

## **SAP's SOA Strategy**

SAP is bundling many of its previously separate components into a product grouping called NetWeaver, which has become mandatory as customers upgrade to newer applications. This has the intended effect of eventually placing an integration platform in all of SAP's existing customers. This bundling of the application and platform lowers the apparent cost of the solution by hiding it within the application expense. It also has the potential to block WebSphere and other independent third party platform providers from selling in SAP accounts. This NetWeaver platform is touted as the cornerstone of SAP's SOA strategy called ESA (Enterprise Services Architecture)

## **SAP's Market Position**

For 2004, Gartner-DataQuest positioned IBM with 27% market share in new license revenue for Application Integration Middleware (AIM). BEA and Oracle followed, with 12% and 8% respectively. SAP was not listed individually due to its very small share of AIM revenue.

## **Top 3 Messages SAP is attempting to convey with respect to SOA**

**1) Claimed Pervasive Acceptance: NetWeaver, a cornerstone of SAP's SOA strategy, is claimed to be overwhelmingly accepted by customers**

SAP Proof Point: 2Q05 results show NetWeaver revenue up 89%.

IBM Counter Point: This is a "shell game." Revenue is increasing because products are being renamed, regrouped and they are measuring off a very small base. It is widely known that 80- 90% of SAP customers are still running the legacy versions of SAP R/3.

**2) SAP says others are investing in its ESA strategy: not only customers, but SAP says large ISVs and Business Partners are signing up to support their ESA story**

SAP Proof Point: At SAPHIRE 2005, SAP announced 10 partnerships in support of Enterprise Services Architecture (ESA).

IBM Counter Point: It appears that the majority of these agreements are simply "recycled" existing Independent Software Vendor (ISV) relationships with relatively few ESA specific changes.

**3) NetWeaver Exchange Infrastructure (XI) is a proven technology: in the midst of converting its applications to the SOA-like Composite Application Framework (CAF), SAP purports this is a proven technology**

SAP Proof Point: SAP continues to point to many customers implementing XI applications (Deutz AG, Weidmüller Interface GmbH, Nike Inc).

IBM Counter Point: Closer inspection reveals that these references required large amounts of customized services to implement XI-based applications. In addition, the references were predominately integrating SAP-to-SAP environments as opposed to the much more common heterogeneous application scenario.

## **Silver Bullets against SAP**

- Lack of expertise and experience with middleware platform: SAP does not possess the industry expertise and experience in complex application integration and high performance messaging like that of IBM. This is not always readily apparent to the information technology (IT) community or customers (for example, the widespread acceptance of WebSphere MQSeries as a de facto standard).
- Inadequate standards support : SAP embraces some open standards, but also uses proprietary protocols and application program interfaces (e.g., ABAP, iViews). Adhering to widely accepted open standards helps support typical heterogeneous architectures.
- Potential for lock-in to SAP applications: Multi-vendor environments are the “rule” for majority of businesses and organizations. An SOA solution like WebSphere supports these environments without bias towards specific applications vendors. Selecting an application vendor-centric infrastructure environment severely limits the options of an enterprise .
- No internal Business Process Modeling and Monitoring: SAP depends upon third-party vendors (IDS Sheer and others) for modeling tools and has limited Business Activity Monitoring (BAM) capabilities.
- SAP MDM is plagued with problems: SAP had its own home grown Master Data Management product until it purchased A2i in 2004. It then withdrew MDM 3.0, and released the A2i product xCat as MDM 5.5! SAP now includes MDM with the latest version of NetWeaver.
- Caveat Emptor, the potential dangers of mySAP contracts : New mySAP contracts should be closely examined. If a customer signs the new mySAP contract without close inspection, there are many punitive clauses which will catch them out. For example quarterly audits, pricebook reissues, and more importantly for an SOA, indirect usage clauses, so it becomes difficult to the customer to employ anyone but SAP to build a Services Oriented Architecture.

## **Links**

SAP NetWeaver: Not Enterprise Ready

Just the Facts: SAP NetWeaver vs. IBM WebSphere

Have it Your Way: A NetWeaver Presentation That's Right for You

## **Microsoft's SOA Strategy**

Microsoft's vision for next-generation Web services (previously known as Indigo) was recently renamed as Windows Communication Foundation (WCF). The new name implies that this is not only a client technology, but is intended to be the communications base for future products like Biztalk. Microsoft's desktop position means that Windows Communication Foundation is likely to have a significant impact, and jumpstart a new generation of Web-services-enabled applications utilizing Windows based desktops and servers. WCF is built on and extends Microsoft's .NET technologies. Microsoft has positioned this technology to potentially become part of the next-gen Internet infrastructure, essentially serving as an internet based enterprise service bus.

## **Microsoft's Market Position**

For 2004, Gartner-DataQuest positioned IBM with 27% market share in new license revenue for Application Integration Middleware (AIM). Microsoft doubled its AIM revenue from 2003 and came in 4<sup>th</sup> at 5%, behind IBM, BEA (12%) and Oracle (8%).

## **Top 3 Messages Microsoft is attempting to convey with respect to SOA**

### **1) Microsoft claims it is "in" the Application Integration game**

Microsoft Proof Point: August '05 Microsoft purchased 8 adapters from iWay for integration into Biztalk: Amdocs, JD Edwards, Oracle Corp., PeopleSoft, Siebel and TIBCO(3). Microsoft is also releasing White Papers positioning Biztalk integrated with WCF as an ESB.

IBM CounterPoint: It's a good start for Microsoft (only 4 Microsoft developed adapters to date), but IBM's MQ Series has more than 58 adapters and has been integrating applications for 15 years. Calling Biztalk an ESB does not make it one.

### **2) Microsoft is trying to reshape the image of next release of Windows, to be the next client communication platform, espousing "Clear, Connected, Confident"**

Microsoft Proof Point: In July '05 Longhorn was renamed "Vista". It will include WCF (WebServices) and "Avalon" (Presentation). The beta 1 release (August '05) of Vista is meant to rally the troops (ISVs & BPs) intending to show strong market support for the new OS.

IBM CounterPoint: This is business as usual, with all releases of Microsoft OS's will support new clients as our customers require.

### **3) Microsoft wants to demonstrate it is a kinder, gentler partner with regard to other platform integrators**

Microsoft Proof Point: In June '05 a press release was issued extolling how both Microsoft and BEA have helped author all the major specifications comprising the WS-\* Web Services Architecture, contributing to both broader and deeper interoperability across the industry. The PR also pointed out that BEA and Microsoft have both hosted and participated in the Web Services Protocol Workshops to validate interoperability between BEA and Microsoft products and those of other vendors in the industry.

IBM CounterPoint: Chummy press releases are nice, but the proof lies in the pudding, as WAS V6 currently supports many more platforms via Web Services protocols or direct programmatic interaction.

## **Silver Bullets against Microsoft**

- How can a company claim to be an Application Integrator, and only support Windows?: WebSphere provides the complete and proven infrastructure across platforms regardless of the operating environment (i.e. more than Windows)
- If you use Microsoft, you must deal with the security issues: Your SOA is only as secure and effective as the underlying platform. Microsoft technologies, the operating environment of SOA continues to be the target of thousands of security attacks over the last several years. And security in general has never been its strong point. IBM offers much strong security with Rational, Tivoli and WebSphere.
- WebSphere Information Integrator tops Microsoft's capabilities: WII has advanced federation capabilities to integrate data from structured and unstructured data sources like relational databases (Oracle, SQL Server, DB2 etc) that Microsoft isn't capable of.
- Microsoft's ESB product is not ready for prime time: Message Broker and WebSphere Application Server provide high performance message routing, transformation that Microsoft doesn't provide with its MSMQ product. Microsoft also does not have a Web Services Gateway.
- Microsoft has a complex programming model: Microsoft's programming model is complicated by multiple object models. Unlike J2EE, which has one consistent object model, Microsoft's programming environment consists of three object models — .NET, COM, and COM+ — each having different support for Web services.
- BizTalk cannot simulate business processes: BizTalk Server 2004 is Microsoft's product for business integration. Microsoft Visio®, which can be used by business analysts for process modeling, is a drawing tool only. It cannot perform analysis or simulation of business process cost and resources.

## **Links**

[SOA Performance Comparison Update - SAP XI](#)

[SOA Offerings from BEA, SAP, Oracle, Tibco and Microsoft](#)

[Microsoft BizTalk Server vs. IBM WebSphere Business Integration](#)

## **BEA's SOA Strategy**

BEA is attempting to re-establish relevance by latching on to SOA and positioning the company as the leading provider of the most open, extensible and standards-based J2EE, .Net and Service-Oriented platform in the industry. BEA envisions a new category it calls "Service Infrastructure" software that enables the free flow of processes, information and services across and between businesses. Announced in June '05, this new service infrastructure offering is called AquaLogic. Going forward BEA plans to round out its capabilities for full operation and lifecycle management of business and IT services across heterogeneous environments.

## **BEA's Market Position**

For 2004, Gartner-DataQuest positioned IBM with 27% market share in new license revenue for Application Integration Middleware (AIM). BEA and Oracle followed, with 12 and 8% respectively. BEA's market share continues to drop, losing 3% from the previous year.

## **Top 3 Messages BEA is attempting to convey with respect to SOA**

### **1) BEA claims it has a superior unified platform for SOA**

BEA Proof Point: BEA covers the best of both worlds - WebLogic was/is a Java integration platform and AquaLogic is an XML integration platform that approaches SOA from a Services Infrastructure perspective.

IBM Counter Point: Are three different infrastructures really necessary to implement a SOA? Much of AquaLogic is a re-branding of existing products. Beyond the repackaging AquaLogic is more of a vision that may take years to complete.

### **2) BEA claims it has a thorough, proven SOA Methodology**

BEA Proof Point: BEA claims its SOA Self-Assessment Tool, an online tool designed to measure and benchmark a company's baseline for pursuing SOA, reflects the BEA SOA Practice methodology and provides IT comparisons against similar companies within key domains. According to BEA it has over 1,100 accounts worldwide have used the tool in 6 different languages.

IBM Counter Point: Just because BEA proclaims it loves its own tools doesn't mean its SOA methodology is any better than IBM or others. Unlike BEA, IBM provides industry specific guidance and support with its SOA Industry accelerator and IBM's SOA definition workshops that move clients closer to their goals. Actual results related to customers implementing SOA are more important. IBM has numerous SOA success stories Guardian Life, Fireman's Fund, Wachovia.

### **3) BEA will claim superior SOA expertise with its people and partners**

BEA Proof Point: Over 70 industry-leading software vendors are extending WebLogic Workshop to make it easy for developers to leverage partner technologies. BEA Professional Services has the background, expertise, offerings and tools to accelerate and ensure SOA success for your organization.

IBM counter point: BEA is somewhat reliant on 3rd party vendors for a complete SOA story. IBM is a true channel leader and has a more robust partnering ecosystem that goes much deeper with programs like the PartnerWorld Industry Network and IBM already has over 56 ISV as part of its SOA Partner Initiative (launched 6/2005).

## **Silver Bullets against BEA**

- AquaLogic doesn't float - leading Analyst already dismiss it: "AquaLogic is a technology stack from BEA Systems that repositions some of its current products, and introduces some new technology which begins to implement BEA's new strategic outlook. The company's vision is now established, but it faces significant execution challenges and business vulnerability"\**Gartner July 2005*.
- BEA's "Platform" is too narrow for SOA: BEA strives to be seen as a single vendor infrastructure solution, but in reality needs to partner (HP, Veritas, MobileAware) to fill the gaps. Missing products in several key areas (WebSphere Product Center, Host Access, and Commerce). BEA recently announced it intends to acquire Plumtree 8/22/05 because its own portal product is weak.
- BEA is costly for SOA: WebSphere's acquisition cost, tech support costs, and development costs provide a lower TCO (from internal measurements). Additionally, there is no need to buy many 3rd party products that are already bundled with WebSphere (DB, LDAP, HTTP server, Edge server, etc.) – whereas most adapters used by BEA are produced by 3rd parties.
- Selecting BEA for your SOA adds risk: BEA viability and ability to remain a pure play ISV continued to be called into question. Its market share is declining and software license revenues are declining. Analysts express caution for those organizations considering BEA purchases.
- BEA is open standards follower: BEA is not the leader in open standards, such as Web services, BPEL, Eclipse. Its Development tools are not Eclipse based and are less productive. BEA was slow to embrace J2EE certification and incomplete and slow with web services support. Also BEA lacks a Web services gateway function.

## **Links**

[SOA Performance Comparison Update - SAP XI](#)

[BEA WebLogic Integration vs. IBM WebSphere Business Integration](#)

## Oracle's SOA Strategy

Oracle intends to own the SOA space by positioning Fusion (new middleware offering) as a full service standards compliant SOA platform. It is attempting to accelerate the adoption of Fusion with ISVs by focusing on a few key selected standard technologies (Java Server Faces for building user interfaces; Enterprise Java Beans 3.0 for building business logic and Business Process Execution Language for mapping business process flows). Oracle seeks to differentiate itself with claims of superior BPEL expertise, and will often feature its Business Integration offerings with SOA.

## Oracle's Market Position

For 2004, Gartner-DataQuest positioned IBM with 27% market share in new license revenue for Application Integration Middleware (AIM). BEA and Oracle followed, with 12 and 8% respectively.

## Top 3 Messages Oracle is attempting to convey with respect to SOA

### 1) Oracle daims to have the best solution "stack" for SOA

Oracle Proof Point: World class application server Oracle Application Server is ranked #1 application server platform in Forrester TechRankings (Q304)

IBM Counter point: No component in Oracle Application Server 10g is best of breed on the market. IBM is the leader in eight Gartner Magic quadrants and according to Gartner, IBM WebSphere is first in application server market share, while Oracle is fifth. Oracle did not develop its own app server, having OEMed it from a tiny company in Sweden called IronFlare.

### 2) Oracle wants to position itself as the champion of open standards

Oracle Proof Points: Active Support of open standards (JSR, JSF, XML, BPEL, WSDL, EJB 3.0, GlassFish, MyFaces etc..)

IBM Counter Point: IBM supports most if not all of these standards/projects as well, and unlike Oracle, who has history of proprietary offering and was late in supporting Linux, IBM has a long history of contributing and leading open standards (Eclipse, Linux etc...). For years Oracle has developed its own proprietary SQL database extensions called PL/SQL which are not transferable to any other ANSI standard SQL based database engine.

### 3) Oracle says it has more SOA skills than any other large platform provider

Oracle Proof Point: Oracle points to SOA support – 6,000 support reps, 11,000 consultants, 7,000 ISVs, Analyst support IDC whitepaper, Forrester Webinar.

IBM Counter Point: No company invests more in SOA than IBM - over \$1 Billion dollars a year; over 6,700 IBM developers; over 11,000 IGS technical practitioners with 300 engagements and numerous SOA references. IBM has over 56 ISVs as part of its SOA Partner Initiative.

## **Silver Bullets against Oracle**

- Why select a SOA partner that is still integrating its own products?: With Project Fusion, or like SAP calls confusion, Oracle is just getting around to integrating its own products into a standards based middleware offering. Project Fusion is attempting to merge incumbent and acquired enterprise application suites into a single suite by 2008.
- Oracle's support of ISV SOA efforts suspect at best: Oracle talks about wanting stronger relationships with ISVs, but actions speak louder than words. They continually rank low in CRN/VAR business partnering surveys and unlike IBM compete with ISVs.
- Oracle is complex and difficult to use: Oracle Application Server 10g is considered to be one of the most complex e-business platforms. Installing and configuring Oracle Application Server 10g is difficult and time-consuming.
- Oracle's product performance may hinder SOA effectiveness: Its Business Integration product has a slow message broker (WSMB is 100 times faster). Oracle cannot effectively compensate transactions in process engines nor monitor business metrics of processes and feed data back into the model to further optimize process. WSMQ speed, high availability and programming languages support are superior to Oracle's.

## **Links**

[Demystifying The Confusion On Project Fusion](#)

[How to Compete Against Oracle 10g](#)

[Oracle - Infrastructure Solutions Competitive Sales Positioning Guide](#)



## **TIBCO's SOA Strategy**

TIBCO is attempting to define a new category of IT performance, called "Event Driven Architecture" (EDA), claim leadership and tie it with SOA, all in an effort to stay ahead of competition by being perceived as innovative. TIBCO seeks to deliver a complete range of integration solutions for companies defined as "predictive enterprises". The company has relied heavily on leveraging the analyst community and intends to focus its resources on a few key industries and keep its SOA message simple.

## **TIBCO's Market Position**

For 2004, Gartner-DataQuest positioned IBM with 27% market share in new license revenue for Application Integration Middleware (AIM). BEA and Oracle followed, with 12 and 8% respectively. TIBCO slipped to fifth with 4%.

## **Top 3 Messages TIBCO is attempting to convey with respect to SOA**

### **1) TIBCO claims only it can deliver a real-time enterprise architecture that provides more capabilities than its competitors.**

TIBCO Proof Point: TIBCO maintains its real-time enterprise architecture will address the technical capabilities needed to effectively cover SOA and EDA. The result they say will be an improved ability to support new and changing business objectives.

IBM Counter Point: Marketing slogans and buzzwords like "EDA", "Real-time", "Power of Now", "Predictive Enterprise" that TIBCO constantly invents, intending to leap frog the marketplace are really nothing new or different than what we've been delivering to our clients for quite some time. TIBCO doesn't offer an application server – crucial for SOA. TIBCO OEM's its Information Services Data Exchange and requires IDS Scheer's ARIS Toolkit for modeling

### **2) TIBCO likes to highlight its track record of helping customers successfully implement a real-time enterprise architecture.**

TIBCO Proof Point: TIBCO claims thousand of customers have been using TIBCO's infrastructure to provide service-oriented and event-driven capabilities in production for many years with many developing unique business services.

IBM Counter Point: Most of what TIBCO is describing has already been provided more effectively by IBM with numerous success stories to prove it: Guardian Life, Fireman's Fund, Wachovia all are achieving tremendous results.

### **3) TIBCO claims to be the leader in key SOA standards.**

TIBCO Proof Point: TIBCO is a member of the key standards bodies OASIS, W3C and WS-I, and is leading the effort to develop standards for both SOA and EDA. TIBCO is

proactively driving key Web services standards such as orchestration (BPEL4WS), security (WS-Security), and monitoring and management (WS-DM.) TIBCO Supports JBI Specification for SOA Interoperability with Project 'Matrix' SOA deployment platform 6/2005.

IBM Counter Point: IBM supports most if not all of these standards/projects as well. IBM has long history of contributing and leading open standards (Eclipse, Linux etc...). Also standards body activities and product support of those standards are two different things. As an example, there is no evidence that TIBCO supports BPEL natively, even though they are involved with the standards body for BPEL (BPEL4WS). TIBCO still ranks below IBM in its ability to influence Web services specification stack according to Gartner 7/2005.

## Silver Bullets against TIBCO

- TIBCO lacks broad industry SOA coverage: TIBCO is focused only on a few industries (FM, Healthcare, Telco). IBM covers many more industries and is able to provide true SOA differentiation by industry through our SOA Industry Accelerators.
- TIBCO's SOA solution is incomplete: TIBCO provides limited platform support, lacks an application server, and has no true modeling capability, relying instead on third party components. They have traditionally had a weak portal, as reported by Gartner, and the company's patchwork of acquisitions has led to overlapping functionalities and inconsistent interfaces.
- With TIBCO, your SOA investment may or may not be protected: Since forming in 1997, TIBCO has had numerous product transitions—adding, dropping or replacing at least 10 major components. These product discontinuities leave behind solutions that are difficult to support and can leave customers in a vulnerable position. The shifting direction of the product portfolio means increased investment risk for customers.
- TIBCO is struggling: CEO Vivek Randive - "we are painfully aware we've had two bad quarters". He blamed changes in clients purchasing behavior - longer sales cycles, due to procurements increased influence in deals and SOX. But many wonder if TIBCO can reverse the slide- *BusinessWeek* named it as possible take over candidate. TIBCO is struggling to adjust to low revenue high low volume business model. They are attempting to re-align their channel to a more indirect coverage model but this transformation isn't happening fast enough.

## Links

[SOA Offerings from BEA, SAP, Oracle, Tibco and Microsoft](#)  
[Tibco Results Show Need to Re-evaluate Products, Marketing](#)