

**Headquarters**

97 Libbey Industrial Parkway  
Suite 300  
Weymouth, MA 02189  
Phone: 781-616-2100  
Fax: 781-616-2121  
E-mail: [info@capv.com](mailto:info@capv.com)  
[www.capv.com](http://www.capv.com)

**Europe**

3<sup>rd</sup> Floor, Sceptre House  
7-9 Castle Street  
Luton, Bedfordshire,  
United Kingdom LU1 3AJ  
Phone: +44 1582 400120  
Fax: +44 1582 411001  
E-mail: [euro.info@capv.com](mailto:euro.info@capv.com)

**Japan**

Hiroo Office Building  
1-3-18 Hiroo Shibuya-ku  
Tokyo 150-0012 Japan  
Phone: +81 3 5475 2663  
Fax: +81 3 5475 2710  
E-mail: [yoshida@gsm.to](mailto:yoshida@gsm.to)  
[www.gsm.to](http://www.gsm.to)

This material is prepared specifically for clients of InfoTrends/CAP Ventures. The opinions expressed represent our interpretation and analysis of information generally available to the public or released by responsible individuals in the subject companies. We believe that the sources of information on which our material is based are reliable and we have applied our best professional judgment to the data obtained.

## Dynamic Content Software Strategies Consulting Service

### LinkUp 2004 Conference Review

January 5, 2005

---

A couple things strike an observer while sitting poolside at Open Text's LinkUp 2004 user conference in Scottsdale, Arizona. First, although it is late November, the temperature is 73 degrees. Second, and most important, is the many tables with a mix of customers and Open Text personnel talking, training, selling, and most importantly sharing ideas. The company embraces this ideal, witnessed in the way presenters are always quick to explain a new feature with, "customers suggested this," or "we got this idea while talking to an end-user." It is this kind of customer interaction that has enabled Open Text to remain one of the leaders in the Enterprise Content Management (ECM) market.

LinkUp 2004 presented the opportunity for over 1,400 attendees (including senior executives, systems integrators, and analysts) to gain more intimate knowledge of new Open Text products, the direction of the company, and even Open Text's perspective on the ECM market in general. The conference featured numerous customer case studies amongst its 100+ breakout sessions, each seemingly with different positive experiences. Open Text's ability to showcase that many implementations displays the breadth as well as the depth of the company's solutions.

Some new products and features presented at the conference are of particular interest as well. The further tuning of Livelink and the continued integration of IXOS, Gauss, and Artesia into the solution provide customers with a "one stop shop" that could be very appealing. In addition, the development of the Communities of Practice solution, which may seem to be a niche solution presently, has the potential to significantly improve the way groups collaborate and share information.

### Livelink

Open Text has certainly taken a lot of customer advice to heart, from the basics on up. Some navigation buttons, for instance, received new, more intuitive names in the latest version of Livelink. For example, buttons that were once named "Fetch," "View," and "Browse" have been renamed to "Open." Likewise, on workflow object function menus "Paint" has been replaced by "Edit." Other more proprietary terms have been phased out as well. While the old terminology reflected a quirky, individualistic product, the more mainstream terms will aid in ease of use, which in the long run is more important.

Livelink is also improved on a broader level by the continued integration of Open Text's acquisitions. Specifically, the company announced plans for offerings around Business Process Management (BPM) and Production Document Management. Livelink for Business Process Management improves Open Text's BPM capabilities significantly and brings it at least up to par with the offerings of other ECM vendors. Livelink for Production Document Management offers "high-volume document processing and secure long-term archiving." Both offerings are good examples of how Open Text continues to integrate technologies from IXOS and Gauss into the Livelink suite.

Open Text took LinkUp as an opportunity to announce a "next-generation services-oriented architecture." Dubbed Livelink ECM Services Architecture, the first features will be available in early 2005. As the name suggests, it will provide software services that link repositories with applications. Services architectures, such as Livelink's, are becoming more popular as customers demand lower cost deployments that are easily scalable and customizable. While Open Text is not the first vendor to recognize this trend, its "platformization" of services architecture represents a step in a positive direction.

Among the services Livelink ECM Services Architecture will offer are:

- **Business Process Services:** Provides a common framework for automating the routing of information and documents, presenting information to users via forms, and notifying users of critical tasks via a shared inbox.
- **Collaboration Services:** Includes presence, messaging, blogging, and discussions. Livelink Touchpoint is an example of a collaboration service that combines the many functions required for a project into one interface.
- **Content Services:** Content "doorways" were a major theme of the event. The doorways represent a point from which to manage access to content and metadata, and to leverage different storage media across the enterprise.

As Livelink ECM Services Architecture matures, it is likely that its services will increase in number and complexity. As is often the case, look for many of the new uses to come from actual users' suggestions.

## Communities of Practice

The Weblog or "blog" has grown in popularity as Internet usage has exploded. Basically, a blog is an online journal or diary where a person publishes comments, articles, information, or a wealth of other items to the Web. Generally the term blog brings to mind the image of a middle-aged man posting conspiracy theories from his parents' basement. While most "bloggers" are, in fact, individuals posting on a variety of topics, Open Text is incorporating the idea into its new "Communities of Practice" offering.

Besides the classically straightforward Open Text naming, what does this have to do with knowledge management? Well, "blogging" has the potential to be a valuable collaboration and knowledge management tool for the enterprise in many ways. Although not an overreaching solution by any means, blogs could become the latest technology to make the jump from personal to business use, and the most important since instant messaging.

Communities of Practice enables knowledge workers to easily create blogs, and members of the same community to subscribe to them and receive notification when updated. The value of blogs to the poster and subscriber can be found in many areas.

The actual term "Weblog" scored very low as a means to facilitate collaboration in InfoTrends/CAP Ventures' Content-centric Collaboration research. This type of information was not lost on Open Text, which struggled with the naming. In fact, Doug Cohen, Director of Product Strategies, was not firmly convinced that Weblog was the appropriate name until his father called him one day asking if he should be producing one. Mr. Cohen then knew it may only be a matter of time before the term catches on.

So, the fact that the term Weblog may not be mainstream in a business sense yet could be beneficial to Open Text. The company could have the ability to help carve out what a blog is in business terms and position itself among market and technology leaders. The potential downfall is that the term does not gain much traction and holds back the prospects of the product.

Of course, the blog feature is just an element of the Communities of Practice offering. Communities of Practice offers intuitive maintenance features so communities can be easily created and users can be easily added and removed. Permissions are role-based; and in keeping with Livelink's improved naming conventions, roles can be defined by the organization.

Likewise, content can be manipulated in a number of ways. Common questions can be posted to a FAQ object quickly and easily. This FAQ area then becomes a natural starting place for new members of a community. Administrators can also use the configuration tool to update the layout of the community home page, hand-selecting content or setting up regular features. An example of a feature could be a weekly blog entry by a project manager that is automatically posted to the same section of the homepage every Tuesday.

Combined with an interactive calendar, a community library for storing important content, and discussion forums, Communities of Practice has the potential to improve the productivity of teams, especially those with geographically diverse users. It also has the potential for "softer" benefits like making workers feel like they are part of a community. While not a hard ROI metric, this camaraderie can only help the morale of a team.

## InfoTrends/CAP Ventures' Perspective

It was hammered home that ECM, like most markets before it, is quickly becoming a market with fewer, larger companies. The days of 50+ vendors battling for a slice of the ECM pie are gone. Numerous Web Content Management (WCM), Document Management (DM), Digital Asset Management (DAM), and other companies are acquired by the larger ECM players. Now we are seeing a core group of large, ECM companies emerging. That does not mean that specialized solutions from smaller companies will not have their place, but large, enterprise-level deals are seen as increasingly going to the larger "platform" vendors.

Open Text predicts this trend to continue in the future and the market to settle with "Five Companies that Matter." While this may be extreme, the point is well taken. The company looked at the ERP market as an example. What was once a domain with numerous players is now dominated by Siebel Systems, PeopleSoft/J.D. Edwards, Oracle, and SAP. Middle players continue to be acquired, and next year at this time we may be talking about even fewer companies if Oracle has its way. We are even seeing crossovers in each market, with Oracle again being a perfect example with its increasing offerings in the content management space.

Visits to events like the Gilbane Conference on Content Management, however, show that there are many smaller companies that are thriving in more specialized areas of the market, even in the ECM space. Although the ultimate fate of these smaller ECM vendors is unknown, it appears that it will take quite some time for the ECM market to get to the level of the ERP landscape, if it does at all. There are just too many intricacies, content types, collaboration methods, and other requirements for specialized solutions to not have a place.

No matter what happens in the future, Open Text has positioned itself as one of the premier ECM solutions providers. In fact, the company presented stats at LinkUp 2004 indicating that it is the ECM market leader based on revenues. When talking to customers and Open Text employees, however, the feeling is not that they are attached to some monolithic software vendor, buying technology and yearning for personal attention. Rather, there is a feeling of community, as if each customer feels like they have a say in the direction of the company. Largely this is, in fact, true and it bodes well for the future of the company.

*Jon Franke*