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Oracle's Technical Roadmap

Everyone is familiar with Oracle's acquisition activity and there is plenty of press about the benefits to Oracle: filling in white spaces, growing the customer base, growing revenue, etc. All of these are good from an Oracle perspective, but if there is too little in it for existing and acquired customers, this strategy will eventually fail. Oracle OpenWorld 2007, the customer conference for all Oracle products, was large, with about 43,000 attendees filling a broad array of sessions that occupied most of the conference space in San Francisco. Consequently, it was good opportunity to examine some of the strategic Oracle initiatives and consider their future value to manufacturing.

Long term customer value is heavily dependent on continued product investment and support. After most acquisitions, this is a primary concern. Just in case you missed it, Oracle alleviated concerns of customers using acquired products by establishing its Applications Unlimited program, promising customer that they would not be forced off their existing applications. Roadmaps for acquired products were presented at OpenWorld, and there was ample evidence that Oracle is sticking to this promise.

Oracle is also working on its next generation suite, Oracle Fusion Applications, due out in 2008, and one big question is how will customers benefit – in other words, how can existing customers take advantage of new product. This is a bit more complicated.

First, Oracle has been shipping a technology platform, Oracle Fusion Middleware, for all Oracle and "home-grown" applications, reporting over 50,000 customers. Some existing business applications will continue to support competitive technology platforms from IBM, Microsoft, etc., but all Oracle Applications, existing and future, will be certified on Oracle Fusion Middleware. Consequently, customer adoption of some Oracle Fusion Middleware is an important first step toward realizing future value from Oracle Fusion Applications. The many users of Oracle database, Oracle E-Business Suite (EBS), etc. should find this a natural step.

Second, Oracle has created Application Integration Architecture (AIA) for integrating Oracle as well as competitive applications, and is methodically building elements of AIA over Oracle SOA Suite. Customers get high short



term value from AIA, because Oracle will be doing the integration work for customers who have multiple Oracle products. Oracle provides these integrations as pre-built Process Integration Packs (PIPs, not to be confused with RosettaNet PIPs) and several - integrating Oracle EBS, Siebel, Retek, etc. - are underway. You may not have thought about it, but many Oracle Applications customers are also using SAP products; last week Oracle announced the addition of an Oracle AIA for SAP, including pre-built integration.

Third, Oracle AIA provides the path to Oracle Fusion Applications. The plan is to allow customers to adopt new Oracle application components as they are needed and run them along with; i.e. integrated with their existing applications. This could require a very large number of point-to-point integrations, but Oracle is reducing the number of integrations by developing a unified enterprise data model within AIA. The model is based on ISO, UN/CEFACT Core Component and OAGi concepts and objects (Infor is following a similar strategy). This is good news for the user community, because the lack of a comprehensive strategy for standards-based unified data models has been a major obstacle for interoperability. Oracle's acquisition strategy has given it a tremendous incentive to solve one of the most difficult elements of the interoperability problem. It will be interesting to see how other software suppliers react.

Finally, Oracle cannot possibly create and maintain all integrations, especially for many legacy, competitive, and highly vertical solutions. Consequently, a solid partner program is critical for AIA success. Oracle has been accelerating their partner programs and streamlining their support, in part because of their focus on SMB markets. And at OpenWorld, Oracle also announced an AIA for Partners Initiative and AIA Foundation Packs which are intended to provide starting points for partners and customers to build out to handle their special needs.

The one obvious question is: What does all this mean to manufacturing businesses? Factories, plants, etc. are almost always globally distributed, have high availability requirements and a large number of legacy and non-Oracle products to integrate. These may not be unique, but manufacturers want to be sure that their all their important needs have really been addressed. AIA is a good fit for manufacturing operations and a big step toward real interoperability, especially if Oracle can deliver a standards-based unified data model and packaged plant to business processes.

At OpenWorld, Oracle also talked about a Manufacturing Hub that is being designed to run in factories, though it probably can be centralized. The Manufacturing Hub will be based on AIA and Oracle Fusion Middleware, and more detail will be available early in 2008. The good news is that Oracle is investing in the specific needs of process and discrete industry operations.

Overall, OpenWorld provided many important announcements, strategies, roadmaps, demos. etc. – far too many to even list here. But for manufacturing, AIA should be on your “must read” list, because Oracle shows us how they believe we should use the latest technologies, such as SOA, to solve integration problems today, while moving toward more comprehensive interoperability.