

BMC to Enhance Capabilities With ProactiveNet Acquisition

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ProactiveNet's tools will enrich BMC's event correlation and management capabilities, enabling it to be a stronger competitor in the "learning technology" market. This market will continue to consolidate through 2008.

NEWS ANALYSIS

Event

On 29 May 2007, BMC Software announced it will buy ProactiveNet, a privately owned IT performance analytics management vendor. BMC expects the deal to close by the end of June, subject to approval by ProactiveNet's shareholders and the usual closing conditions.

Analysis

This acquisition deal adds credibility to an IT operations technology area where many enterprises remain skeptical. ProactiveNet tools will enhance BMC's availability and performance management portfolio — which includes BMC Performance Manager, BMC Event Manager and Service Impact Manager — by providing the ability to analyze and identify IT performance issues before they have an impact.

ProactiveNet is one of a handful of vendors providing what Gartner calls "learning technology" IT monitoring tools. Such tools augment more traditional monitoring products by automatically baselining performance, determining normal performance bands and adjusting alert thresholds accordingly. An alarm is sent only when an anomaly is detected, thus reducing the number of false positives.

Users of BMC's event management tools will benefit from the acquisition, and ProactiveNet should provide BMC with a technology advantage over its traditional competitors (CA, Hewlett-Packard and IBM Tivoli). BMC has been losing ground, and ProactiveNet will help it to infiltrate its competitors' installed bases by providing better functionality and value.

Acquiring ProactiveNet doesn't plug a gap in BMC's portfolio; there's significant overlap with BMC's Performance Manager Intelligent Alerts (PMIA). Netuitive's SI product is at the heart of PMIA, through an OEM deal signed in 2005. To date, though, BMC hasn't leveraged Netuitive's capabilities. Gartner believes the acquisition likely signals the end of both the relationship with Netuitive and the current PMIA release. PMIA users should immediately work with BMC to understand the product road map and ongoing support.

ProactiveNet is the first of the small number of learning technology vendors to be acquired, but won't be the last. Compared to the number of potential acquisition targets in this market, there are twice as many potential suitors — all of which need to enhance their aging availability and performance portfolios to provide proactive or predictive capabilities with dynamic thresholds that can be established to monitor entire IT services.

We predict the learning technology market will continue to consolidate through 2008 until only large IT operations management vendors are providing availability and performance tools that can learn and provide guidance.

RECOMMENDATIONS

- **PMIA users:** Engage with BMC to understand the impact and possibly consider alternative suppliers.
- **Enterprises looking to update the way they manage and monitor their IT infrastructure availability and performance:** Consider ProactiveNet but recognize it will be mid- or late 2008 before it is fully integrated with BMC's tools.

- **Enterprises looking to enhance their BMC performance and availability management capabilities:** Review the ProactiveNet tools, but don't expect full integration with BMC's portfolio until at least 2H08.
- **Enterprises that adopt BMC's ProactiveNet tools:** Be prepared to manage another set of tools (policy, consoles and so on) until at least 2H08.

RECOMMENDED READING

- "Cool Vendors in IT Operations Management, 2007" — We examine emerging vendors in the IT operations management market that are delivering tools that meet some of the most critical needs in managing growing IT complexity. **By David Williams, David Coyle and Milind Govekar**
- "Magic Quadrant for IT Event Correlation and Analysis, 2006" — When investing in event management, enterprises should understand how the product will fit with their overall event-to-incident/problem resolution processes, including workflow, escalation and integration with service desk tools. **By Debra Curtis, Will Cappelli and David Williams**

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