



ObjectAutomation Aims at Preeminence In the Industrial Software Market

At A Glance

Company: ObjectAutomation
Santa Ana, Calif.
Startup: February 1996
Goal: Create open-architecture distributed control systems
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Last February, ObjectAutomation, Santa Ana, Calif., was formed with seed money from eight founding partners. The partners immediately established a lofty objective for the fledgling company: to build an integrated control system and object framework.

From the beginning, the principal goal of the company has been to provide a suite of easy-to-use control software products that can solve the broadest range of industrial automation problems. "Our software products will forever change the way industrial automation solutions are delivered, by supplying the robustness, integration, and reliability expected of control solutions combined with the ease of use and great functionality of desktop products," says ObjectAutomation's president, Dave Smith.

ObjectAutomation brings to industrial automation the same technology, power, and productivity leap that fueled the huge acceptance of the PC on the business desktop. Smith admits it was "a little nuts" for a start-up company to attempt to develop an object framework, but the company has succeeded in the endeavor where others have failed.

Since the core group at the company consists of former Wonderware and Iconics executives, the brain trust at ObjectAutomation had a good sense of how to accomplish their objectives. One of their first decisions was to select the Windows NT platform as their primary development environment. "The alternative platforms did not even come in a close second," says Smith.

"The market is changing; low-cost, high-performance personal computers are permeating the industrial market and are displacing proprietary hardware," Smith says, "Yet, one thing stands between them and the goal of full acceptance: a lack of robust, off-the-shelf, and integrated software. While the current crop of desktop software tools have made headway into this area, they quickly fall short of an integrated control experience. Nevertheless, networks of standard PCs with industrial-strength software layered on the Microsoft platform will control the future factory."

Smith continues, "We decided to offer our object framework as an open platform, so other companies could use it as a common platform for open object integration. The key to our success is our common vision for the development of a universal control system."

Today, all of ObjectAutomation's products are built upon the OAframework, an unique enabling technology which makes it possible to deliver control software in all markets from machine control and semiconductors through oil refining and pharmaceuticals. The framework will also "reach up" from the factory floor to support products for all higher-level applications such as lot

tracking, scheduling, and product planning. The OAframework also provides a foundation for modular and highly distributed, standards-based products which are open to third-party add-ons.

Unlike most companies, ObjectAutomation is uncommonly open about its product development strategy. In fact, on three occasions the company has opened its doors to outsiders for "design review" sessions that often involve the disclosure of important product developments. "We do this to calibrate our software against real-world experience and to make sure our expertise is being applied correctly," explains Smith.

He adds, "We are not paranoid about giving away secrets."

According to Smith, this policy has helped the young company build strong relationships and partnerships with companies in many important vertical markets.

Another key to the company's success, according to Smith, is the caliber of the people who have joined the company. "We have the absolute best people, even if they are a little out of the normal mode," says Smith. "They all have experience in the domain, and they are all nonconformists. Our people are not bashful about expressing ideas. By capturing their spirit and applying it to our goals, we've been very successful." □

Further Reading

Startmagazine.com, Resources, OA white paper, June 1997.

Red Pepper Too Hot for PeopleSoft to Swallow

"Last year, when we merged with PeopleSoft, Pleasanton, Calif., the marketplace thought that they would swallow us up," says Monte Zweben, vice president and general manager of the Manufacturing Business Unit at PeopleSoft, a leading provider of enterprise applications software. "Instead they have encouraged our existence, and we've recently created a new suite of Red Pepper products which are especially exciting for Microsoft Windows NT users."

Red Pepper Software, under the auspices of PeopleSoft, recently introduced Supply Chain Collaborator, a new inter-enterprise planning utility. For companies seeking to improve timeliness and quality of forecasts and planning information with their trading partners, Supply Chain Collaborator structures and automates the exchange of detailed planning information via secure Internet messaging. Supply Chain Collaborator is available as freeware, downloadable from the PeopleSoft web site: (<http://www.peoplesoft.com>).

The collaborative effort between Red Pepper and PeopleSoft began several years before the two companies announced their merger. In June 1995, PeopleSoft entered into a technology licensing and distribution agreement with Red Pepper. Last September, PeopleSoft issued 2.975 million shares of common stock to acquire all of the outstanding shares and stock options of Red Pepper in a transaction dubbed as a "pooling of interests."

"Before the merger, the two companies worked together through an OEM (original equipment manufacturer) relationship," says Zweben. "Working together before the merger gave us a lot of confidence that this relationship would work. We found that we shared the same culture and ethics, which is a key to a successful merger."

In the months since the merger, Zweben has been pleased with the transition and with the fact that Red Pepper, based in San Mateo, Calif., continues to operate as an independent business unit.

By Marty Weil
staff writer

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According to Zweben, the two companies have reorganized in a way that leverages both organizations' strengths. One element of that reorganization was the creation of the business unit Zweben now manages.

"The merger with PeopleSoft provided Red Pepper with a formidable sales force and access to technologies that we did not have in our arsenal, such as workflow and product configuration software," he says. "We are now in the business of asset management, which means we enable companies to use their assets to

deliver on time at the lowest possible costs. While we've always had the right products, now we have the marketing vision to go along with them."

To Zweben, the key to any successful merger lies in the preparation or "courtship" stage. "It is important that everyone is clear about what life will be like after the merger," he says. "To be successful, there must be an understanding about how the products will be sold and what roles the people in both organizations will play after the courtship is over." □

