

Pavilion Buy Should Open New Doors for Rockwell Automation

Andrew Hughes, Dan Miklovic

With Pavilion, Rockwell Automation could strengthen its process industries software capabilities. But to realize its full potential, Rockwell should apply the technology to manufacturing operations management.

NEWS ANALYSIS

Event

On 25 October 2007, Rockwell Automation announced that has agreed to acquire privately held Pavilion Technologies for an undisclosed sum.

Analysis

Rockwell Automation has been actively investing in its software business for the past five years. A number of acquisitions (including Datasweep and Propack Data) and a newly developed service-oriented architecture form the basis of Rockwell's FactoryTalk manufacturing operations management solution, which addresses multiple industries, mostly in discrete or batch manufacturing. Rockwell Automation's planned acquisition of Pavilion technologies would add a key and highly capable advanced process control (APC) solution set to its portfolio. This would immediately increase Rockwell Automation's credibility in the process industries and support growth in its marketing operations management solutions for process industries. Pavilion's expertise in environmental management will also add some worthy "green" credentials.

The potential benefit to Rockwell Automation customers goes far beyond traditional APC and process industry users. Pavilion brings a portfolio of more than 140 patents and an unmatched understanding of predictive modeling through neural networks and other technologies. If Rockwell Automation can apply these technologies to manufacturing operations management applications, such as process analytic technology and performance management, and create predictive manufacturing and business intelligence applications in the manufacturing operations management market, all Rockwell Automation customers will benefit. The barrier to success is conservatism; Rockwell Automation needs to invest in Pavilion's technology in new areas to deliver the potential that advanced modeling technologies can bring to manufacturers.

RECOMMENDATIONS

- Pavilion customers should continue to invest in Pavilion's process optimization and APC solutions, as the acquisition by Rockwell increases Pavilion's viability. Further, customers looking for functionality offered by Pavilion and its competitors should continue to evaluate these products.
- Current and prospective Rockwell Automation customers in the process industries should look closely at the potential benefits of the integration of Pavilion applications and FactoryTalk. Expect to see benefits almost immediately, although full integration and platform harmonization may take 12 to 18 months.
- Rockwell Automation customers in all industries should ask Rockwell Automation account managers when benefits beyond APC will become available. Customer pressure for new applications will accelerate the decision making.

RECOMMENDED READING

- "CIOs Consider Plant Floor Technologies for Business IT" — CIOs should encourage IT departments to consider mature plant floor technology in the enterprise architecture. **By Andrew Hughes**

- “Building Agile Manufacturing That Enables Transformation” —.IT leaders can play a key role in the build-out of manufacturing applications, systems and infrastructures that are agile, are chaos-tolerant and otherwise support the growing needs of manufacturers.
By Dan Miklovic

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