Content Technology Serves its Toughest Critic:
Enterprise Software Vendors

Nextance and Giunti Interactive Labs have established leadership in emerging markets through savvy investments in high value development projects, thought leadership and commercial content technology

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The decision to build or buy is always a difficult one, but the stakes are never higher than they are for commercial enterprise software vendors planning their own product strategy. This special edition of the Gilbane Content Technology Works series explores how two such companies, Nextance and Giunti Interactive Labs, balanced time to market, their overall value proposition and functionality against concerns over control over their own destiny, intellectual property ownership and quality assurance. The result for these two pragmatic and growing enterprise vendors has been a deeper understanding of customer requirements, accelerated market acceptance, increased sales and improved organizational focus on their distinct core values.

Contract management and e-learning are two distinct enterprise software market segments that appear to have little in common with one another. Yet, each has been generally recognized to have huge potential with a relatively young history of broad enterprise adoption. This success story illustrates how the incorporation of commercial content technology and select open source components are proving to be critical ingredients in their respective recipes for success.

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Introduction

Content Technology Works (CTW)

CTW is an industry initiative that is administered by The Gilbane Report to develop and share content technology best practices and success stories. The premise is that when given enough proven recipes for success, enterprise consumers will be able to adapt and replicate that success for themselves – increasing productivity and confidence.

Success stories are written by The Gilbane Report and are told in the voice of the enterprise adopter with final editorial control resting entirely in the hands of the adopter.

The result is that:

- Vendors do not control content
- Success stories are as opinionated and as jargon free as the adopter prefers
- Analysis is included from The Gilbane Report and invited contributors
- In addition to technology recipes, strategies for securing funding, measuring actual value, driving adoption and other business and social issues are of interest

Typically, this kind of valuable information is only available for purchase. CTW content is different because CTW partners subsidize the program to ensure that this information is free. Partners want to push as many best practices to as many organizations as possible with the expected result being an overall acceleration of content technology adoption. For more information on the CTW program, visit www.gilbane.com/technology_works.html.

Overview of success story

Nextance and Giunti Interactive Labs have taken on the Herculean task of building a business in an emerging market in difficult economic times. In order to be successful, these companies must be both incredibly efficient and focused on their core value propositions as they manage to finite resources and tight timelines. This paper illustrates the uncanny operational and strategic symmetry between a top-tier Silicon Valley contract management solution start up and an offshoot of one of Italy's oldest and most prestigious publishing firms combining e-learning with traditional education principles. Each made deliberate decisions at the executive level to invest heavily in solution-specific IP, not to be distracted by technology for its own sake and to license existing products and technology whenever it was feasible; a preference to buy not build.

Goals and non-goals

This success story outlines essential elements of a two successful applications of commercial content technology within another enterprise commercial product offering. These are individual stories told in the voice of the "end user" organizations. While their approach may not be universal, their success is indisputable.

This is not an attempt to generalize either Nextance's or Giunti Interactive Labs' recipe for success into a universal formula.

Acknowledgments

The Gilbane Report would like acknowledge the generous contribution of time and intellectual property from Nextance and Giunti Interactive Labs. Specifically, they have allocated the time of talented and heavily committed staff to improve the understanding and adoption of enterprise content technology.

In Their Own Words: The Enterprise's Perspective

When selecting a fine restaurant, nothing is more valuable than a review. The best ingredients and the latest recipes cannot guarantee a great night out; price, service, convenience, etc. are all critical elements. CTW success stories are organized around a *recipe* for success rather than the *ingredients*. This interview section takes the analogy one step further and provides a review of the entire experience, from soup to nuts. Here, the enterprise adopter introduces their experience with an eye towards enticing others to follow.

What were the symptoms in your organization that brought this need to your attention?

How did you know you were hungry?

NEXTANCE®	GIUNTI labs
"Organizations intuitively know that there is a problem with how they manage their contracts, but they struggle to articulate the cost-benefit. Without a concrete way to measure risk, lost revenue and operational costs; it is difficult for organizations to prioritize contract management systems alongside other enterprise IT initiatives. This resulted in unreasonably long sales cycles and the need to educate the customer on the value proposition." – Gopi Kallayil, Director Strategic Marketing Nextance	"As a publisher, Giunti recognized the importance of a well-defined publishing process and a sound technology platform in realizing the benefits of cross media publishing of educational material. Giunti Interactive Labs invested over a decade of R&D in developing best practices that combine instructional content creation, learning management and media-specific organization and distribution. As we commercialized this work, we were confronted with an understandable skepticism about the enterprise-worthiness of our products that limited demand and slowed adoption." – Marco Marinucci, learn eXact US Area Manager

How did you identify what specific content technologies were appropriate?

How did you decide on what you wanted to eat?

"We took a hard look at which components were core to our value proposition. While foundation components such as persistent storage and messaging were critical technology, they were not seen as core to our unique value proposition. As such, we chose to embed third party and open source technologies." – Nathan Krishnan, Co-founder and Chief Technology Officer.	"Learning objects are valuable digital assets and need to be managed in a secure, scalable and distributed fashion. Basing our commercial offerings on a proven enterprise repository was seen as a material advantage in establishing the worthiness and stability of our learning solution." – Matteo Scaramuccia, learn eXact Chief Architect

Which vendors did you select and what were the overriding considerations?

Where did you dine and why?

NEXTANCE®	GIUNTI labs
"We chose Tamino from Software AG to house our contract database and went open source for our XSL engine, XML parser, attachment repository and our default application server. Software AG had a solid history in database technology, a clear commitment to XML content management and a product roadmap that mapped well to our own. While we value open source technology, we had to do our best to bullet-proof our contract DB." – Ganesh Ramachandran, Founder and Vice President, Engineering.	"All eLearning standards are moving towards XML schema definition for learning objects indexing, packaging and tracking. As such, we chose to base our technology on an XML native solution; we selected Tamino from Software AG. We required an XML-centric data store that was based on an open architecture and able to connect to existing to material and tools and that demonstrated the flexibility to support our ongoing research and development – wherever it may lead." – Matteo Scaramuccia, learn eXact Chief Architect

How did you justify the funding and other necessary resources?

How did you pay for the meal?

"As a young company, we operate on a tightly managed budget. Utilizing a combination of OEM and open source resources enabled us to focus on solving the contract problem – an essential component of our recipe for commercial success." – Gopi Kallayil, Dir. Strategic Marketing	"For Giunti, this was not a money saving exercise; it was part of a revenue generating venture that called for enterprise XML content management. We are experts in learning management and educational content development and we needed an equal partner to supply the underlying XML database." – Marco Marinucci, US Area Manager

How did you capture the value of this deployment?

How would you measure and rate the nutritional value of this meal?

"When we entered this nascent application market segment, there were already a half dozen players trying to make a mark. In a matter of a few short years, we have moved to become the market segment leader. We attribute this success in large part to our thought leadership in contract management best practices. Our focus on pleasing our customers and our deliberate approach to embedding rather than building non-core components has paid off spectacularly." – Nathan Krishnan, CTO	"Giunti has been publishing content for over 500 years and established our new media laboratory nearly 20 years ago. Thought leadership and innovation in learning is at the heart of everything that we do. Selecting component technology that frees our critical resources and embodies many of the same ideals that define Giunti is a cornerstone of our commercial strategy." – Fabrizio Cardinali, CEO and IMS technical Co-chair

What were the most valuable lessons learned?

What advice would you give your friends?

NEXTANCE®	GIUNTI labs
"Follow standards when making technology and architecture choices. Market assumptions change and proper architecture choices assure maximum adaptability." Ganesh Ramachandran, VP Engineering "Don't be afraid of evaluating and selecting a lesser known technology component – chose the technology that is right for the job." – Nathan Krishnan, CTO	"Take the time to know your organization's strengths and build on those strengths. We have always taken pride in our innovation and creativity. In order to build on our most special qualities, we have found partners to work whose own unique qualities permit us to amplify our impact on our markets." – Marco Marinucci, US Area Manager

Corporate Backgrounds

Nextance

Nextance provides Intelligent Solutions for Contract Lifecycle Management to Global 1000 companies and public organizations. Nextance software solutions transform contracts into a profit enhancing business process, elevating contract management to a strategic business core competency. Nextance counts industry leaders such as Covenant Health, Eastman Chemical Company (NYSE:EMN), Fireman's Fund, Genzyme Corporation (Nasdaq: GENZ), SRI International, Sun Microsystems, Inc. (Nasdaq: SUNW) and numerous other companies among its customers. Additional information about Nextance is available at http://www.nextance.com.

Giunti Interactive Labs

Giunti Interactive Labs is one of Europe's leading Learning Content Management System (LCMS) Vendors and is a subsidiary of Giunti Publishing Group, a 500+ year old educational and cultural heritage publisher headquartered in Florence, Italy. Giunti Interactive Labs has been focused on technology-based learning for nearly 20 years and currently has three divisions dedicated to:

The development, integration & deployment of Giunti's Learning Content Management Suite (LCMS), learn eXact. Learn eXact is an enterprise LCMS providing authoring, templating, indexing, packaging, management, licensing, delivery and tracking based on XML learning objects and interoperability specifications including IMS, SCORM and OKI.

Research and development services dedicated to learning technology, e.g., 3g mobile, wearable and wireless devices and networks, XML based learning and knowledge content tools, architectures and web-based content management services.

Custom eLearning content creation services for eLearning content productions (publication products). This division has developed a structured content management approach based on the learn eXact platform to design, produce, manage and deliver content in relevant emerging standards, on every available media and to web based platforms including Saba, Docent, Learning Space, Training Server, and Webct.

For more information on Giunti Interactive Labs and their products and services, please visit www.learnexact.com and www.giuntilabs.com.

Both Nextance and Giunti Interactive Labs have significant investments in their respective market segments and are faced with the dual challenge of building an enterprise software business while simultaneously preserving their position as thought leaders in these two increasingly competitive disciplines. As distinct as these two topic areas are, their recipes for success are virtually identical; build and market only those components that their markets can easily identify with core competencies; embed, outsource or partner for every other component.

Nextance: Criteria for success

Problem definition

As a relatively young company offering a solution in a relatively new enterprise software category, Nextance has a variety of challenges it must overcome. They must:

- Increase the visibility, importance and value of contract management within their target market segments. While organizations intuitively understand that they can improve their contract management processes, a clear value proposition and self-assessment process is required to justify the investment of dollars and resources to address this often overlooked business function.
- Position Nextance as a trusted source of contract management solutions. As is often the case in emerging enterprise software categories, contract management is typically a consultative sell requiring the technology supplier to provide cost justification and best practices alongside its core product and service offerings.
- Deliver a general-purpose enterprise platform that has the functionality to address a broad spectrum of contract and intellectual property applications to support the pursuit of large enterprise markets while offering well-defined features that have immediate applicability to specific organizations, procurement processes and contract management workflows in order to shorten sales and implementation cycles and to compress ROI timeframes.
- Accomplish all of the above on a finite budget while on a clear path to profitability. In the post-dot.com economy, investors and enterprise customers expect to see responsible and conservative financial practices as an indicator that a supplier is sound.

Nextance must find a way to be as cost-effective and quick to market as possible while maximizing its investment in developing best practices and intellectual property to establish and capture the promised value of contract management solutions.

Criteria for success

Nextance tracked all of the issues listed in the previous section and focused on the following success criteria for their organization over the past two years:

- Simplified and shortened sales cycles
- Simplified and shortened installation and configuration of enterprise customers
- Documentation of their delivery of significant value to their enterprise customers
- Public and independent recognition as thought leaders in contract management.

Solution Components

Product components and architecture

Contracts are a special type of document. The physical document must be preserved and a visually accurate representation is often required in customer support, legal, compliance, fulfillment and other document-based applications. Yet, the terms of a contract are often defined using data from data/record-based applications such as ERP systems and fed into similar record-based financial, manufacturing and customer support systems. The contract's position at the nexus of document and record-based systems places unique requirements on contract management systems because the integration and workflow requirements often span an enterprise's entire application portfolio.

The unique characteristics of a contract make it an ideal candidate to represent as a native XML document. While the characteristics of XML and its family of recommendations is beyond the scope of this success story[1], XML has emerged as a language uniquely able to model structured and unstructured content, data-driven processes and application and human communications.

Figure 1 illustrates the set of components that support the multiple user communities and application touch points of a contract management system and the central role of XML as both a core repository and the primary means of communication with the other relevant enterprise systems across an enterprise.
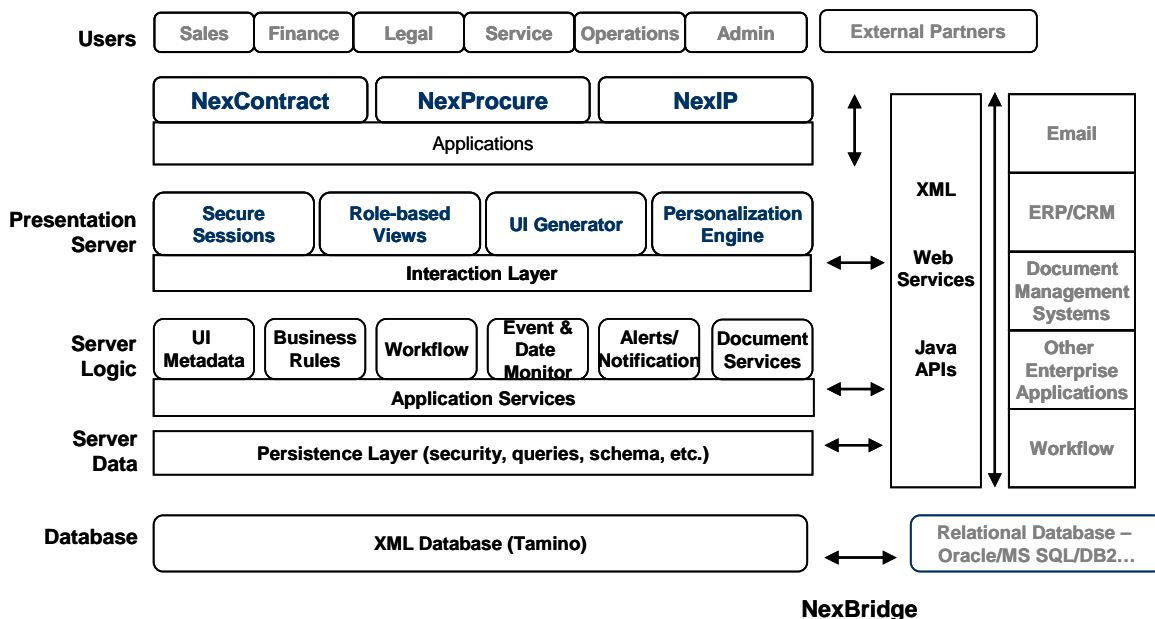

Figure 1: Nextance's NeXML platform

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[1] Visit www.w3c.org for an introduction and an in-depth description of XML and its associated recommendations.

Figure 1 summarizes Nextance's architectural decisions and their implications. The NeXML architecture offers:

- Generalized data, logic and presentation services that can be efficiently applied to specific contract management applications and user communities
- Three specialized applications to appeal to target market segments while preserving the economy of scale that the generalized application services offer (NexContract, NexProcure and NexIP).
- An approach that leverages the inherent XML capabilities of the NeXML platform to provide universal access between the contract management platform and outside enterprise applications
- A commercial database that has native XML support to simplify the Nextance persistence layer without compromising on scalability, availability or performance. Embedding the commercial XML database also shortened Nextance's time to market and reduced their development requirements freeing resources to be focused on business-centered best practices, selling tools and value proposition development.

Best practices, benchmarking tools, and value propositions

Nextance made an almost unprecedented investment in developing best practices, benchmarking tools and quantitative value propositions. The primary vehicle for this work is an ongoing diagnostic service that enables an organization to assess their current contract management processes, identify areas for improvement, benchmark their processes against similar organizations and develop an organization-specific ROI forecast that can be used to justify and ultimately measure the value of an investment to improve those practices.

Service Methodology

Nextance developed questionnaires for a survey based on four key pain points areas most commonly encountered.

- Creating contracts
- Storing and accessing contracts
- Managing and tracking the terms of the contracts
- Managing contract risk

Nextance then captured a set of commonly accepted best practices for creating, storing and tracking terms of contracts based on a review of reports published by a broad cross section of industry experts. Sources included Gartner, Goldman Sachs, and the META Group.

Next, Nextance administered the survey to over 200 Global 2000 companies. These companies were randomly selected from pharmaceutical, insurance, consumer package goods, higher education, technology, software, Internet, services, transportation, government, banking, telecom, and healthcare industries. Survey respondents came from across the organization, including senior managers, directors, and operational managers. Further, individual companies were compared to the scores of the top quartile of respondents. This gave individual companies a score based on how they compared to ideal best practices and to achievable best practices.

Each organization answered a series of increasingly specific questions about their processes, capabilities and corporate knowledge as it related to contract management. Table 1 summarizes the specific opportunities where Nextance has found areas of improvement for their customers.

Increased revenues	Un-captured revenues	Under collection
		Write-offs
		Incentives
		Optimal terms
	Renewal revenues	Renewal rate
		Renegotiate terms
	New revenues	Better negotiation
		Up sell, cross sell
	Faster collection	Quote-to-cash cycle
Reduced costs	Operational costs	Time
		Handling costs
	Procurement costs	Overpayments
		Optimal terms
		Renegotiate at renewal
	Penalties	Fines and damages
	Audit costs	Audit and recovery
Intangibles	Relationship	Customers
		Vendor
	Regulatory	Compliance
		Reporting
	Process	Streamline business process
		Employee satisfaction
	Risk	Manage risk exposure
		Reporting risk

Table 1: Summary of contract management benefits

The resulting knowledgebase, process for interviewing, assessing and reporting the results for subsequent participating enterprises and the intellectual property regarding contract management best practices has formed the basis for many critical components of Nextance's recipe for success. These include:

- **Sales tools:** providing this unprecedented diagnostic tool at no charge is an extremely compelling way to establish a trusting relationship with enterprise prospects
- **Product strategy:** the insight into the current state of their target markets and the associated value particular functional areas hold simplifies feature prioritization and product packaging
- **Thought leadership:** this material ensures that corporate spokespeople always have a current and distinct perspective on this growing enterprise software category.

Results

Product development

Nextance has leveraged their general purpose platform to roll-out specific solutions for:

- Corporate-Legal-Contract Administrators
- Government Agencies
- Intellectual Property Management
- Sourcing and Procurement
- Digital Rights and Licenses Management
- Sales, Marketing, and Business Development

Value measurement

These targeted offerings combined with the assessment tools have shortened initial sales cycles, increased the size of their average transaction and improved their ability to sell into existing accounts. Two enterprise success stories that serve as examples of how the targeted contract management applications combined with accurate assessment tools follow[2].

In the first example, an organization had problems with managing their sales contracts. They had upwards of 60,000 contracts with several hundred new contracts being signed every day. These were being tracked manually and the organization was unable to track and enforce specific terms in the agreement or take advantage of additional innovative revenue opportunities. Using these assessment tools this organization was able to determine that by automating their contract management process they could generate more than $35 million in annual revenues from their existing contracts that was not being collected and that the project would pay for itself in less than a year.

In the second example the organization had the challenge of managing their contracts for intellectual property they were licensing. They wanted to ensure that there was no infringement of intellectual property and that there was no loss of license fees. Using these assessment tools this organization was able to estimate a net benefit of nearly $10 million dollars and a return on investment exceeding 500%.

Thought leadership

The Nextance approach to measuring and reporting on contract management best practices has been acknowledged by the International Association of Contract and Commercial Managers and also by the National Contract Management Association. These two trade organizations have made Nextance's tools available to their membership and the corporate participation has grown to over 200 enterprises.

Nextance's insight into the discipline of contract management has resulted in the publication of a number of articles in well-known industry journals including *Contract Management is More Out of Control Than You Think* in The Journal of Contract Management, April 2003; and *Contract Management Can Improve Corporate Governance* in Contract Management Magazine, September 2003. For more information on Nextance and their products and services, please visit www.nextance.com

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[2] Specific details that could be used to identify these organizations have been sanitized to respect confidentiality. However, all savings and revenue enhancements are accurate.

Giunti Interactive Labs: Criteria for success

Problem definition

Giunti Interactive Labs had developed one of the broadest and deepest pools of learning-centered research and technology without a correspondingly mature commercial outlet to package, market and license derived enterprise products. To meet this daunting challenge it was necessary to establish a global commercial venture successfully licensing enterprise LCMS products based on emerging standards and publishing best practices.

Giunti senior management was faced with a number of challenges. Commercializing pure research is always difficult as the drivers behind research and commercial product management do not often align, e.g., interesting research topics are not always synonymous with solving valuable business problems. There was a non-trivial amount of market research, packaging and human factors that were required to bring the power of Giunti's technology to market.

As a traditional European publisher, The Giunti Group had very conservative profitability expectations that had to be met early on. While extremely well known in European publishing and specialized research communities, the Giunti brand was generally unknown in mainstream enterprise IT markets. Giunti had to incrementally establish beach-head operations, selectively pursue marquee accounts and limit marketing expenditures to deliberately make the transition from an R&D organization to a legitimate enterprise supplier.

Criteria for success

Giunti Interactive Labs measures success much like any other enterprise software supplier with additional criteria that was unique and directly connected to their roots. Giunti Interactive Labs needed to

- Produce a production release of their flagship product, learn eXact that
  - Leveraged their advanced technology and research
  - Was built upon the standards to which Giunti Interactive Labs had been actively contributing
  - Supported and simplified the publishing best practices that The Giunti Group had been refining for the past 500 years
- Develop training, support and maintenance programs to support enterprise customers
- Successfully market, license, install and implement their product in their target markets
- Establish operations and viable partnerships in relevant geographies
- Establish and grow while remaining profitable.

Solution Components

As tempting as it is for an extremely technical organization to develop all of the product components themselves, they chose to focus their finite resources on those areas where their experience was the deepest and where their markets would most readily recognize their contribution.
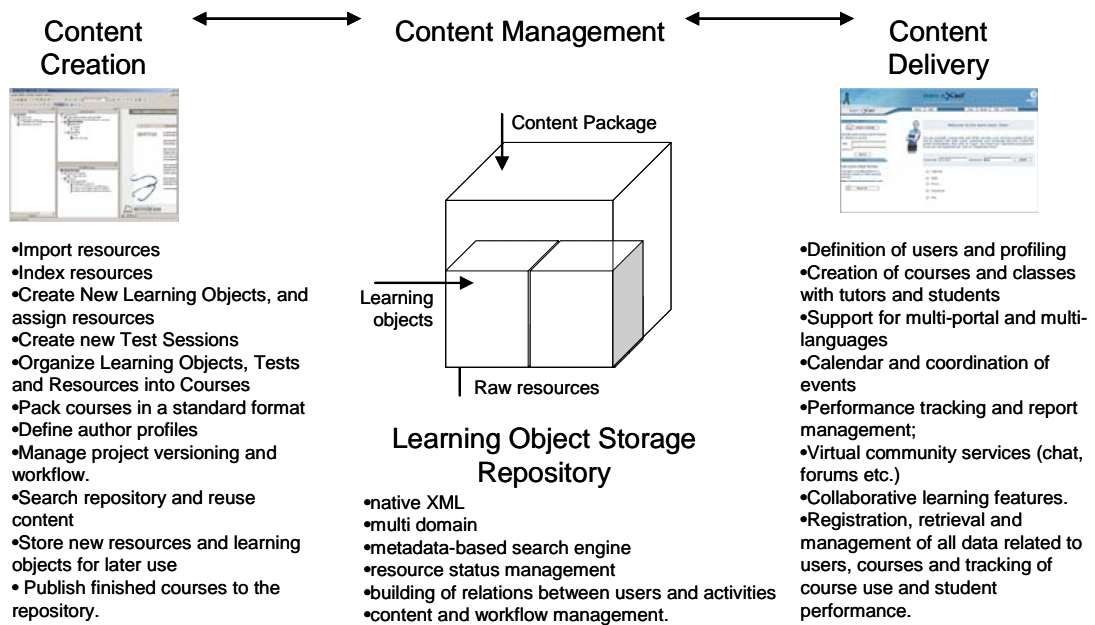
Content Creation ↔ **Content Management** ↔ **Content Delivery**

•Import resources
•Index resources
•Create New Learning Objects, and assign resources
•Create new Test Sessions
•Organize Learning Objects, Tests and Resources into Courses
•Pack courses in a standard format
•Define author profiles
•Manage project versioning and workflow.
•Search repository and reuse content
•Store new resources and learning objects for later use
• Publish finished courses to the repository.

Content Package

Learning objects

Raw resources

Learning Object Storage Repository

•native XML
•multi domain
•metadata-based search engine
•resource status management
•building of relations between users and activities
•content and workflow management.

•Definition of users and profiling
•Creation of courses and classes with tutors and students
•Support for multi-portal and multi-languages
•Calendar and coordination of events
•Performance tracking and report management;
•Virtual community services (chat, forums etc.)
•Collaborative learning features.
•Registration, retrieval and management of all data related to users, courses and tracking of course use and student performance.

Figure 2: Giunti's learn eXact functional architecture

Figure 2 illustrates a very high level summary of the functionality that Giunti Interactive Labs identified as essential to their LCMS platform offering. In order to minimize their development requirements and maximize the development resources, Giunti divided their platform into the following categories and delivery strategies.

Component category	Overriding characteristic	Strategy	Selection
Authoring environments	Strong individual affinity requiring significant training and investments	Provide open plug-in architecture to support existing investments and future preferences	Arbortext Epic Microsoft Office Adobe Creative Suite
Creative workflow	Typically not well-defined in target accounts, source of Giunti expertise and area for improvement for prospects	Invest in developing unique Giunti intellectual property and applications	Giunti eXact Packager
Courseware	Typically not well-	Invest in developing	Giunti eXact Packager

Component category	Overriding characteristic	Strategy	Selection
and product Assembly	defined in target accounts, source of Giunti expertise and area for improvement for prospects	unique Giunti intellectual property and applications	
Courseware and learning content delivery	Typically not well-defined in target accounts, source of Giunti expertise and area for improvement for prospects	Invest in developing unique Giunti intellectual property and applications	Giunti eXact Siter
Industry standard support	There are a number of overlapping international standards that are evolving and are perceived as difficult to master and influence	A Giunti strength as they have invested heavily in adopting and influencing relevant learning standards	Giunti develops native support for AICC, IMS, LRN, SCORM and OKI
XML content management	Highly technical intersection of data and content management with scalability, availability and distribution requirements to support enterprise architectures	Select best of breed to OEM/embed within learning repository.	Embedded Software AG Tamino as underlying platform for Giunti eXact Lobster (Learning Objects brokerage & Storage Repository)
Output formats	The industry calls for a wide variety of output media, formats and corresponding workflows and functionality	Giunti to provide flexible repository extract, assembly and transformation utilities to support extensible courseware delivery and administration	CD-ROM, DVD, mobile, web based platforms including Saba, Docent, Learning Space, Training Server and Webct and standards such as AICC, IMS, SCORM and LRN.

Table 1: Giunti development decision matrix

There are a number of interesting observations that can be drawn from this table.

1. Learn eXact is a broad solution that attempts to capture the compete lifecycle of learning content

2. Giunti made three basic categories of decision

- Build
- Make the solution open to support multiple choices where customers are expected to have strong preferences
- License enterprise components that are deeply embedded and require significant engineering resources and horizontal enterprise expertise to build in-house

3. Only the XML database component met this last criterion for Giunti Interactive Labs.

Results

Giunti Interactive Labs has seen some impressive results when one considers the relative newness of the eLearning category for enterprise IT, the difficult economic times all software vendors have had to cope with and the added challenge of trying to establish a brand from an area of Europe not typically seen as a source of global enterprise software (Italy.)

Since its learn eXact's general release in 2001, Giunti has completed more than 50 installations of learn eXact LCMS suite modules and completed over 200 successful learning objects & new media courseware production projects for primary corporate, public and educational clients in the finance, banking, manufacturing, oil and gas, retail, pharmaceutical, healthcare and professional publishing market segments. With offices in Europe and North America and a growing list of partners world wide that includes established solution providers such as Booz Allen Hamilton, Schlumberger and Software AG, Giunti is clearly establishing a stable presence for its growing list of enterprise customers.

Some of the more noteworthy enterprise implementations include:

- Boeing which is using learn eXact to develop, store and deliver SCORM content for industrial maintenance training.
- General Electric Consumer Finance which is using learn eXact to develop, store and deliver SCORM content for its corporate training platforms.
- PROFIT, Madrid, Spain, which has used learn eXact to develop, store and deliver SCORM content for teaching Knowledge Management Techniques to European Corporate Managers.
- Roche Pharma, which is using learn eXact to develop, store and deliver SCORM content for setting up four portals for cardiology, ethiology, virology and clinical research.
- Thai Airlines, Thailand, which is using learn eXact to develop AICC content for internal training and Industrial maintenance.
- US Department of Energy learn eXact to develop content for field training.

Further, Giunti has been able to sustain a remarkable commitment to advancing research and development through its active participation in a variety of international specification and research initiatives including IMS Global Learning Consortium, NATO's Advanced Distributed Learning SCORM Content Case Study, MIT's Open Knowledge Initiative, CEN's Learning Technologies Workgroup, IEEE Learning Technologies Standardization Committee and ISO – SC36 working group).

For more information on Giunti Interactive Labs and their products and services, please visit www.learnexact.com and www.giuntilabs.com.

In their own words: a supplier's voice, Software AG

Nextance and Giunti success is based on a keen understanding of the needs, challenges, and requirements of their target markets. By using established XML infrastructure from Software AG, Nextance and Giunti were able to concentrate their resources and cost effectively meet and exceed the requirements and expectations of their customers.

Focusing on Value

Nextance and Giunti faced a common development challenge; each organization had to decide how the line between internal development and externally developed technology should be drawn. Both organizations recognized that developing infrastructure is costly, time consuming and requires an ongoing commitment to enhancements and maintenance and they each made the decision to leverage proven, standards-based technology and to concentrate their resources on developing technology and intellectual property that had direct and recognizable value to their customers.

XML Key for Delivering Value

Whether for eLearning or contract management, these applications needed to model and manage structured and unstructured content, data driven processes, and human communications. XML is the best way to achieve these requirements, and both companies chose to build their applications on an XML foundation. Rather than impacting application performance and complicating development by converting XML into a relational format, they chose to maintain the application in its native XML format.

The Power of Partnering

We're delighted that Nextance and Giunti have achieved such clear business success from their partnership with Software AG. Nextance and Giunti are just two examples from among the more than 5,000 organizations worldwide using Software AG software. By incorporating Software AG's Tamino XML Server, Nextance and Giunti gained the benefit of Software AG's 30+ years of database experience and expertise in XML. They were able to fully leverage the value of XML in a manner that is highly scalable, available and can support the needs of their respective enterprise architectures.

Organizations who would like to learn more about Software AG can visit www.softwareagusa.com or www.softwareagusa.com/buildwithxml.

Conclusions

Nextance and Giunti are a part of a new breed of entrepreneurial start-up. Nextance emerged from the ashes of the dot.com crash in Silicon Valley and Giunti Interactive Labs traces its roots to the cradle of the renaissance. While their paths have could not have been much different, they have each developed a hard won sense of fiscal accountability and a pursuit of their core business propositions. In spite of their different origins, different products and services and their distinct value propositions, they have each developed nearly identical recipes for success.

Each has found

- An underserved segment of the enterprise; contract management and eLearning. It is extremely difficult to build a new business in an established software category such as ERP or CRM.
- A way to leapfrog their competition's understanding of both the value proposition inherent in their solution and in the best practices and new behaviors required to extract that value.
- A subset of the required technology stack to own in order to protect their intellectual property while hopefully avoiding taking on more than their respective organizations can sustain.
- A balance between offering their markets freedom to choose input and output formats, devices and tools and infrastructure components with tight integration with strategic third party components that provide specific technological advantages.
- A need to build their respective solutions on a native XML database, Tamino. Each initially had hoped to build their solution on a standard relational DBMS but found the demands of supporting multiple and variable XML schemas and the highly structured components of their XML content to be best served by the unique capabilities of an XML DBMS.[3]

As Nextance CTO Nathan Krishnan was quoted earlier "Don't be afraid of what customers might think if you select a lesser known technology component – chose the technology that is right for the job." It is this attitude, embraced by both organizations, that has allowed them to deploy enterprise software in an unusually compressed timeframe while continuing to build upon their current thought and best practice leadership in their respective market segments. We would expect to see these two organizations blazing the trail as eLearning and contract management solutions become increasingly common place components of enterprise infrastructure.

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[3] For more insight into Gilbane's views on XML databases, download the free white paper, XML Repositories: An idea whose time has finally come, at www.gilbane.com

Partner Page: Behind the scenes at Gilbane CTW

When we first conceived of an initiative that would develop and distribute success stories that placed *recipe* over *ingredients* and favored no supplier, technology or computing standard, we also recognized that our most significant hurdle would be to recruit vendors to subsidize such an independent and open process.

Since the CTW program was first conceived in late 2003, we have sought out suppliers who were passionate about and committed to content technology as a game changing force in the markets that they served and secure in the value of the products and services that they offered. The following vendors have literally put their money where their mouths are. They know that public, open and unfettered access to successful enterprise deployments, regardless of the technology mix, only benefit the commercial aspirations of organizations that offer material, dependable and predictable value.

Please join The Gilbane Report in thanking these diverse and often competing organizations for their generous support and sponsorship of the development, promotion and distribution of CTW material. They are an elite group. They are: Software AG (TECdax:SOW), Sun Microsystems (NASDAQ:SUNW), Artesia Technologies, Atomz, Context Media, Convera (NASDAQ:CNVR), INSCI (OTCBB:INSS), Trados, Vasont Systems, Venetica and Vignette (NASDAQ:VIGN).