

## Global IDs makes headway in data governance, illuminates roadmap

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**Global IDs'** technology strategy was furthered in December 2009, when the firm received approval of a patent for a system and method of data integration using multidimensional, associative unique identifiers. The filing of additional patents for more specific global identifiers related to government-mandated standards such as HL7 and ICD-9 is planned, as is the fleshing out of the Global IDs Product Suite, which is designed to enable large organizations to systemically govern their data assets.

Management believes data governance requires data discovery, data profiling, data classification and verification, data quality, mapping and movement, data integration, data stewardship and analysis, which are core features of the Global IDs Product Suite. Data discovery enhancements take center stage on its roadmap. The company now reportedly has 15 paying customers – we're told average deals are \$500,000 but can cumulatively rise to \$1-2m, and that it's profitable and saw a 20-25% growth in sales last year.

### The 451 Take

We think Global IDs is making solid progress from a business and product perspective. Although it's right to focus on data governance due to this sector having sizzle and good growth opportunities, the number of vendors also eyeing opportunities in this arena has escalated, with IBM arguably leading the charge.

### Context

Global IDs is on a mission to make its mark in data governance. It has a slew of product enhancements in the cards (see below) and intentions to double in size to 100 employees, and elevate its profile and market share. We're told these objectives can be achieved without outside investment – it doesn't want to take on venture capital. Last year, overall revenue grew by 20-25%; a 50% sales growth target is in place for 2010, which management is confident it can hit. We're told it is currently in 20-25 active opportunities with channel partners – partnerships are a growing area of focus (see below).

At face value, the 15 paying customers it now has on board appear to be exactly the

same number it had last August. But back then, less than 10 accounts were on the product side of the house – Global IDs' roots are in IT services, providing consulting for data management and integration projects. We're told the 15 accounts it now has on board have bought components or the entire Global IDs Product Suite. For the last six or so months, it has been entirely focused on software deals, with the service component being handled by its growing network of systems integrators, for example. The only service-related business it wants to engage in is where custom product development is required.

Maintaining a focus on data governance is very much the order of the day for 2010 – as is actively targeting large global companies, which comprise its installed base today. Healthcare, financial services firms, large telcos and publishers are the audience it is going after, in particular.

## Partners

A formalized technology partnership with **Dun & Bradstreet** in 2009 will result in a joint offering with Global IDs' branding. This offering essentially combines the latter's data enrichment software with D&B's Integration Manager and will be positioned for a data enrichment approach to master data management (MDM).

Management views MDM as one piece of a broader data management problem it aims to resolve with the Global IDs Product Suite – just as it views document and content management, supplied by the suite's ability to catalog and integrate structured, semi-structured and unstructured data across the enterprise – as another piece required to get a holistic view of a company's information assets to solve a wider data management problem.

A partnership with **Acxiom** is in the cards – again with a data enrichment approach to MDM in mind, with Acxiom effectively providing the 'people identifiers,' or IDs associated with people. The game plan is also to expand channel partnerships as the year progresses.

## Patents

In December 2009, the company received patent approval for multi-dimensional associative identifiers, which are essentially designed to provide the glue to tie people and product together using global product identifiers and customer identifiers, for example. The intention is to file new patent applications this year for more specific global identifiers related to government-mandated standards such as HL7 and ICD-9 and global location identifiers.

## Roadmap

Data discovery is a core area for up-and-coming enhancements. We're told the game

content and semi-structured data (i.e., email content, document repositories and XML).

The creation of new data discovery products is also planned. These will take the shape of offerings for Cobol, Java and PL/SQL (**Oracle's** procedural extension language for SQL and the Oracle database), ETL scripts, scripts generated by **Informatica** and message queues. Scanners for application, infrastructure and process data are also planned.

Providing interoperability with third-party ETL software from Informatica, **IBM**, **Ab Initio Software**, **Talend** and CloverETL is also in the cards, since Global IDs doesn't deem ETL to be a core competency.

## Competition

IBM is the vendor Global IDs sees most frequently, which makes sense since Big Blue has a broad and deep data management portfolio within its Information On Demand (IOD) division, which also covers some bases the Global IDs Product Suite doesn't – such as ETL/ELT and Change Data Capture (CDC). We concur that it's possible for Global IDs to coexist with IBM and others, and agree that IBM's data management arsenal isn't as integrated as Global IDs' is, since some pieces are driven off different codes bases and lack metadata integration because they've been acquired – unlike its own, which has been crafted from the ground up.

We're not sure, for example, how well the data discovery assets Big Blue snared from **Exeros** for an estimated \$12m last May have been integrated with the rest of its data management portfolio. Furthermore, while IBM's MDM capabilities may well be more extensive than Global IDs – partly as a result of its pending purchase of **Initiate Systems** – this acquired software needs to be folded into its data management portfolio more fully too.

Nonetheless, we think IBM – and **SAP**, Oracle, Informatica and **SAS Institute** (see below) – are potent threats. Earlier in February, IBM escalated its focus on data governance via expanded offerings from its Global Business Services (GBS) consulting division, which was accompanied by the launch of a new GBS Information Governance Center of Excellence. As we've noted before, IBM's information governance strategy is also heavily tied to its enterprise content management line.

Data governance is also a focus for SAS' newly available DataFlux Data Management Platform, formerly Project Unity, which combines its data integration, data quality and MDM assets into a single stack and supplies customizable templates for data governance. The other big guns in data management – Informatica, Oracle and **Microsoft** – are also placing more emphasis on data governance these days, as is **SAP BusinessObjects**. However, SAP is looking at this area through the lens of its Governance, Risk and Compliance (GRC) portfolio, which had a different slant to Global IDs Product Suite, as it is geared up for handling risk-based GRC processes in the areas of risk management, access management, controls testing and data monitoring, compliance management and reporting.

Data-warehousing and MDM vendor **Kalido** is another vendor seeking to make its name in data governance, which has been a principal area of focus for product enhancements in the past nine months. **Harte-Hanks Trillium Software** data quality division also has its eyes on this space – albeit mainly through Trillium Consulting – as do other data

management vendors including Talend, **Pervasive Software**, and, we're given to understand, Ab Initio too.

## SWOT analysis

Strengths	Weaknesses
Global IDs' ability to grow without requiring external funding is a boon in the ongoing difficult funding environment. We think planned data discovery enhancements will give it a real edge.	Tie-ups with ETL vendors are all well and good, but many of these vendors also have ambitions in data governance – and advantages attached to an incumbent status to boot.
Opportunities	Threats
Data governance is a hot area with plenty of room for growth. Global IDs is in a stronger position to serve this market than it was this time last year.	We see IBM as Global IDs' most direct competitor followed by the other leviathans in data management, SAP, Oracle and Informatica – compared to which Global IDs is a minnow with a low market profile.