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## Progress Software Snags IONA And Mindreef For SOA

How This New Combination Will Affect Application Development Professionals

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### EXECUTIVE SUMMARY

Within one week, Progress Software announced its intention to acquire enterprise service bus (ESB) rival IONA Technologies and completed the acquisition of service-oriented architecture (SOA) testing startup Mindreef. The addition of Mindreef continues Progress' pattern of acquisitions that has broadened the Progress portfolio of *best in breed* products, extending its coverage to include a new category. The acquisition of IONA is a different matter; it adds to Progress' portfolio a competing product suite with strengths that complement Progress' own products' functionality. Application development professionals who are customers of either IONA or Mindreef will benefit from the backing of a financially stronger company, and those who are Progress customers will have more options to choose from. Prospective new customers will see a more complete product portfolio, albeit one with remaining gaps in SOA service life-cycle management and business process management (BPM).

### PROGRESS SOFTWARE GIRDS A POSITION AS A LEADING SOA MIDDLEWARE INDEPENDENT

Progress Software has made a best practice of acquiring companies and building them into a successful portfolio, but its latest acquisitions have different back stories:

- **IONA has been unable to achieve critical mass.** IONA has long struggled to replace its declining CORBA-based revenues with new revenue sources to drive overall revenue and profit growth. Despite a range of capable and innovative products in the ESB and other SOA categories, financial success for IONA has been elusive, even as Progress' ESB has thrived. Unable to achieve the critical mass to compete with middleware giants IBM and Oracle, IONA has agreed to become part of Progress Software, which has a proven ability to turn under-performing assets into gold as part of its successful and financially stable portfolio.
- **Mindreef has carved out a niche in the emerging SOA testing market.** Mindreef's SOAPscope products diagnose Web services problems at any point in the service life cycle and will extend Progress' reach into a new category. Mindreef has fueled steady growth with its combination of modest pricing and a policy of free trial downloads and has maintained a strong pace of innovation and partnership. The SOAPscope server integrates with tools from HP, IBM, Microsoft, Oracle, Progress Software, Reactivity, SOA Software, and Software AG.



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Application development professionals who are customers of these firms can expect to have more choices:

- **Progress customers will see a somewhat stronger product set.** Oracle's acquisition of BEA Systems plugged some significant holes for Oracle; Progress' acquisition of IONA will be a different story, as IONA doesn't have as many assets to bring to the game (see Figure 1). Customers who have already chosen Progress probably don't have the use cases that favor choosing IONA. The main impact? More low-cost, lightweight options based on open source and a better-integrated approach for serving up a mixed portfolio of open source and commercial software infrastructure.
- **IONA customers will get a safe harbor and more product choices.** Customers with big IONA investments can feel safer thanks to the Progress acquisition, as Progress has solid financials and a good track record of managing acquisitions. Progress' strategic vision aligns well with the interests of most IONA customers. The main upside? Progress has a leading independent messaging stack, proven at scale, which can be very useful to IONA customers also looking for distributed messaging to link dispersed locations or to handle other relevant design patterns.
- **Mindreef customers get continued product evolution plus new product options.** Progress has a habit of continuing each product's natural evolution within its broader portfolio. Mindreef products help to fill the SOA testing gap in Progress' SOA solution, and IONA's Interface Simulation and Testing Framework (ISTF) will further enhance those capabilities. And as Progress integrates Mindreef into its SOA solution, Mindreef customers will also get a lower cost of ownership.

**Figure 1** Progress, IONA, And Mindreef: Stronger Together

Category	Progress Software	IONA Technologies	Mindreef	The result
Enterprise service bus	Sonic ESB	Artix FUSE		Three complementary offerings plus open source savvy
BPEL/process support	Sonic ESB	Artix FUSE		Three complementary offerings
Information services, interoperability	DataXtend DataDirect/Xcalia	Artix Data Services		Two complementary offerings
Mainframe integration, modernization	Shadow	Artix Orbix		Two complementary offerings
SOA quality assurance		Interface Simulation Testing Framework (ISTF)	SOAPscope Architect, SOAPscope Tester, SOAPscope Server	Two complementary offerings
Enterprise messaging	SonicMQ			SonicMQ
Event management	Apama			Apama
SOA management/runtime governance	Actional	Actional for Artix		Actional
Distributed objects (COBRA)		Orbix		Orbix
Design-time governance	Partners (HP, IBM)	Artix Registry/Repository (focused on deployment management), partners (HP)	SOAPscope server (focused on policy development and service testing), partners (HP, IBM, Oracle, SOA Software, Software AG)	A partial offering supporting specific product needs, plus extensive partnerships
Business process modeling	Partners (Lombardi, etc.)			Partners

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Source: Forrester Research, Inc.

## PROGRESS BULKS UP TO COMPETE WITH PLATFORM GIANTS

What does Progress see in IONA? IONA has an attractive customer portfolio and has also been innovative in making open source technologies part of its strategy, which has not been a strength for Progress. IONA has also been aggressive in promoting interoperability with Microsoft, which is also a long-time strategy for Progress. And just as BEA's technology helps Oracle go after the high end of the market, IONA's technology can help Progress support a wider range of more-advanced use cases that are of critical importance to some of the largest companies in the world. The result? Greater strength in some areas, but little effect in others:

- **Progress and IONA bring complementary strengths to the ESB.** Whereas Progress is favored by customers that, because of their particular needs, benefit from its messaging-centric approach — the *smarts* are in the network — IONA has always hastened to point out the other customers with needs that are better served by its distributed approach — *smart endpoints*. By combining smart endpoints with a smart network, Progress can bring the strengths of both architectures to bear across a wider customer base with a wider range of use cases.
- **IONA brings more data services assets to Progress' future information-as-a-service play.** Progress and IONA have both dabbled in various (mostly complementary) parts of the data services market. IONA's Artix Data Services, the evolution of the acquisition of C24, provides rich data services integration for financial services firms, with many prebuilt assets for common data formats such as SWIFT, FpML, MDDL, and Origo. Progress has been making a similar play in telecommunications with DataXtend Semantic Integrator.

By combining these assets with others, such as those DataDirect accrued through the acquisition of Xcalia, Progress will be making a strong entrance into the market for information-as-a-service (IaaS) solutions later this year.<sup>1</sup> Expect to see Progress' solution feature especially close integration with the Microsoft SOA and information management stack, building on a strong history of working together on standards. However, as always, this solution will be platform-neutral, enabling Progress to build a business from the desire of some Microsoft customers to embrace platform heterogeneity.

- **IONA brings open source savvy that Progress lacks.** IONA's acquisition of FUSE and its ongoing involvement in the Apache community (the FUSE ESB includes Apache ServiceMix and other Apache projects) has given it real open source credentials, and it has learned to lead open source projects without bullying. Moving forward, this gives Progress access to the Apache community plus the skills to work closely with other open source communities. This is a timely addition, as, with the emergence of MuleSource, JBOSS's ESB, and other middleware activities, open source technology is starting to play a larger role in SOA infrastructure.

### MindReef Gives Progress Software A Testing Edge Over Its Competition

The addition of Mindreef gives real weight to Progress' bid to offer a complete SOA portfolio:

- **Testing tools are not common among SOA infrastructure portfolios.** IBM's Rational Tester for SOA Quality is the only other SOA-testing support available from an SOA infrastructure vendor, with other products provided by specialty solutions such as Parasoft, DataLinx Push2Test, or iTKO or by testing powerhouse HP through its acquisition of Mercury.
- **Mindreef's SOAPscope complements IONA's ISTF.** SOAPscope combines Web services diagnostics for developers with test design and policy life-cycle support for architects and business analysts. ISTF, on the other hand, provides the means to craft and support isolated

service testing that developers and testers can use. Together, this gives Progress broad capability, allowing it to support both automated testing of services and service emulation (from IONA) and also to provide full life-cycle quality assurance support (from Mindreef).

- **Mindreef's unique SOA testing extends the value of Progress Actional.** The combination of SOAPscope and Actional will couple SOAPscope's ability to identify composite services that are misbehaving with Actional's ability to see inside the composite service to pinpoint bottlenecks. As partners, Mindreef and Progress have already made this available through integration; expect Progress to deepen this connection in the first hundred days.

### Neither IONA Nor Mindreef Fill Progress' Biggest Holes: Governance And BPM

Progress Software's ambition to become a one-stop shop for SOA is clear. But customers will have to look to Progress partners HP-Systinet and Lombardi for SOA governance and business process management (BPM) products. These gaps mean that Progress is not yet a true one-stop shop for SOA, such as Software AG, although its acquisitions of IONA and Mindreef has helped it to inch closer to that objective. As it continues to grow, Progress should keep in mind that:

- **BPM is a fundamental and profitable piece of its competitor's SOA offerings.** Progress' main competitors all have strong BPM offerings. Furthermore, a lot of the current business activity around SOA focuses on the process layer, and BPM plays a big part in that. Process orchestration (BPEL) plays another part that Progress *can* address, and for some use cases, that will suffice. Customers looking for BPM capabilities from Progress will have to continue to look to its partnership with Lombardi or to other players.
- **Design-time governance is an urgent priority.** A design-time repository forms the hub for coordinating the many elements of SOA: services, schemas, policies, and other metadata. This means that repository vendors are constantly challenged to maintain high levels of integration with many products. Without a design-time repository, Progress can't control its own destiny as an end-to-end SOA vendor because it must rely on others for this coordinating capability. Initial pieces of a repository strategy exist in IONA's Artix Registry/Repository, which focuses primarily on deployment challenges (an unfilled gap in most life-cycle management solutions), and in Mindreef's SOAPscope Server, which focuses on policy and testing life-cycle management.

### WHAT IT MEANS FOR OTHER IT ROLES

Progress, IONA, and Mindreef target application development organizations with their products, but their recent moves also affect other roles within IT organizations, including:

- **Enterprise architecture professionals.** Architects who are existing customers of Progress or IONA ESBs will need to understand where these products are heading, how Progress will make the smart endpoint technology of Artix available to Sonic customers, and how it will make the smart network capabilities of Sonic available to Artix and FUSE customers. Also, as

Progress continues to broaden its SOA portfolio, notwithstanding the portfolio's remaining gaps, architects can now consider Progress more often as a potential strategic partner in their own SOA platform evolution.

- **CIOs.** Long-term SOA success requires a real commitment to continuous evolution of an organization's SOA platform, and Progress has been a viable partner for the bulk of that platform. IONA's products add new capabilities to an already strong ESB story, and the Mindreef acquisition shows that Progress is serious about helping customers be consistently successful with SOA. That said, firms must still look elsewhere, for now, for a comprehensive SOA governance solution and to fill BPM needs. CIOs must recognize most organizations don't or can't fund SOA as a single program; real-world budget constraints and the need to meet short-term business needs tend to reinforce the idea of an evolving SOA platform funded by small, ad hoc investments. But, these smaller steps will lead to unnecessary duplication and incompatibility without an effective SOA platform strategy to guide these investments over time.<sup>2</sup> In the ever-changing world of middleware vendors and products, a sound enterprise SOA platform strategy is one that understands and leverages successful SOA platform vendor strategies.

#### WHAT IT MEANS

##### PROGRESS SOFTWARE REMAINS A STRONG COMPETITOR

Progress has strengthened its existing product portfolio through its recent acquisitions, extending its reach to include a SOA quality assurance story unique among its competitors. Progress has a strong history of growing by mixing new development and acquisitions and strengthening each new product along the way, and there is no reason to foresee a change in that strategy. These moves amount to the overall SOA platform market shifting in small ways — but shifting nonetheless:

- **Oracle and IBM still occupy the top tier.** IBM's overall SOA portfolio is the broadest, with Oracle a close second following its acquisition of BEA. Progress lacks the BPM and design-time governance offerings of either but currently leads both in use cases where ESBs need to be truly distributed. Neither Oracle nor IBM has a concise SOA quality assurance offering, though of course IBM offers a wide range of testing capabilities in its Rational product line.
- **The middle tier is getting interesting.** Software AG's CentraSite and SOA Software's Logidex each give their vendors a strong design-time governance story. TIBCO and Software AG both have mature BPM offerings. But, Progress now has exclusive capabilities in SOA quality assurance, ultralightweight ESB, and deployment management.
- **HP will feel some heat.** HP's Quality Center has been largely unchallenged as a foundational testing suite, with various SOA testing vendors like Mindreef providing ancillary capabilities. HP has largely underplayed its existing SOA capabilities, so Progress has a window of opportunity to have the cleanest SOA quality assurance story — built from the ground up to focus on real-world SOA problems.

## ASPIRATIONS ASIDE, PROGRESS REMAINS AN INTEGRATION PLAYER TODAY

Progress already has the ability to compete head-on in ESB and other component SOA deals. And Progress Software's goal is clear: It wants to be a strong, one-stop shop for SOA. But its competitors' SOA platforms all include the BPM and service life-cycle management solutions that it lacks. Forrester expects Progress to move aggressively to close these gaps, and some of Progress' existing capabilities offer hints of what is to come:

- **IONA's Artix Registry/Repository.** This product focuses on service deployment, and it gives Progress one of its existing repositories plus the heavy lifting for first-class service deployment support.
- **Mindreef's collaboration and policy life-cycle management.** These SOAPscope capabilities represent another existing repository, integrated with third-party products, plus life-cycle management of policies that can be readily extended to services and schemas.
- **The combination of Actional and SOAPscope.** Rather than seeing SOAPscope as just a new product in a new SOA area, Progress plans to leverage the synergy of SOAPscope and Actional to create new SOA quality management value for developers and architects. Forrester expects that Progress' forays into the SOA repository space will show similar innovation and value.
- **Sonic ESB's strong process support.** Although Progress lacks a BPM solution, Sonic ESB does provide very strong support for long-running process management as part of its lightweight orchestration capabilities — capabilities that are ready for inclusion in any future BPM offering.

## ENDNOTES

- <sup>1</sup> Increasing business demand for near-real-time delivery of high-quality information in context is driving enterprise architects and application developers toward new service-oriented ways of accessing and integrating enterprise information. Earlier-era technologies such as enterprise information integration (EII), extract, transform, and load (ETL), and replication are failing to support the requirements of these new service-oriented applications. New technologies that enable information-as-a-service (IaaS) overcome these challenges, delivering quality, federated information in near-real time to support multiple applications and provide deep business insight. See the May 2, 2008, "[Information-As-A-Service: Delivering Real-Time Information Drives Market Toward The Mainstream](#)" report.
- <sup>2</sup> Firms are turning to service-oriented architecture (SOA) for cost-effective flexibility and enhanced usage of legacy IT. But the shift to SOA doesn't come easy and doesn't come cheap. Building an effective SOA platform requires tight integration between new and existing product categories, and it may require large investments for new products such as SOA repositories. As few firms can shell out the funds for a complete transformation all at once, Forrester recommends placing tactical SOA investments in a planning framework for evolving to a strategic SOA platform. See the June 27, 2008, "[CIOs: Use An SOA Investment Road Map To Reach Strategic SOA](#)" report.

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