

QUICK TAKE



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BMC Software Acquires Identify Software To Reinforce Transaction Management

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with Simon Yates and Thomas Powell

EXECUTIVE SUMMARY

In February 2006, BMC Software announced its Transaction Management strategy with a product set aimed at collecting end user experience data in transactions that include not only distributed systems but also mainframe applications. In recent months, BMC competitors have also been very active acquiring technology to support transaction management products with error detecting capabilities. Mercury acquired BeatBox Technologies, Wily Technology acquired Timestock (and was itself acquired by CA), and Quest Software acquired Xaffire. By acquiring Identify Software, however, BMC Software does more than follow a technology consolidation trend. Instead, it acquires a product with unique transaction problem resolution capabilities through root cause analysis, capture, and playback, which positions BMC for a move into the software development market. This acquisition propels BMC ahead of the curve in transaction performance management.

RESEARCH CATALYST

Forrester discussed BMC Software's acquisition of Identify Software with Chuck Stern, vice president of worldwide marketing and communications at BMC Software and Yosef Fried, vice president of corporate development at BMC Software.

IDENTIFY MEASURES IT PERFORMANCE FROM THE END USER PERSPECTIVE

Managing IT from an end user perspective and measuring the response time and availability of applications is probably one of the most efficient ways to detect performance degradation. Firms are increasingly trying to correlate this capability with other types of information, such as usage data on the infrastructure supporting the transaction. The next step in the evolution of the technology is the addition of root cause analysis of transaction problems.¹ BMC launched its Transaction Management strategy this past February, and the acquisition of Identify will:

- **Move BMC's solution beyond detection to root cause analysis.** It is necessary not only to understand the overall performance of an application, but also why applications fail. In many instances, transactions will fail for a number of reasons. Sometimes the problem is the unavailability of a component or the lack of capacity in another component, but transactions can also fail because of a code or data error that manifests only in specific circumstances. Recreating the problem is the most efficient way to resolve it, as all programmers know. Companies are coming to terms with this issue, which has led them to acquire products capable of capture and playback.

- **Augment application performance with problem resolution.** Identify Software’s solution reinforces BMC’s capability in J2EE and .NET environments and directly supports BMC’s business service management (BSM) strategy by providing visibility into the execution of an application that supports a business service. Identify’s application problem resolution capabilities are strong complements to BMC’s BSM capabilities, which allow it to look into application performance and map the infrastructure supporting the application delivery. This combination has the potential to shorten the time to problem resolution and reduce the business impact of transaction problems.
- **Position BMC to move into the software development market?** Identify is also a bridge between pre- and postproduction, which expands BMC’s presence beyond pure IT operations. Could this be used as a wedge to reach into other markets? Nothing indicates that BMC is willing to do so, and Identify may not be the right entry point. For the time being, we believe that this acquisition will simply reinforce BMC’s transaction performance management capabilities.

SUPPLEMENTAL MATERIAL

Companies Interviewed For This Document

BMC Software

ENDNOTES

- ¹ Mercury’s acquisition of BeatBox Technologies, Compuware’s acquisition of Adlex, CA’s acquisition of Wily Technology and Timestock, and Quest Software’s acquisition of Xaffire show that there is a trend to go beyond the simple measurement of availability and performance to enter the realm of understanding errors in both content and code. See the November 5, 2004, Tech Choices “[Managing Performance From The End User Perspective](#).”