G2000 users increasingly demand quality support for enterprise applications as they customize their solutions and seek better management and performance optimization for purchased software deployments.

Taking a step towards addressing the software life cycle management needs of its users, Oracle announced its acquisition of the e-TEST suite assets of testing vendor Empirix earlier this week. Financial terms of the deal were not disclosed. Empirix provides Web, VoIP, and Contact Center application testing and monitoring solutions and is based in Bedford, Mass. Oracle announced plans to integrate the e-TEST products into Oracle Enterprise Manager along with Oracle's Real Application Testing (a product that includes database workload capture and replay with a SQL performance analyzer). Empirix's e-TEST suite includes e-Load for scalability, performance and load testing, e-Tester for functional and regression testing, and e-Manager Enterprise for test and test process management. Oracle will not be acquiring Empirix's Hammer, OneSight and e-LoadExpert application performance monitoring or services solutions.

Although Oracle has existing partnerships with leading Automated Software Quality (ASQ) provider HP Software and others, the company expects to be able to ultimately offer close integration with a testing suite that it owns and to augment limited, database-focused testing capabilities offered under its Real Application Testing solution. As has been mentioned in IDC research, Oracle's evolution towards a SOA-based architecture and its Fusion strategy demand an effective services life cycle management strategy both for quality and change management. (see IDC #US21154208, Drive to Broaden Lifecycle Support for ERP and Composite Applications, March 2008, and IDC #210104, Oracle Open World 2007, Dec. 2007). The Empirix acquisition could be a step in that direction. (Although there are other third party solutions already providing or poised to provide strong SOA test and change management capabilities.)

Empirix had existing, strong relationships with Oracle's Siebel division and support in that context. The combined companies will begin to position Oracle well by acting as a first step in an overall life cycle strategy, assuming that Oracle leverages the e-TEST products effectively as part of its development and Fusion portfolio. (Those plans and that potential synergy have not yet been articulated and must be.)

Oracle will need to continue to leverage partnerships with additional ASQ providers obviously, and must balance its internal offerings as the deal closes with customer requirements. In that context, Empirix's vendor-neutral QA Zone community provides an opportunity to bridge user process, organizational and other needs across user groups, and should remain as a distinct offering (rather than being subsumed to the Oracle brand).

This deal emphasizes the need for evolution of application-specific quality offerings, which we see increasingly as an issue for G2000 users. Emerging third party providers in that context include Worksoft, Newmerix, and Parasoft, as well as offerings from larger ASQ providers. We expect both Oracle and Empirix e-TEST users to benefit from the combined companies, as the acquisition moves forward.

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