

Rust Report

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

August 8, 2008

THE RUST BUCKET

Follow the leader

GLOBALISATION, fierce competition, the diverse workforce, the continuing explosion of information and technology, and economic and social upheaval are only a few of the signals from the marketplace that we must begin to heed.

Today's IT leaders must be self achievers and should be motivated to become role models. Complex events and chaotic developments are confronting IT vendors with a compelling mandate for change of unprecedented proportions — and not just any old change will do. In this world of turbulence and flux, no change short of profound transformation will suffice.

The Australian players have changed over the past 20 years — great leadership is rare today. Leaders now come in many forms and manifest themselves in many ways, and not in many places. IT leaders need to master different skills, the most important of them empathy, conversation, and risk management.

The difference between leading and managing differs from vendor to vendor and in many cases is difficult to distinguish from the outside. Several companies no longer have managing directors or country managers, just sales executives. We live in a world that is hard on leaders and is punishing vendors that are poorly led.

Like military leaders, IT leaders have different leadership styles. Some of the most celebrated past leaders in Australia, especially from the mega-vendors, were flamboyant, vocal, and daring. Now many are reserved, cautious, and not visible. We need to call for action from our industry leaders, academics, associations, and policy-makers to get on the same wavelength and to make real changes that will help drive continued prosperity in Australia.

The level of competition is higher than it's ever been. It's so much easier to get information about what the competition is doing and the older sources of competitive advantage have all but disappeared. These days sources of competitive advantage have more to do with the team, the way it is managed, and the way its members interact.

Good leaders are required in all fields. They must lead, motivate, and inspire others. Leaders should not rest in a comfort zone and be happy with whatever has been achieved so far. The constant urge for innovation is one of the most important leadership qualities. It helps leaders stay in tune with the times and face new challenges more effectively.

— Continued on page 2

Vietnam provides rich pickings for Aust tech

Two Australian companies — m2m Group and Entertainment Media & Communications (EMT) — are preparing to cash in on Vietnamese demand for technology products and services.

Profit Way Technology, a subsidiary of m2m, has been selected in partnership with the government-owned VTC Wireless Broadband Company to begin marketing VoIP products and services. VTC has 10 million existing subscribers and Profit Way has begun marketing its offerings under the newly-created aloVTC brand.

"Our partner VTC Group has tremendous reach in Vietnam, which in turn gives m2m an incredible access to the Vietnam market," said Michael So, CEO of m2m. "In addition, this business relationship with a major government organisation may provide additional opportunities for the m2m Group to expand its market penetration in Vietnam with other service offerings," www.m2mcorporation.com.au

EMT expects to be involved, through majority owned company Nexbis, in a contract to rewrite and manage a driving licence issuing system for the Vietnamese Ministry of Transport. The ministry has exchanged a letter of intent for a system that will issue about seven million drivers' licences a year.

John Houston, executive chairman of EMT, explained that Nexbis holds IP rights to the Nexcode national security application and products, which can be used to process bar codes printed on identity documents. www.emtcorp.com.au

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	
Being Green	Page 5
● Aussie firm goes global with carbon message	
By Association	Page 5
● ICT — Career of the century, says the ACS	
Rust e-Research	Page 6
● What the analysts said and did this week	
A VIP told me	Page 7
● Glen Rabie, CEO of Yellowfin	
Revolving doors	Page 8
● Who's in work and whose jobs they took	



Ingres Icebreaker BI Appliance powered by Jaspersoft

World's first open source business intelligence appliance
Complete ETL, Reporting & OLAP solution in a single install

INGRES The open source model you want, the enterprise strength you need.

[Click here for more information](#)

INSIDER EDITION

Indonesian telco wants Clarity

Indonesian telco PT Telekomunikasi Indonesia (PT Telkom) has awarded Australian company Clarity a third contract involving its operational support system. Raj Thangiah, Clarity's vice president of sales and marketing, said that Clarity now provides the telco with a single OSS platform used for inventory, provisioning, and assurance of all its networks and services. The latest contract covers metro-Ethernet services that are being rolled out with a next generation network.

"Clarity's metro-Ethernet solution will offer complete lifecycle management for delivery and support of next generation applications and services, such as IPTV, video-on-demand, voice-over-IP, storage extension, and disaster recovery," Thangiah said. www.clarity.com

Europe booming for iSoft solutions

iSoft, the UK subsidiary of Australian developer IBA Health, has secured contracts with a value of more than \$A14 million in the past month. The deals include six sales of hospital information systems in Germany, plus contracts for laboratory information systems in Germany and Russia, explained Gary Cohen, executive chairman of IBA.

On Australian turf IBA has completed the replacement of a patient administration system at private health services provider Cabrini Health. Web-based systems have been installed at six campuses, including two acute care hospitals, Cohen explained. www.ibahealth.com

Aussie developer excises paperwork

Canberra-based developer Hatrix is involved in a trial of paperless PBS prescribing at Epworth Eastern Hospital in Melbourne. In the trial medication charts, which act as PBS prescriptions at the hospital, are generated electronically in the ward or in a doctor's consulting room using Hatrix's MedChart software. A change in Federal legislation cleared the way for the trial to proceed. www.hatrix.com

RUST BUCKET

Continued from page 1

We all need to do more to remove any remaining barriers to getting our people involved in building the new IT industry and the new Australia. Over the next 10 years IT organisations will need to be very good at two fundamentally different tasks — delivery or managing the delivery of ubiquitous and commoditised services, and working with academia and business leaders to develop specialised technology services aligned with a business' strategic goals.

Every industry and profession goes through changes and the IT industry is no different. Just because a certain style or mindset worked in the past doesn't mean it will work today. To be a top leader or manager today and in the future, one needs to be constantly adapting to both market and social conditions.

— Len Rust RustOz@bigpond.com.au

ConnXion backs Big Blue contract

Australian company ConnXion has been sub-contracted by IBM to provide document delivery services to "one of Australia's largest mobile telecommunications companies". The services will allow the telco's customers to opt to receive bills via e-mail, including personalised messages, special offers, and electronic inserts, explained David Colvin, CEO of ConnXion.

"Globally the telco has said that its aim is to develop and deliver new wireless services for people who want the freedom and flexibility to communicate and access information anywhere, any time. Our service will assist them to achieve that aim," Colvin added. www.connxion.com

SA schools trial Aussie learning pack

Thirteen schools in South Australia are about to begin a trial of education systems developed by Etech, an Australian developer with its HQ in Hobart. The schools will use the Studywiz ePortfolio system in support of the State Government's Future SA Certificate of Education, explained Geoff Elwood, CEO of Etech. "It will provide students with a safe and monitored media-rich online learning space to showcase personal progress and achievement," he said. www.etechgroup.com

Objective scores SA authority

Sydney developer Objective Corporation has been selected to provide an electronic content management system to the SACE Board of South Australia, a statutory body involved in educating students in senior secondary education. www.objective.com

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

INSIDER EDITION

Continued from page 2

Aussies run firefighter games

Queensland company Emu Design has been selected to provide technology for the World Firefighters' Games in the UK. Emu will provide its games management software and will manage online registration technology for the games, which begin on August 24, explained Scott Hutchison, managing director of Emu Design. www.emu.com.au

NAB takes Guava, and Oracle

National Australia Bank has selected the Guava Suite from Perth-based developer CCK Financial Solutions to handle the structured notes business in its group treasury. www.ckk.com.au

The bank has also picked Oracle as its partner for the first phase of its next generation platform strategy. The strategy involves the replacement of the bank's core banking systems over the next five years, explained Michelle Tredenick, NAB's CIO for Australia.

Orders & Installations

- Talent2 has been selected to provide payroll services to the NZ Ministry of Education from 2010. To meet the specs of the deal, which involves paying 110,000 people, Talent2 will develop new processing centres in Wellington and Christchurch, said John Rawlinson, CEO of Talent2. www.talent2.com
- Petroleum wholesaler and retailer Lowes Petroleum Service has selected the Atlas Fuel software suite from Advanta Software. The software will replace systems that Advanta installed in 1998 and which became the precursor to Atlas Fuel. www.advantasoftware.com.au
- Networking specialist Audinate has claimed a success after providing audio systems to World Youth Day gatherings at Sydney's Randwick Racecourse and Hungry Mile last month. The company used its Dante technology to connect a central mixing desk with remote speakers via Ethernet. "Dante is being used in a growing number of large live events in Australia, the US, and the UK," noted Aidan Williams, CTO of Audinate. www.audinate.com
- Australian solutions development consultancy Glintech has completed its involvement in development of an interactive Web site for the State Library of NSW. The site was the largest ICT project ever undertaken by the library, claimed Glintech's Anthony Wang. www.glintech.com

Aussies worth watching**A roundup of companies making waves at home and abroad**

- **SMARTSPEAK** provides a range of managed services, all involving interactive speech, and including hosting dynamic text-to-speech, speech recognition, and interactive call flow services. The company operates in Australia, New Zealand, and Singapore and claims to have worldwide clients among the leading 200 businesses. www.smartspeak.com.au
- **PICNET** provides a range of services, including software development, infrastructure management support, business continuity consulting, and project management. The company's Risk Shield risk management system enables the formulation of methodologies to assess and mitigate risks. Clients include Pfizer Australia, Defence Maritime Services, Fuji Xerox, Milestone Group, and Novartis. www.PicNet.com.au
- **LEADING SOLUTIONS** offers solutions to Australia's major corporations, banks, hospitals, government departments, education authorities, and SMBs. The company's focus is on premium infrastructure solutions, software services, engineering services, and support services. www.leading.com.au
- **KOBOLD** provides professional services in the management of specialist engineering, logistics, and project management. Specialist consultancy activities include business modelling, performance measurement, business process re-engineering, contracting and outsourcing strategy, maintenance, and engineering. Clients include Boeing, Virgin, Australian Aerospace, Transurban, Department of Defence, and the Queensland Government. www.kobold.com.au
- **EL CONSULT** provides executive search, executive leasing, employment process outsourcing, and HR consulting. The company's EL BLUE takes over back-office employment and provides industrial relations, safety, payroll, recruitment, productivity, and training. The company has offices in Australia, Singapore, Hong Kong, and China. www.elconsult.com
- **NETAGI** focuses on the development of CMS and related support product extensions. All development is undertaken in Australia with the express purpose of being able to run on any platform. The NETAGI Apline CMS and Apline applications have been used by governments, corporations, industry associations, and small business clients. www.netagi.com

Who are your peers making a difference to our ICT industry?

Nominate a colleague, nominate yourself, for the
2008 NSW State Pearcey Award

Thursday 11th September 2008 Westin Hotel, Martin Place, Sydney

For criteria and nomination form visit www.pearcey.org.au

Pearcey Foundation Inc



DEALMAKERS

Brennan enters NetSuite OEM deal

Technology solutions provider Brennan has entered an original equipment manufacturer's agreement with US developer NetSuite. Under the terms of the deal Brennan will extend NetSuite's integrated business management solution with business application modules. The two companies also have plans to launch a jointly branded, integrated solution for mid-sized companies, explained Dave Stevens, managing director of Brennan.

"We reviewed the market carefully and NetSuite is the only vendor offering a complete, integrated software-as-a-service delivered business management solution that includes all of the functionality that mid-sized businesses require," Stevens added. www.brennanit.com.au

Extend buys Microsoft expertise

Privately-owned SAP solutions provider Extend Technologies hopes to extend its reach after acquiring a Microsoft solutions team from "a major Australian systems integrator". The deal will allow Extend to "open Windows into SAP", claimed Max White, CEO of Extend.

"Many of our clients want to leverage their investment in Microsoft for selected business scenarios. The benefits for clients of combining the two platforms are extraordinary," White said. www.extendtec.com.au

Iress buys dealer system developer

The wealth management software division of Australian developer Iress has acquired Dealer Management Systems, which provides commission processing and dealer-payment software. "This acquisition immediately broadens Iress' provision of remuneration management and dealer pay systems, and provides immediate synergies with our next-generation commission product, CommPay," explained Andrew Walsh, general manager of Iress Wealth Management. John Brabender, CEO of DMS, will stay with Iress for three months. www.iress.com.au

Aria to distribute ShoreTel

Australian company Aria Technologies has been appointed a national distributor of unified communications solutions from US supplier ShoreTel. www.ariattech.com.au

Yellowfin adds value to Sybase

Australian business intelligence specialist Yellowfin has entered a technology partnership with Sybase. Under the terms of the deal Yellowfin will work with Sybase to sell the IQ database with a front-end BI presentation layer and user interface developed by Yellowfin. The companies have already jointly implemented systems for NZ payment transaction company Paymark.

"We have specifically focused on tailoring the Yellowfin solution for Sybase IQ to link an extremely fast analytics server to a BI solution that makes mass data deployment easy and cost-effective," explained Glen Rabie, CEO of Yellowfin. "Sybase retains the relationship with its corporate client . . . whilst Yellowfin gains a much larger potential revenue pipeline," Rabie added. www.yellowfin.bi

Aussie builds on InterSystems

Australian developer Replica Data Security has launched a security "system on a stick" that it has built on top of the InterSystems Cache object database. "ReplicaUSB allows rigorous information security policies to be extended to what is often the most vulnerable information held by organisations — mobile data," explained Mike Malone, CEO of Replica.

"With our solution executives, professionals, and government officials can confidently carry highly sensitive information without running the risk of security breaches or data loss due to lost or stolen laptops or the inability to securely backup data," Malone added. www.replicadatasecurity.com

Business Briefs

- Infotronics Software has been appointed a distributor for British company IGEL Technology, which provides a range of thin client products in the desktop virtualisation arena. The devices scale from entry-level PC conversion cards to integrated LCD/thin clients and rugged tablets for medical and warehouse markets. www.infotronics.com.au
- Identity management specialist Argus Solutions has raised \$A200,000 for offshore market activity, primarily in the US. The placement was led by Scintilla Capital. www.argus-solutions.com
- Professor Mary Kane has completed a review of Australia's co-operative research centre program. Her report is available at www.innovation.gov.au/innovationreview
- Ebook Library, a division of Perth-based company Ebooks Corporation, has joined forces with global bookseller Mallory International to promote and develop a market for e-books in libraries throughout Africa. www.ebooks.com



BEING GREEN

Aussie firm takes message global

Sydney-based company Supply Chain Consulting has joined forces with US company Kepner-Tregoe (KT) to offer a carbon abatement and offset service to customers around the world. Under the terms of the deal KT will use Supply Chain Consulting's CarbonView product as a complement to its own operations improvement services and to track recommendations on carbon abatement at customers' sites. KT will also implement CarbonView at its operations in Australia and the US.

"Together we will help their customers measure, manage, and implement innovative strategies for addressing carbon accounting and climate change," explained Tony Carr, CEO of Supply Chain Consulting. www.supplychain-consulting.com

WA maker wins green PC prize

WA company EDsys IT has won a prize for building Australia's greenest PC. The contest, organised by Western Digital and Gigabyte United, attracted more than 50 entries from retailers and systems integrators around the country. All entries were tested on performance and electricity consumption.

"Our industry as a whole generates an enormous amount of waste and it is up to all of us to take a proactive role in doing what we can to reduce our environmental impact," said Greg McDougall, general manager of EDsys. www.edsys.com.au

IBM makes \$400m push into clouds

As a component of its Project Big Green push to reduce the power consumption of data centres, IBM has announced it will spend almost \$US400 million building data centres in North Carolina and Japan. The facilities will become delivery centres to power a cloud-like computing system and will provide businesses with unparalleled access to "immense pools of Internet-scale computing technology capable of supporting cloud environments", said Willy Chiu, vice president of IBM's higher performance-on-demand solutions.

"Cloud computing is fundamentally about re-engineering the world's computing infrastructure to enable game-changing — even life-changing — applications," he added. www.ibm.com

- While IBM is betting a huge amount on cloud computing, a US study undertaken for DataSynapse has indicated that users believe integration with existing architecture is the biggest challenge holding up the introduction of the technology. www.datasynapse.com

BY ASSOCIATION

ICT – Career of the Century

By Kumar Parakala*

MANY HANDS make light work . . . or maybe they just allow you to do more. That was certainly the case with the inaugural ICT Careers Week late last month, which set a new milestone for co-operation between the ACS and AIIA, along with valued support from ITCRA and other industry groups, companies, universities and government agencies.

Designed to stimulate new interest in ICT careers in the wake of a 66 per cent fall in university enrolments between 2001 and 2007, ICT Careers Week is an important plank in the industry's strategy to address the skills shortage.

The week-long national expo of workshops, competitions, functions and interactive experiences combined the considerable resources of scores of organisations to showcase the many and varied career options available in ICT. There truly was something for everyone, with more than 100 events spread across every state and territory.

Demand for ICT professionals has never been higher both in Australia and overseas, translating to attractive salaries of up to \$A62,000 for new graduates. Add to that the many and varied career options, since ICT is now fundamental to so many other industries, the chance to be part of a visionary profession that is shaping and creating our future, and the wonderful opportunities for travel and international recognition, and ICT as a career is hard to beat.

A recent report on the top 20 most recession-proof professions by US recruitment firm, JobFox, identified ICT roles for six of the top jobs with ICT the biggest winner overall. The skills most in demand and most likely to enjoy strong security in coming years were: software design and development; networking and systems administration; software implementation analysis; testing and quality assurance; database administration; and general IT management with cutting edge mobile ICT and Web 2.0 skills.

The Australian Government is increasingly recognising that ICT is the way of the future.

Not only is technology a key enabler and productivity driver for every other sector, including business, retail, government, manufacturing and more, but ICT also represents our best chance to address environmental and social challenges like global warming, growing water shortages, and the challenges of overcoming geographical isolation to deliver medical and educational services to the bush.

The ACS looks forward to seeing ICT Careers Week become an annual event as we encourage more young people to embrace the most exciting and rewarding career of all.

**Kumar Parakala is Chairman of the ACS and Global COO for IT Advisory at KPMG*
www.acs.org.au

To advertise here

Contact Len

RustOz@bigpond.com.au

0413 588 728

RUST e-RESEARCH

Rise in disgruntled user numbers

More than 50 per cent of users will be dissatisfied with the slow rate of IT change in their enterprises by 2013, up from 30 per cent in 2008, according to Gartner.

Gartner predicted that users' dissatisfaction with the speed of enterprise IT change will worsen in the next five years as users' willingness to use Web-based alternatives over and above what their IT organisation directly provides (already a significant factor) continues to rise and user skill levels and comfort with using technology rises for employees of all ages.

User satisfaction is likely to further deteriorate as the "digital generation" constitutes a larger portion of the workforce and enterprises wait longer to invest in "softer" technologies, such as social software, because results are less tangible than more traditional process- or data-oriented tools.

In March 2008, Gartner conducted a detailed survey of IT professionals in 360 US-based enterprises to understand more clearly what workplace technologies (including social software and new communication and collaboration tools) they were investing in and why.

Gartner found that the rate of adoption of "optional" technologies inside the enterprise follows the same pattern seen with the rate of adoption of technologies outside the enterprise. These findings suggested that there are ways to speed adoption, but only if IT planners recognise the fact that different users have different wants and needs for technology.

"What would appear to make life easier for the IT organisation can needlessly raise user dissatisfaction," said Gartner's Tom Austin. "Strategies to deploy technology uniformly everywhere often don't work as some users have to wait too long for new technology but technological progress comes too rapidly for others."

Austin warned against an IT organisation relying too much on the solution of uniform deployment. Austin said that a more refined segmentation model, combined with a progressive, selective implementation approach can lead to more effective deployment of technologies and higher user satisfaction scores across the enterprise.

What users want on mobile phones

Digital camera functionality, Bluetooth connectivity, and music/radio playback on mobile phones are the top three features that consumers consider essential for the next mobile phone they will purchase, according to a recent ABI Research survey of 1,402 wireless subscribers in seven countries.

The desire for camera phones with more than two mega pixels leads the pack with 47 per cent of consumers listing this feature as a "must have", followed by Bluetooth at 34 per cent and music/FM radio functionality at 32 per cent.

However, survey results identified some differences between markets, noted Clint Wheelock, ABI's chief research officer, "Camera phones, for example, were more than twice as important for consumers in Taiwan as for those in the US. Similarly, Bluetooth is considered essential by mobile subscribers in Western

Europe and Taiwan, but penetration of this feature is very low in Japan and South Korea, so it's of little importance to consumers in those countries".

Other key findings from ABI Research's global wireless consumer survey were:

- "It's still a voice-centric world," said Wheelock. Consumers across all mature markets still choose their mobile operator based on "the basics": price, friends/family on the same network, and network coverage.
- The three most common features that subscribers have on their current mobile phones are: games (64 per cent), Internet access (61 per cent), and two mega pixel — or more — cameras (58 per cent).
- Games and Internet access are also high on the list of features that subscribers have on their phones, but never use, adds Wheelock, "Many mobile data and multimedia services are failing to reach the mainstream not because they're unavailable, but because they fail to provide a satisfactory user experience and pricing model for most consumers."
- The handset features that are least likely to be regarded as essential are: Wi-Fi, mobile TV, and games.

An ABI Research brief, *Wireless Subscriber Profiles and Preferences*, provides an analysis of survey results from adult mobile phone users in seven countries: the United States, the United Kingdom, France, Germany, Japan, South Korea, and Taiwan. The Web-based survey, which was conducted in 1Q08, captured details of respondents' mobile phone usage patterns; purchasing behaviour; satisfaction with operators and handsets; and attitudes about a variety of voice, data, and multimedia services.

Mid-sized buyers want quicker sales

The mid-market is the fastest-growing segment of the IT industry, yet mid-market buyers are being poorly served. A recent IDC study that surveyed more than 4500 members of its business-to-business panel, quantified the level of satisfaction of mid-market customers with the sales engagement practices employed by their IT products and services vendors.

"The standard assumptions regarding mid-market buyer engagements are no longer valid. These buyers are more savvy, more technical, and more impatient than most sales organisations realise. Not only do they want a shorter sales cycle, they want more contact with technical resources, not more time with sales reps. To serve this segment profitably, vendors must balance investments between outbound sales reps and phone-based and online resources, without giving up the relationship management that both reps and marketing automation systems can provide," said Lee Levitt, director, of IDC's sales advisory service. "The good news is that this strategy will support better territory and individual account coverage."

The IDC survey showed that many of the shortcomings mid-market buyers saw revolved around poor communication, which can be easily corrected with training, coaching, and effort.

RUST eRESEARCH

Continued from page 6

Every buying organisation had different expectations, and too often field sales failed to ask customers what they wanted or make an effort to understand their needs. Buyers also gave sales reps poor marks on follow-up and follow-through, finding that responses to their inquiries were often incomplete or inaccurate.

With a growth rate significantly higher than the enterprise market, mid-market competition will only become fiercer. Organisations that work smarter and focus on turning every point of contact into a meaningful point of value will thrive. Others, during tougher economic times, will see opportunities stall, or go away, won by those who listen and match their communication, sales skills, and processes to the needs of the mid-market buyer.

Dangers in Telstra's separation

Naïve approaches to the issue of Telstra separation could do serious damage to the Australian telecommunications industry, according to David Kennedy, research director at Ovum.

Since British Telecom (BT) separated its access network and wholesale division back in 2005, operational separation has been held up as a model. Subsequently, Telecom New Zealand has been through the same process. Ovum's view is that separation is always a local solution to local problems. And it is not essential to success. France, for example, hasn't adopted separation as policy, but it is a fibre-to-the-home (FTTH) leader in Europe.

Overseas policies cannot simply be copied into the Australian market, which has many significant differences from the UK and New Zealand. Operational separation might be implemented in Australia, but before that could happen a lot of hard work would need to be done to identify the right approach.

"The reality is that we haven't even begun to do this work. It's important to remember that operational separation also has costs. When the NZ Government announced its 2006 package of reforms, which included operational separation, Telecom NZ's share price dropped around 30 per cent," Kennedy said.

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

A VIP TOLD ME

Glen Rabie

Chief executive officer of Yellowfin

RUST: Please begin with an overview of Yellowfin
RABIE: Yellowfin was established in Melbourne in 2003 by partners Glen Rabie and Justin Hewitt. Having come from a business intelligence background they recognised that the cost and complexity of traditional BI tools restricted them from being rolled out to the broader user community.

Web-based BI tools were also in their infancy at the time and the founders believed that there was a major gap in the market – a BI solution that made mass deployment easy via a functionally rich, easy-to-use Web interface. Yellowfin has subsequently invested heavily into this space both from a technology and marketing perspective.

In Yellowfin 4.0, launched on August 1, we have incorporated location intelligence, which allows organisations to introduce location-based reporting into the business decision-making process without requiring geographic information systems expertise.

RUST: Describe the competitive landscape.

RABIE: Unlike other sectors, such as the database market, the BI sector is not highly saturated. Five major BI providers represent 70 per cent of the market with the remaining 30 per cent allocated to more niche specialist BI players – of which Yellowfin is one. It is from these smaller, more agile players that analysts expect the major innovations in the sector to come from.

For Yellowfin the market opportunity is based upon the idea of pervasive BI. This means delivering BI applications to thousands, not tens of users. Traditional platforms with limited Web delivery or high complexity are struggling to meet this need.

RUST: Who are some of your current customers and partners?

RABIE: The company's initial customers were Corrs Chambers Westgarth and Telstra in Australia, Plumbing World in New Zealand, and AlterPoint in the US. The company has experienced a phenomenal 300 per cent growth for each of the past two financial years and more than 80 per cent of our revenue comes from sales in Canada, China, Germany, Hungary, India, Japan, Malaysia, New Zealand, Sweden, Thailand, the UK, and the US.

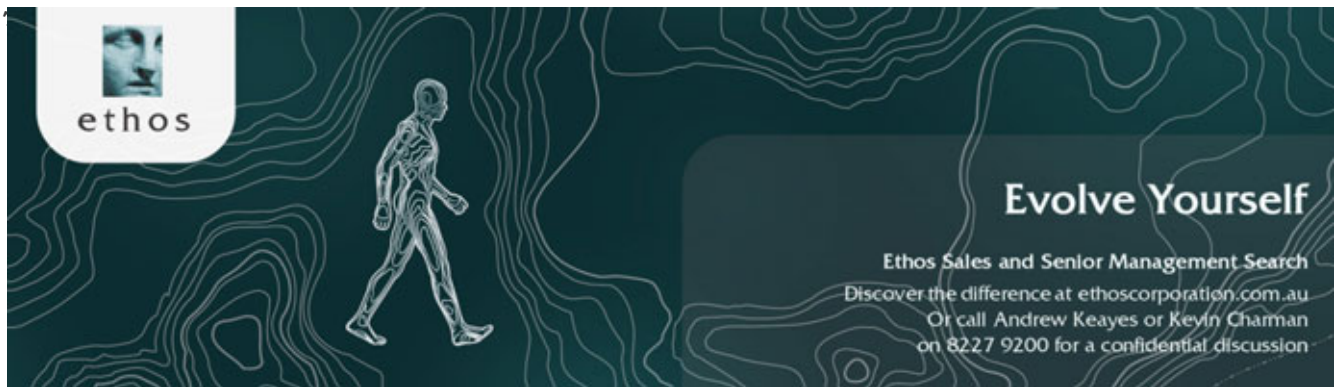
Yellowfin now has more than 40 partners in Australia, New Zealand, North America and Japan with a combined total of over 300 direct and indirect customers across a diverse span of industries and geographies.

RUST: What industry challenges will the BI sector face in the next two years?

RABIE: The major challenge in the marketplace is the steady march towards pervasive BI. Oracle has recently come out to say that it sees BI as the next ERP. Depending how you read this it might not be a such good thing, but the intent that BI is the next major infrastructure requirement for all business is accurate.

For vendors such as Oracle, SAP, and IBM this has clearly been the driver for their recent acquisitions of Hyperion, Business Objects, and Cognos. However, the question is can they fulfil the expectations of the market? Probably not.

I think in the next couple of years we are going to see a number of new vendors emerge in the market that do fulfil the demand that is there.



REVOLVING DOORS

Social network lures Google man

The Friendster online social network has appointed Richard Kimber CEO and a member of the company's board. Kimber was most recently Google's regional managing director for South Asia, based in Sydney, and is doubtless well known to many readers of *The Rust Report*. At Friendster Kimber will replace Kent Lindstrom, who will remain with the company.

Before joining Google Kimber was CEO of FirstDirect Bank in the UK, a subsidiary of HSBC Holdings, where at one stage he was head of personal e-business. He also worked for Westpac, as associate director, and for a number of other banking companies.

Simon Baker leaves REA Group

Simon Baker has parted company with the REA Group, where he had been managing director and CEO. Georg Chmiel has been appointed acting CEO until a replacement can be located.

"Over the past seven years REA has grown from a single Australian Web site into a world-leading online property company with operations in 10 countries," noted Richard Freudenstein, chairman of the group. "Now the board feels it is time for new leadership to take the business to the next level."

It is expected that the group will soon announce that in its 2007/08 financial year it lifted revenue by more than 40 per cent to between \$A152 million and \$A156 million, and EBITDA by more than 50 per cent to between \$A35 million and \$A37 million.

Petts joins smartphone maker

Anthony Petts has been appointed director of sales and marketing at the Australia and New Zealand operation of Taiwanese smartphone manufacturer HTC. Petts was previously with Ericsson Australia with responsibility for multimedia solutions. Prior to joining Ericsson Petts was business development manager for Vodafone's Mobile Data Division, and he has also worked for Breakthrough Communication and Motorola.

Rigney moves to GetPrice.com.au

Matthew Rigney has joined online comparison shopping site GetPrice.com.au as sales director. He was most recently with Fairfax Business Media, and has also worked for *PC World* magazine and *GamePro*.

Rigney claimed that online shopping was further advanced in North America and Europe than here, but it was only a matter of time before Australians moved en masse to shopping online. "Australian shoppers are finding better value online," he said.

Mooter rings the changes

Following Findlay & Co's recent investment in Mooter Media, CEO Paul Siminsky has left the company, director Greg Thomson has taken on an executive role, and Findlay appointees Dean Jones and Simon Meadmore have joined the board.

"The company has refocused the business and has established the foundation for the commercialisation of the Mooter adVantage platform," explained Stephe Wilks, chairman of Mooter. "The board is now looking to build on that work and will review options to strengthen the executive team to effect the exploitation of the platform."

Mastersoft recruits Dell director

Mark Troselj has been appointed general manager, enterprise solutions, Australia and NZ, at Australian CIS developer Mastersoft. He was previously APJ director of Dell's software sales group in Singapore, prior to which he worked in Sydney as NSW general manager for Sun Microsystems. He has also worked for SAP and Telstra.

Malcolm Pooley reaches for the Sky

Malcolm Pooley has returned to the ICT industry with software vendor and SAP partner Sky Technologies, which is headquartered in Melbourne. In his most recent activities within the industry Pooley was with Informatica, where he spent time developing the Informatica/SAP alliance, prior to the acquisition of Business Objects.

In his new role Pooley will manage Sky's customer and partner base in NSW, ACT, and Queensland.

Datacom bolsters Vic operations

Australasian professional services company Datacom has recruited Andre Rencontre and Warren Spier to its Victorian branch.

Rencontre, who is now general manager of technical services, was previously with a different professional services company.

Spier, now business manager for service management, was previously with CSC.

Zonneville and O'Donnell open shop

Sydney-based recruitment specialists Peter Zonneville and Martin O'Donnell have set up a recruitment company, SustainAbility, to specialise in executive recruitment in the ICT and finance sectors. Zonneville was previously with Candle ICT in NSW, while O'Donnell was with Charterhouse.