

Rust Report

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

February 26, 2010

THE RUST BUCKET

Ring in the new

During our recent roundup of Australian technology companies reporting their half year results we had an opportunity to take stock of their likely 2010 activities.

The market has seen some interesting developments over the past 12 months, with an increasing number of vendors ramping up their consulting capabilities. Recognising the opportunities in the market, vendors have also been increasing their onshore and offshore activities.

Acquisitions further demonstrated the determination of vendors to gain increased onshore presence, allowing them to climb further up the value chain. However, while market conditions have given way to some market opportunities, longer sales cycles and more cautious IT spending could prevail and affect programs if the economy fails to pickup.

The large Australian system vendors have been buying up niche services companies left, right, and centre. The value in this is a shift to a stronger relationship-based model that is becoming far more widespread in the services world. As a result we could see many services companies competing head-to-head with hardware and/or software vendors.

If the real value comes from these utility-like services companies, how do they differentiate themselves from a software company which also provides service and hardware, or even a services company that has established partnerships to provide products? And the giants of India Inc are also moving into markets where they previously had barely a toehold. The marketplace challenges in 2010 are expected to come from many quarters.

The market continues to present a plethora of opportunities and the key to unlocking many of the opportunities is investment in innovation and people. No-one is likely to remember the past year fondly, but the truth is that things could have been much worse.

Now, though, it's no longer sufficient just to batten down the hatches. Vendors need to take advantage of the opportunities on offer — and to think about the long-term challenges to the way they do business.

The Australian industry landscape is a free-for-all of clashing and competing business models fuelled in many areas not just by technical breakthroughs but by entrepreneurial zeal. Strategies and approaches differ widely, influenced mainly by history, experience, gut instinct, and, of course, by current customer bases.

The larger issue according to many of the industry players is specialisation versus generalisation. The challenges are daunting but now a premium must be placed on an unwavering focus and that focus must be on innovation and/or domination of the chosen sectors.

Continued on page 2 >>

SA technology ramps up for Haiti aid effort

South Australian company Codan has fast tracked manufacture of its wireless communications equipment to meet additional orders from UN and other aid agencies operating in Haiti. In the wake of the recent devastating earthquake the company's equipment has been used in relief efforts by a range of organisations, including the International Red Cross, Medecins Sans Frontieres, and Oxfam.

"The country's capital city and its major infrastructure were decimated, with all telephone and other land-based communications completely destroyed," explained Mike Heard, CEO of Codan. "In such environments reliable and effective wireless communications is paramount." Heard added that Codan's equipment is delivering fast, simple, and reliable voice communications to the agencies.

www.codan.com.au

Mikoh tests Asian marketplace

Under the guidance of transitional CEO Dr Paul Scully-Power (Rust Report, Feb 19, p8) Australian technology developer Mikoh is venturing into the markets of Asia in its own right. The company has opened an office in Singapore from which it will provide business and program management support for its regional activities, Scully-Power said.

Marketing and communications specialist Stefanie Goh has been recruited as Mikoh's full-time business development and program manager for the region. She has worked with Mikoh over the past 13 months to build important customer relationships.

"As Asia is a burgeoning market opportunity for Mikoh — particularly for automatic vehicle identification/electronic vehicle registration — we are committed to providing a strong and accessible full-time presence in the region," Scully-Power added.

www.mikoh.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	
A VIP told me	Page 5
● Andrew Wood, CEO of Razor Risk Technologies	
Rust eResearch	Page 6
● What the analysts said and did this week	
By Association	Page 7
● Data explosion demands attention, says ACS chief	
Revolving doors	Page 8
● Who's in work and whose jobs they took	

INSIDER EDITION

Yellowfin breaks into Philippines

Victorian business intelligence specialist Yellowfin has broken into the Philippines market through a deal to supply the country's largest telco, Globe. The deal was negotiated by Yellowfin's recently appointed distributor, Techwave.

Glen Rabie, CEO of Yellowfin, said that Globe will use Yellowfin's executive dashboards across its entire organisation. "The dashboards will provide insight into where revenue fall-off needs to be addressed, where the most profitable customers are located, and where the most effective cross-sell opportunities are located," Rabie said. www.yellowfin.bi

eServGlobal extends reach in Globe

eServGlobal, an Australian company that provides management solutions to telcos, has also been involved with Philippines company Globe. The Australian operation's HomeSend remittance platform has been selected to provide links between Belgacom International Carrier Services (BICS) and G-Xchange, a mobile commerce subsidiary of Globe, explained Katia Hilal, marketing director of eServGlobal.

The HomeSend service, created by eServGlobal in partnership with BICS, allows a user to transfer money via a mobile phone to a GCash subscriber. "This new co-operation provides increased choice and convenience for Filipinos living or working overseas when sending money home to their families and friends in the Philippines," Hilal said. www.eservglobal.com

RUST BUCKET

Continued from page 1

The IT market is also experiencing an imbalance of labour supply and demand across various fields; there is currently a major requirement for skilled and senior level IT professionals. Several vendors indicated they were looking offshore again to fill positions as quickly as possible.

Technology services providers are also rethinking and retooling their sales forces to address an increasingly complex service product set and different buying cycles. Companies that were holding off increasing their sales ranks in 2009 are now more confident, while experienced sales people who sat tight during the recent economic fallout are now looking for new opportunities.

— Len Rust RustOz@bigpond.com.au

QMastor extends New Caledonia deal

Australian developer QMastor, has been awarded a contract extension by Societe Le Nickel (SLN), a division of the French Eramet Group. The deal requires the provision of Qmastor's Pit to Plant and iFuse systems for the management of SLN's nickel ore supply chain in New Caledonia, explained Trent Bagnall, managing director of QMastor.

The latest contracts cover software licensing, services, support, and maintenance for five years. www.qmastor.com

ISS wins Woodside renewal

WA-based developer ISS Group has won a contract extension covering the use of its BabelFish data collection and collation products and associated services by Woodside Energy. "The five-year agreement will support the continued use and expansion of the BabelFish suite of products as Woodside moves into a new phase of growth and development," a spokesman explained. www.issgroup.com.au

Pro Medicus wins radiology deal

E-health company Pro Medicus has been awarded a \$A2 million contract to provide its entire suite of software and services to Southern Radiology, which operates nine practices in the inner suburbs of Sydney.

David Chambers, CEO of Pro Medicus, said that the technology will enable Southern Radiology to be the first company of its type to provide referrers with the ability to access, view, and manipulate their patients' images remotely. Once deployed the system will cater for the full range of practice management and clinical reporting functions, including primary diagnosis in both 2D and 3D, as well as image archiving and distribution, Chambers added. www.promedicus.com

TechOne keeps NSW council green

Penrith City Council on the western flanks of Sydney has begun using software from Queensland developer TechnologyOne to monitor its carbon emissions and water use.

The council, already a user of applications provided by TechOne has been supplied with the Financials software to create a new ledger for its environmental budget, explained Adrian Di Marco, executive chairman of TechOne. www.technologyonecorp.com



Call your accountant, bank relationship manager or IT service provider for your free guide to next generation software or **1300 288 224** or www.attachesoftware.com

"Essential reading in today's tighter economy"



Inadequate financial software is one of the main reasons why businesses struggle in tighter economic times

INSIDER EDITION

Continued from page 2

Jeweller runs with Aust POS

Pandora Jewelry, an Australian chain of about 30 jewellery retailers, has implemented the AdvanceRetail point-of-sale system from 3Q Holdings for use by all stores. Pandora will also implement the AdvanceCard gift card system, integrated with the POS system, explained Mark McGeachen, CEO of AdvanceRetail, which is a part of 3Q Holdings. www.threeq.com.au

Queensland takes a look at Squiz

Australian Web content management specialist Squiz has helped the Queensland Department of Justice and Attorney General migrate Web content from multiple departments into a single Internet and intranet system. The project involved more than 15,000 pages and the use of Squiz's open source MySource Matrix content management system. www.squiz.com.au

Mapmaker cracks local govts

NearMap, a photographic mapping company acquired by technology commercialisation specialist Ipernica (Rust Report, July 25 2008, p4), has made its first sale in the government sector to the City of Swan in Perth. The city is finding a number of uses for the company's PhotoMaps service of geocoded photo mosaics, a spokesman said. "The more we use it the more we see uses for the product," he added. www.ipernica.com

Orders and Implementations

- The West Australian Public Trustee has awarded Unisys a contract to support and enhance its Management Accounting Trust Environment application. Unisys had previously modified the nine-year old application. www.unisys.com.au
- Digga, an Australian manufacturer of gearboxes and other equipment for earthmoving machinery, has awarded Lawson a contract for the provision of the QuickStep Manufacturing ERP system. www.lawson.com
- Australian Unity has selected the Sword Ciboodle suite of CRM applications to manage its customer interaction management and workflow. www.sword-group.com
- IT service management specialist Axios Systems has been selected to provide its Assyst product to the University of Queensland's Institute for Molecular Bioscience. www.axiossystems.com

Aussies worth watching

A roundup of companies making waves at home and abroad

- SURFIT is part of Ideas Systems, which provides lifestyle content for the surfing, fishing, snow and skating sports. SurfIt Axis controllable, live cameras are set up at several NSW beaches with locations being added all the time and additional content is provided by paid reporters. Content can be accessed via the Internet or iPhone. www.surfit.com
- RAULAND AUSTRALIA provides integrated communication nurse-call systems and patient entertainment systems for hospitals and schools throughout Australia. Rauland Australia has offices throughout Australia and a customer base of more than 150 hospitals. www.rauland.com.au
- MANAGENET provides outsourced services and data centre infrastructure for organisations with mission-critical IT operations. The company's services ease clients through all phases of their IT initiatives, including system planning, application development, implementation, infrastructure management, and hosting. ManageNet runs data centres in Sydney and Melbourne and has partnerships with multinationals such as VMware, Microsoft, Novell, Fortinet, Commvault, Dell, Cisco, and HP. www.managenet.com.au
- WebFM provides online software solutions and consulting services for the construction facility industries. The company's OMTrak product creates electronic operations and maintenance manuals, also known as facility manuals, for building infrastructure projects, while its MPlan product delivers a facility maintenance planning solution. www.webfm.com.au
- INTERNETRIX is an Internet development and consulting company. Its Freestyle content management system is accredited by Google's Website Optimiser Technology Partner Program, and the company provides services such as creative, implementation, performance, and infrastructure, and its clients include the NSW Medical Board, NSW Department of Commerce, University of Wollongong, and Group GSA. www.internetrix.net
- IDEAS INTERNATIONAL supplies comparative intelligence on enterprise infrastructures. Its technology is made up of a suite of tools, mostly Web-delivered, that enable vendors and end-users to perform comparative analysis on computer servers; storage; virtualisation and consolidation; and software and infrastructure services. www.ideasinternational.com



Serious about offshore software development?
Come to Bali

Mitrais. Indonesia's largest software developer

mitrais
continuous commitment

Bali
info@mitrais.com
www.mitraissoftware.com

DEALMAKERS

iSoft picks up Belgian technology

Australian health systems developer iSoft has acquired Belgian developer UltraGenda, which provides scheduling software. iSoft has paid out \$A12.4 million in cash for the acquisition, with a further \$A3.8 million dependant on performance.

"The deal provides iSoft with an enterprise-wide multi-resource scheduling software solution that enables healthcare organisations to schedule and manage appointments and resources to improve efficiencies within multiple operational provider facilities," explained Gary Cohen, executive chairman of iSoft. The UltraGenda software is already integrated with iSoft's hospital systems at a number of sites in the UK and Netherlands.

"The deal is part of our strategy of building a comprehensive portfolio of solutions that can be leveraged across our global footprint, as well as providing an immediate boost to our Lorenzo roadmap," Cohen added. www.isofthealth.com

SMS buys Aussie CRM specialist

SMS Management & Technology has agreed to acquire Bright Blue Solutions (www.brightblue.com.au), an Australian company that provides consulting services for Oracle's Siebel CRM and BI applications. When the deal is complete Lachlan Hanly, managing director of Bright Blue, will head SMS's CRM practice. Co-owners David Wong and Matthew Yoon will also move to SMS.

Tom Stianos, CEO of SMS, said the deal provides SMS with 37 specialist consultants and a new capability in CRM and salesforce automation. "The capabilities that Bright Blue brings to SMS are well aligned with our existing business and technology practices," Stianos noted. "With the market for CRM and sales force automation forecast to grow by nine per cent per annum to 2013, we are confident that this new practice will prosper." www.smsmt.com

Freshtel takes in Cloudware tech

ASX-listed Internet telephony company Freshtel has extended its offerings by integrating with them a VoIP softswitch from Australian developer Cloudware. The resultant platform allows Freshtel to interact with a range of PBX solutions for businesses of all types and sizes, as well as catering for the residential products it now offers, explained Dr Allan Sullivan, chairman of Freshtel.

The comes at a good time for Freshtel which, after suffering losses in the UK, has agreed to terminate its agreement with British retailing giant Tesco. www.freshtelholdings.com

Epago picks up myDials dashboards

Melbourne developer Epago Group, a developer of integrated sourcing solutions, has negotiated a deal allowing it to integrate a SaaS dashboard from myDials (www.mydials.com) for use in corporate travel.

"We sought out myDials and developed the travel dashboard with them," said Mario Kalogiannis, a partner in Epago. "This partnering will enable us to provide an extremely cost-effective 360 degree view of travel spend," he added. www.epagogroup.com.au

Net Ventures to sample US market

Online video technology developer Net Ventures is opening an operation in the US to support "strong demand" from its US clients. Michael Page, the company's CEO, will set up an operation in Silicon Valley, and the company hopes to raise further awareness of its technology in the US through its inclusion in Austrade's Digital Media Trade Mission to New York next month.

"Testing our mettle in the US is important because it will help to demonstrate that we are serious about engineering innovation and will prove that our Australian-developed technology is truly world class," Page explained. "There's a certain pride involved in delivering creative, easy-to-use technology to some of the most demanding and forward-thinking media and advertising companies in the world." www.netventures.com.au

NEC supports Nivio's cloud

Nivio, a company that provides an online Windows-based computing utility, has launched its service in Australia supported by NEC's data centre at Polaris in the Queensland designer city of Greater Springfield. Nivio allows companies to rent Windows applications and to share and store business applications on a rental basis using any Internet-enabled device, explained John Costa, director of Nivio Australia. www.nivio.com.au

TransACT delivers for Google

TransACT and Neighbourhood Cable have joined forces to offer the Google Apps range of Web-based products. www.transact.com.au

The business location

perfectly positioned between London and mainland Europe

INVEST
South East
England

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

SEEDA SOUTH EAST ENGLAND DEVELOPMENT AGENCY

DEAL MAKERS

Continued from page 4

Feds release NBC law draft

The Federal Government has released exposure drafts of planned legislation that will be used to set up the regulatory framework for NBN Co, the company it will establish to build the national broadband network. The drafts followed a public consultative process in the middle of 2009, explained Senator Stephen Conroy, Minister for Broadband, Communications, and the Digital Economy.

"Before we introduce the bills formally we are keen to seek further feedback from key stakeholders to ensure we get the details right. We have an open mind on any amendments put forward that we believe can improve the bills," Conroy claimed.

Copies of the bills are available from Conroy's department's Web site, which can be accessed at www.dbcde.gov.au/nbncompanylegislation

Business Briefs

- Praemium, an Australian provider of online financial portfolio administration technology, has furthered its aims of consolidation in the UK by having its V-Wrap platform accredited by the Institute of Chartered Accountants in England and Wales. www.praemium.com.au
- Kaseya, a US-based provider of IT systems management software, has entered an alliance through which its SaaS tools will be provided to Ingram Micro's channel partners. "The partnership will empower more of Ingram's 6000 active partners in A/NZ to shift to proactive IT management," explained Tim Dickinson, regional director for Kaseya Australia and NZ. www.kaseya.com.au
- Mindjet has appointed PICA Australia a distributor of its visual productivity products in Australia. www.pica.com.au

We're no agony aunts, but if you're

Looking for partners

Advertise here!

Contact Len 0413 588 728 or
RustOz@bigpond.com.au

A VIP TOLD ME

Andrew Wood

CEO of Razor Risk Technologies

RUST: Please start with an overview of Razor.

WOOD: Razor Risk Technologies is an Australian public company (ASX: RZR) focused on helping financial services institutions worldwide to measure and control risk through our professional services and our enterprise risk management product, Razor. Our business is specifically about addressing the complex issues surrounding risk management; issues that were highlighted during the economic downturn with the collapse of institutions such as Lehman Brothers. We understand that to measure and manage risk effectively, it's necessary to manage the total exposure of a financial institution.

RUST: Describe the major competitive landscape.

WOOD: The global financial crisis highlighted the deficiencies in many of the current approaches to risk management and the technology solutions used to measure and control risk. Our Razor product, with its speed of performance and breadth of risk analytics, is uniquely positioned to meet the increasing client and regulatory demands for real-time risk management and more proactive and robust risk forecasting.

We have a strong focus on the Central Counterparties (CCP)/Exchange risk management space, and are the leading risk management framework around the Central Counterparty 12 (CCP12) members, the industry association of the world's principal clearing organisations. The recent international regulatory proposals to push a higher volume of trades through CCPs/Exchanges make these organisations our biggest immediate potential growth market.

RUST: Who are your major customers?

WOOD: Razor Risk Technologies' clients span the globe and include central counterparties, stock exchanges, and financial institutions. Broken down geographically, our clients include: Australia: ANZ Bank, ASX, Treasury Corporation of Victoria, NAB; Indonesia: KPEI; Americas: International Derivatives Clearing Group, Royal Bank of Canada, Federal Home Loan Bank of Pittsburgh; UK: HSBC, LCH.Clearnet, MF Global.

RUST: What are your priorities for the next year?

WOOD: Our top priority is to keep ensuring our clients' technology solutions not only meet but exceed current needs. Due to constant changes in business drivers and ever-growing regulatory amendments, our clients' needs are continuously changing. Razor, being a risk framework, can readily adapt to meet these changing needs. Key areas for us in the next 12 months are liquidity risk management and incremental risk charge (IRC), as well as real-time risk measurement. We are also prioritising investment in sales and marketing to support expansion in the Americas, UK, and Asia/Pacific markets.

RUST: Where do you expect to see the company five years from now?

WOOD: Razor Risk Technologies will remain solely focused on risk management. Our target clients have risk management as a top priority and our goal is to significantly expand our client base globally, whilst enhancing and extending our products and services. Having no debt and growing underlying cash, we are in a position to look at core business acquisitions at the appropriate time.

Len's RUST e-RESEARCH

Mobile worker numbers to hit 1B

The world's mobile worker population will pass the one billion mark this year and grow to nearly 1.2 billion people – more than a third of the world's workforce – by 2013, according to IDC. The most significant gains will be in the emerging economies of Asia/Pacific, where a strong economic recovery and new interest in unified communications will drive healthy growth in all aspects of mobility spending.

"Vast opportunities exist for bringing a variety of mobile technologies to the world's workforce," said Sean Ryan, research analyst with IDC. "Outside the United States and Japan, where mobile worker population penetration has essentially peaked, there are large worker populations that are still growing. Under-served mobile workers across all regions stand to benefit from the reach and flexibility offered by mobile solutions. While some barriers to adoption will still have to be overcome, the potential market for mobility solutions is enormous".

IDC's research showed:

- The US has the highest percentage of mobile workers in its workforce, with 72.2 per cent of the workforce mobile in 2008. The US will remain the most highly concentrated market for mobile workers with 75.5 per cent of the workforce, or 119.7 million workers, being mobile in 2013.
- Asia/Pacific (excluding Japan) represents the largest total number of mobile workers throughout the forecast, with 546.4 million mobile workers in 2008 growing to 734.5 million, or 37.4 per cent of the total workforce, in 2013. At the end of the forecast, 62 per cent of the world's mobile workforce will be based in the APeJ region.
- Western Europe's mobile workforce will enjoy a healthy compound annual growth rate of six per cent over the forecast period to reach 129.5 million mobile workers (50.3 per cent of the workforce) in 2013, surpassing the total number in the US.
- Japan's mobile worker population will total 49.3 million in 2013, representing 74.5 per cent of its total workforce. Like the US, this is essentially the sustainable limit of Japan's mobile worker penetration.
- The rest of the world, which comprises Canada and the emerging market countries in Central and Eastern Europe, the Middle East, and Africa (CEMA), and Latin America, will see its mobile worker population grow to 153.2 million by 2013. As with APeJ, the low penetration of mobile workers in the total workforce (13.5 per cent) signals significant growth potential in these markets

Shopping by mobile takes off

In 2015, shoppers around the world are expected to spend about \$US119 billion on goods and services purchased via mobile phones, according to ABI Research. That number represents about eight per cent of the total e-commerce market. "Mobile online shopping is reaching critical mass," said ABI analyst Mark Beccue.

"In the United States, mobile online shopping rose from \$US396 million in 2008 to \$US1.2 billion in 2009. While definitions of mass market adoption vary, a more than fivefold increase in one year indicates significant consumer interest."

Noteworthy is that even that turnover of more than one billion in the US is dwarfed by the size of the mobile online shopping market in Japan, which exceeded \$US10 billion in 2009 alone. This market is growing solidly in Europe too, and is expected to outpace the US by the end of 2010.

"The driver for mobile online shopping in the US has been the recent sharp spike in smartphone adoption and the corresponding enthusiasm for mobile Internet. Also, many more retailers have been launching mobile commerce Web sites," added Beccue. A longer-term driver in global terms is the fact that in many less-industrialised regions, mobile is virtually the only way to access the Internet.

Not only does mobile online shopping allow shoppers to manage their time better, but in the fourth quarter of 2009, an interesting trend emerged: consumers were checking out products in bricks-and-mortar retail stores and using their phones for comparison shopping.

A subset of mobile commerce is the trade in virtual goods, generally associated with online gaming. This, too, has seen rapid uptake, as mobile payments are the best option for online purchases under about \$US20, and this way of shopping is especially suitable for those — often young gamers — without credit cards.

New view of visual Aussie markets

A new way of viewing a marketplace has been devised by Optimice for its recently released report on the Australasian ICT marketplace. The company's Visual Markets approach involves viewing the marketplace through the mapping of business relationships between market participants.

The report identifies more than 500 client organisations and 400 vendors connected through more than 1100 business relationships, ranging from formal contracts to alliances and joint ventures since 2006.

Partnering is growing at more than 20 per cent per year, ensuring that the IT&T market place is becoming increasingly complex to negotiate. The report identifies a clear relationship between increased partnering and client capture for vendors.

The relationship-centred approach to market research provides different insights from traditional market research approaches. For example, the network maps of the telecommunications sector identify the increasingly close partnerships between the major providers Telstra, Optus, and Vodafone with media sector players including AAPT, Fairfax, Seven Network, and Southern Cross Broadcasting. The education sector analysis identifies how the Indian IT firms are making inroads through partnering. For leading ERP and software vendors like SAP, Oracle and Microsoft, it is informative to see the relationship patterns with systems integrators across each sector.

Continued on page 7 >>>

RUST eRESEARCH Continued from page 6

By identifying those market players with large numbers of unique partnering relationships, the report identifies which are the most "competitive" vendors, with Telstra, IBM, Google, and Unisys leading the pack. In the outsourcing sector the most competitive vendors are IBM, CSC, ASG, Fujitsu, Unisys, and EDS. This same analysis can identify those client firms with the most unique needs, identified by the uniqueness of their partners, with Defence, Police and Customs most prominent. Another interesting capability provided by the Visual Markets approach is the ability to analyse the potential impact of major mergers and acquisitions.

The report analyses the Vodafone-Hutchison 3G, HP-EDS and Oracle-Sun mergers. Hutchison 3G was seen as a clear winner with the increased competitiveness afforded by its merger with Vodafone. Oracle and Sun share many common partnerships, suggesting that their integration may not be too problematic. www.visualmarkets.net

Server blow softened in Q4

In the fourth quarter of 2009, worldwide server shipments grew 4.5 per cent year over year, while revenue fell 3.2 per cent, according to Gartner.

"The recovery that began in the third quarter of 2009 based on x86 servers extended into the fourth quarter," said Jeffrey Hewitt, research vice resident at Gartner. "However, it is important to put this into context. The fourth quarter of 2008 was quite weak, so the fourth quarter of 2009 did not have to produce huge x86 server numbers to result in an increase. At the same time, other segments like RISC/Itanium Unix and mainframes remained constrained and that exerted downward pressure on overall vendor revenue results.

"Blade servers pushed ahead with growth of 11.1 per cent in shipments and 22.1 per cent in vendor revenue for the period. RISC/Itanium Unix servers, on the other hand, dropped 30.5 per cent in shipments and fell 20 per cent in revenue in the fourth quarter," Hewitt added.

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

BY ASSOCIATION

Data explosion needs attention

By Anthony Wong*

Companies need a strategy to regularly assess the way in which they manage and protect their digital information in light of the dramatic explosion in data volumes around the world.

According to research firm, IDC, the world's volume of data will reach 18,000 exabytes (an exabyte is 1,000,000 terabytes) by 2011.

This growth is being driven by entirely new classes of digital information that require more sophisticated storage requirements in emerging areas including e-health, (interoperability, electronic storage/retrieval of health records), e-education, and digital entertainment.

Not only must organisations today find more effective and efficient ways to handle their data, but they must also comply with stringent regulatory requirements involving records, archives, access, privacy, evidence, electronic commerce, data destruction and protection, and more. In Australia, there are reportedly more than 450 separate Acts of Parliament containing provisions that deal with the retention of records.

The impact of the global financial crisis is also likely to see requirements for more data to be retained as a result of tighter fiscal policies.

While the cost of storage has reduced significantly in recent years, we must also consider the hidden costs of physical space, power consumption, environmental impact, and the human labour involved in gathering, analysing, and managing so much information.

The ACS supports the development of green data centres that leverage technology advances to minimise the carbon footprint.

Facebook recently announced its first data centre will be among the world's greenest when it opens in Oregon. The new centre will have a Power Usage Effectiveness (PUE) rating of just 1.15, which means that for every 1.15 watts that go through the utility meter, 1.00 watt is delivered to the computer infrastructure. The average data centre has a PUE of around 2.0 or higher which is obviously not particularly efficient.

The ACS would like to see Australia monitor this global trend and introduce PUE guidelines locally. The Australian Government has an opportunity to lead the way in adopting this internationally significant measurement system as a standard benchmark within government data centres and also encouraging its use within private enterprise.

ICT professionals responsible for operating and managing data resources need to apply the latest technologies and strategies to optimise efficiency and data integrity. This will include server virtualisation, enhanced caching, and disk deduplication as part of back up and mirroring facilities, and advanced analytical and reporting tools with high levels of automation.

With exponential growth in data volumes a certainty, ICT professionals need to deliver systems and processes that support users in effectively managing and accessing information without being overwhelmed.

Our ability to deliver on this goal will have a significant impact on productivity and, ultimately, our quality of life.

*Anthony Wong is president of the ACS and chief executive of AGW Consulting, a multidisciplinary ICT, intellectual property legal and consulting practice. www.acs.org.au



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

Dunstan walks away from Bravura

Iain Dunstan, a founder of Australian wealth management systems developer Bravura, has resigned as group CEO and managing director and has left the company. He has been replaced by Simon Woodfull, previously group CEO and director of operations, who is now sole group CEO.

In other moves, Brian Mitchell, a former senior vice president of Oracle Asia/Pacific, has been appointed chairman, replacing Neil Broekhuizen, who held the position as an interim measure following the resignation of Chris Ryan late in 2009 (Rust Report, Oct 2 2009, p8). Mitchell was previously a non-executive director of Bravura.

Spence cuts ties to Unwired

David Spence has cut his ties with Unwired, the wireless Internet company he founded in 2004 and sold to Seven in 2007. Seven will now consolidate its wireless operations under the control of Martin Mercer, chief executive of Vividwireless. The combined group will be known as Wireless Broadband Australia.

Peter Lloyd sells Distra worldwide

Distra, an Australian developer of high-performance payment applications, has appointed Peter Lloyd director of global sales and marketing. Lloyd has had a long and distinguished career in ICT, most recently with VocaLink as managing director of Asia/Pacific. Prior to that he was with eFunds Corporation, the Stock Exchange of Hong Kong, Dynasty Technologies, and Tandem Computers. While with Tandem he was project director for Westpac's Handiway System, the first operational POS system in Australia.

iSoft boosts global exec team

Health systems developer iSoft has appointed Mike Jackman group operations director, and Robert Miller president of North America. They are both new positions.

Jackman was previously with Carestream, formerly known as Eastman Kodak, and has also worked for IBM. He will be based in Boston.

Miller, who is iSoft's group commercial director, will move from the UK to Boston next month.

Telecom counts cost of failures

Troubles with New Zealand's XT mobile network appear to have claimed the scalp of Frank Mount, CTO of Telecom NZ, who has resigned. He had joined the carrier in 2008 (Rust Report, June 13 2008, p8).

Yogesan to head e-health initiative

Dr Kanagasingam Yogesan has been appointed research director of the Australian e-Health Research Centre, which is a joint venture between CSIRO and the Queensland Government. Yogesan joined CSIRO from the Lions Eye Institute and is now based with his team at CSIRO's Floreat site in Perth.

New board for Internet association

The Internet Industry Association of Australia has announced its board for 2010. New members are:

- Greg Bader of iiNet;
- Samantha Yorke of Yahoo! Asia/Pacific;
- Associate Professor Matthew Allen of Curtin University of Technology;
- Patrick Fair of Baker & McKenzie Lawyers;
- Peter Leonard of Gilbert + Tobin Lawyers;
- Nick Ellsmore of Stratsec; and
- Charles Heunemann of Webroot Software.

Current member Bruce Linn replaces Chris Hancock as chairman.

Around the Traps

- Stephen Kelly has resigned as CFO of SMS Management & Technology. As an interim measure he will be replaced by group financial controller Jennifer Martin.
- Following Freshtel's decision to quit the UK market and close ties with Tesco, the retailer's Sean Wilkins has resigned as a director of Freshtel. Ken Carr, former CEO of Keycorp, has replaced him as a director.
- Mark Fishwick and Andrew Plympton have been appointed directors of NewSat. Fishwick is currently group managing director of Ambient Advertising, and chairs Blue Media Group, Captive Vision Network, and Plasma-OOH Indonesia. Plympton's experience includes the financial services sector, and sports administration.
- RightNow Technologies has appointed Cindy Wild A/NZ client success manager. She was previously with Gen-i and has also worked for Infosys and Edify Corporation.
- Trent Layshan has been appointed sales and business consultant at Web and Flo. He is best known as the founder of Boom! and author of The Naked Salesman.