all mobile PC shipments, thanks to a major boost from the Federal Government's student PC program.

"Due to their small size and low price, PC vendors have begun to find some traction for mini-notebooks in the transportation, logistics, repair and servicing, manufacturing, and healthcare markets," noted Tracy Tsai, senior research analyst at Gartner. "A further attraction is the ability for users to create or run custom applications quickly and inexpensively because of standard PC operating systems, unlike handheld devices."

Hot demand for unified comms

Although Australia's IT expenditure in 2009-2010 will be significantly impacted by the global financial crisis, sales of unified communications (UC) solutions are set to benefit as organisations seek new ways to achieve cost savings, and as mergers and acquisitions continue to drive a need for integration and homogeneous solutions, according to Frost & Sullivan.

"The economic impact will undeniably affect IT expenditure in Australia this year," commented Audrey William, ANZ research director at Frost & Sullivan. "However, this doesn't have to be negative for the Australian UC industry. The need to achieve cost savings is going to be a strong driver for conferencing and collaboration tools and we anticipate interest from all sectors of the market. The key to capitalising on this interest will be the vendors' ability to quantify and demonstrate real life benefits from local UC deployments."

Frost & Sullivan found that interest in UC solutions was strongest within the government, banking, healthcare, professional services, and education sectors. It identified telephony, e-mail, conferencing and collaboration, and instant messaging as the key UC applications to deliver value in the eyes of CIOs and IT managers.

The need for cost savings in the current market is expected to drive higher rates of adoption of videoconferencing, especially within the government and healthcare markets, with almost 50 per cent of all respondents planning to deploy videoconferencing or telepresence technologies in the 2009-2010 timeframe.

Applications that support, automate and create efficiencies in customer service will also remain in strong demand. This includes technologies such as interactive voice response (IVR), voice portals, speech recognition, and performance optimisation.

The majority of CIOs and IT managers cite high costs and difficulty in justifying a return on investment (ROI) as the two biggest inhibitors to UC deployments. Almost 50 per cent of decision makers stated that adoption of the technologies would be enhanced if vendors provided ROI tools and calculators. Additionally, respondents are seeking case studies of actual deployments explaining how UC applications are helping organisations to save costs and increase productivity and efficiency.

Forty per cent of decision makers noted that it is important for UC to be integrated with business processes. This belief is reflected in the emerging interest in communications-enabled business process (CEBP), or the automation of human communications with business applications.

CEBP allows the communications and workflow aspects of a business process to be integrated with the underlying software applications that serve the business process. Linking UC applications such as presence to the business processes is witnessing good adoption from the contact centre segment.

Continued on page 2 >

The business location

perfectly positioned between London and mainland Europe

INVEST SouthEast England

For further information, please visit www.investsoutheastengland.co.uk/aus

SEEDA SOUTH EAST ENGLAND DEVELOPMENT AGENCY

RUST eRESEARCH

Continued from page 6

The survey indicated that more than 40 per cent of organisations in Australia have deployed IP telephony solutions and that Australia is one of the key markets experiencing a rapid uptake of software-based IP phones. Many contact centres, for example, have agents work from remote locations or home and are equipping them with IP soft phones. This prevalence of IP technologies is making it easier for many organisations to introduce and use UC applications.

Developers selective with the cloud

The increasing acceptance of cloud computing, driven by today's trend toward SaaS, is a major disruptive development to the application lifecycle management market (ALM), according to Ovum.

Ovum's research indicated that SaaS and the cloud already are transforming the ALM market, even though some major ALM players have been slow to embrace them. For IT organisations, using hosted ALM could save time or money, as long as corporate policies or regulatory constraints do not restrict maintenance or manipulation of intellectual property outside the firewall. However, unlike enterprise applications such as CRM, using the cloud for ALM is not an all-or-nothing proposition. Team-based and resource-intensive activities from the software development lifecycle are best suited for the cloud, while code-related functions are not.

"Software-as-a-service (SaaS) is driving vendors not only simply to host existing tools online, but also to fundamentally redesign them to leverage the inherent elasticity of the cloud," said Tony Baer, senior analyst at Ovum. He added that the impact of the cloud is equally disruptive on customers. "The cloud is not an all-or-nothing proposition for customers. They must evaluate which processes are the most dynamic, and which processes could benefit from the ubiquitous connectivity that the cloud provides. But at the same time, they cannot afford to expose their core intellectual property assets."

Ovum studied almost 30 vendors to explore how the cloud is reshaping the ALM market. Surveying cloud service providers, SaaS application providers, ALM tools vendors, and platform-as-a-service (PaaS) pure-plays, Ovum found several unmistakable trends. First, application development for many cloud services and SaaS platforms actually relied on on-premises tools. Secondly, outside of PaaS pure-plays, virtually every ALM tools provider was selective about which tools to offer as hosted services and which tools to offer on-premises. Ovum also found that, unlike the enterprise applications market, single tenancy remained a viable option for ALM hosting. Few ALM vendors have yet conducted a full rethinking of how to best marry development tools with the inherent flexibility of the cloud; for instance, none yet offers flexible licensing based service levels that are appropriate to the task or criticality of the overall project.

Application services leaders selected

Three new demand-side reports from IDC provide visibility into US enterprises' perceptions of application services providers in the areas of modernisation, outsourcing (AO), and testing.

Brand perception plays a major role in influencing end-user views of the application services provider's service capabilities. Studies in the US by IDC showed that IBM, Microsoft, Oracle, Hewlett-Packard-EDS, Accenture, and SAP were all industry leaders from a US enterprise perspective.

"During this recessionary period, as customers are driving toward greater cost savings and operational efficiencies, service providers need to highlight both the tactical and strategic value proposition of their services. Companies are looking for providers who offer a strong, well developed set of capabilities, from industry and technology expertise, to collaborative communication skills, to tools and knowledge to optimise modernisation and testing processes and manage portfolio change," said Rona Shuchat, IDC's director of application outsourcing services.

Key findings from these studies include:

- IBM was recognised as the overall leader in application outsourcing, followed by Microsoft, Oracle, HP-EDS and Accenture.
- In application testing services, IBM was viewed as the overall leader, followed by Microsoft, Oracle, HP-EDS and SAP.
- In application modernisation services, IBM ranked first overall, followed by Microsoft, Oracle, HP-EDS and Accenture.

Online Retailers Shift Focus

The tough economy is forcing online retailers to change their marketing tactics in order to acquire and retain customers, according to Forrester Research.

The company's surveys found that while the number of companies focusing on customer retention has almost doubled in the past year, many retailers see the recession as an opportunity to capture market share from weakened competition.

While Internet sales continue to outpace traditional retail sales, companies are realistic about the challenges. Half of the respondents (54 per cent) expected overall retail growth to slow during the next 12 months, and 57 per cent of respondents acknowledged the economic slowdown was hurting their company's bottom line.

The Rust Report

The Rust Report is a weekly newsletter that is e-mailed **FREE** to registered subscribers.

To **SUBSCRIBE** to
The Rust Report please visit our Web site
www.rustreport.com.au

To **UNSUBSCRIBE** please activate the "Manage your subscription" link at the bottom of the weekly e-mail alert

The Rust Report is published by
Dialog Marketing Services Pty Ltd,
PO Box 437, Roseville, NSW 2069, Australia.

Publisher Len Rust
RustOz@bigpond.com.au or phone 0413 588 728

Editor Peter Scott
Rust-Ed@bigpond.net.au or phone 0413 544 609



ethos



Evolve Yourself

Ethos Sales and Senior Management Search
Discover the difference at ethoscorporation.com.au
Or call Andrew Keayes or Kevin Charman
on 8227 9200 for a confidential discussion

REVOLVING DOORS

Saunders takes top job at m2m

Peter Saunders has been appointed CEO of m2m Corporation after having been acting CEO since January 2009. He has also been CFO since June 2008.

Saunders built up telecommunications industry experience with Telecom NZ, and also worked as CFO of Solution 6 Holdings.

Fisher heads Telcoinabox in NZ

Shannon Fisher has been appointed CEO of the New Zealand operation of telecommunications franchisor Telcoinabox, which officially opened an office in Wellington just over a month ago.

Fisher has been involved in the telecommunications industry for more than 20 years and currently owns Australian company Creative Telcom, which is one of the Telcoinabox service providers. He has also worked for Alcatel, where he held positions in New Zealand, Australia, the Asia/Pacific region, and Europe.

Acxiom goes recruiting

Acxiom Corporation has appointed Doug Gibson sales leader for Australia and New Zealand, and Bob Sparshatt analytics consultant for Australia and NZ.

Gibson replaces Neil Boulton, who has been promoted to head of Acxiom's new consulting line of business in Australia and NZ. Gibson was previously with SAP and has also worked for Oracle and IBM.

Sparshatt has previously worked for Pacific Micromarketing and for Experian in the UK.

Scott Longden joins TVPC venture

Scott Longden has been appointed business development manager of TVPC, a joint venture between Tasmanian IT provider Prologic and production house Winning Post Productions. With more than 20 years in the ICT industry Longden was previously with Hardcat and has also worked for Gartner and IMMedical,

Kumar heads alliances at Clarity

Vikram Kumar has been promoted to head of global alliances at Australian operational support systems developer Clarity. He joined the company three years ago and was most recently director of sales for South Asia.

TechOne appoints marketing chief

Genevieve Smith has been appointed director of marketing for Australian developer TechnologyOne. She was moved into the new role from her position as marketing manager.

John Grant heads Feds' body

John Grant, managing director of Queensland company Data#3 has been appointed chairman of the Federal Government's newly devised Information Technology Industry Innovation Council. The body will champion IT-enabled innovation for economic, social, and environmental benefits, explained Senator Kim Carr, Minister for Innovation, Industry, Science, and Research.

"The council will mobilise talented industry, education, and research representatives to advise the government on innovation issues," Carr added. Council members will be appointed from across business, unions, and government. The new body is expected to hold its first meeting before the end of the current financial year. www.innovation.gov.au

Long-term COO quits Melbourne IT

Andrew Field has announced his resignation as COO and CFO of Melbourne IT. He has been with the company for more than 10 years but plans to leave to take up an opportunity "in a different industry". Field will remain with MelbourneIT until August.

Around the Traps

- Chris Horsley-Wyatt has joined The ADWEB Agency to head an Australasian channel strategy for its Intranet Dashboard. The company aims to appoint 15 A/NZ partners over the next 12 months. Horsley-Wyatt was previously with Red e-solutions.
- Axel van der Smagt has been appointed A/NZ director of professional services with Lawson Software. He joined the company last year as director of partner engagement.
- 3Com has appointed Angela Hughes Queensland state manager and Rob Lawrence account director in Queensland. Before joining 3Com Hughes was with Dimension Data, and she has also worked for the University of Queensland and AAPT. Lawrence was most recently with Citrix and has also worked for Volante and Getronics.
- Spiros Nikolakopoulos has resigned as a director of Freshel Holdings after accepting a job with a multinational telecommunications company that will require him to travel overseas frequently.
- Emerson Network Power has promoted Anthony Taylor to the position of national sales manager for telecoms networks solutions in Australia and NZ. He will also manage the local configuration centre in Sydney.