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stki Summit **28.03.11**

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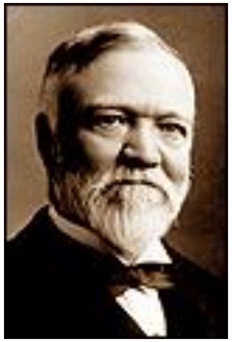
People make IT not technology

- *Take away my people and leave the factories*, **and soon there will be** *grass growing* **on the factory floors,**
- *Take away my factories and leave my people*, **and soon we will have** *bigger and better* **factories.**



Andrew Carnegie

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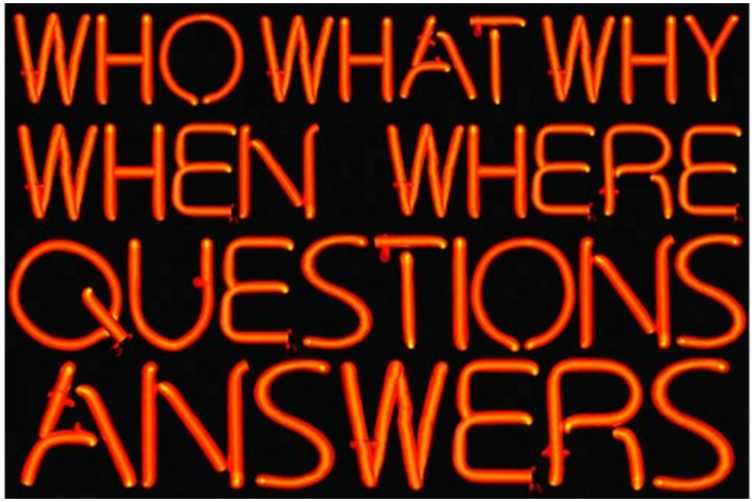
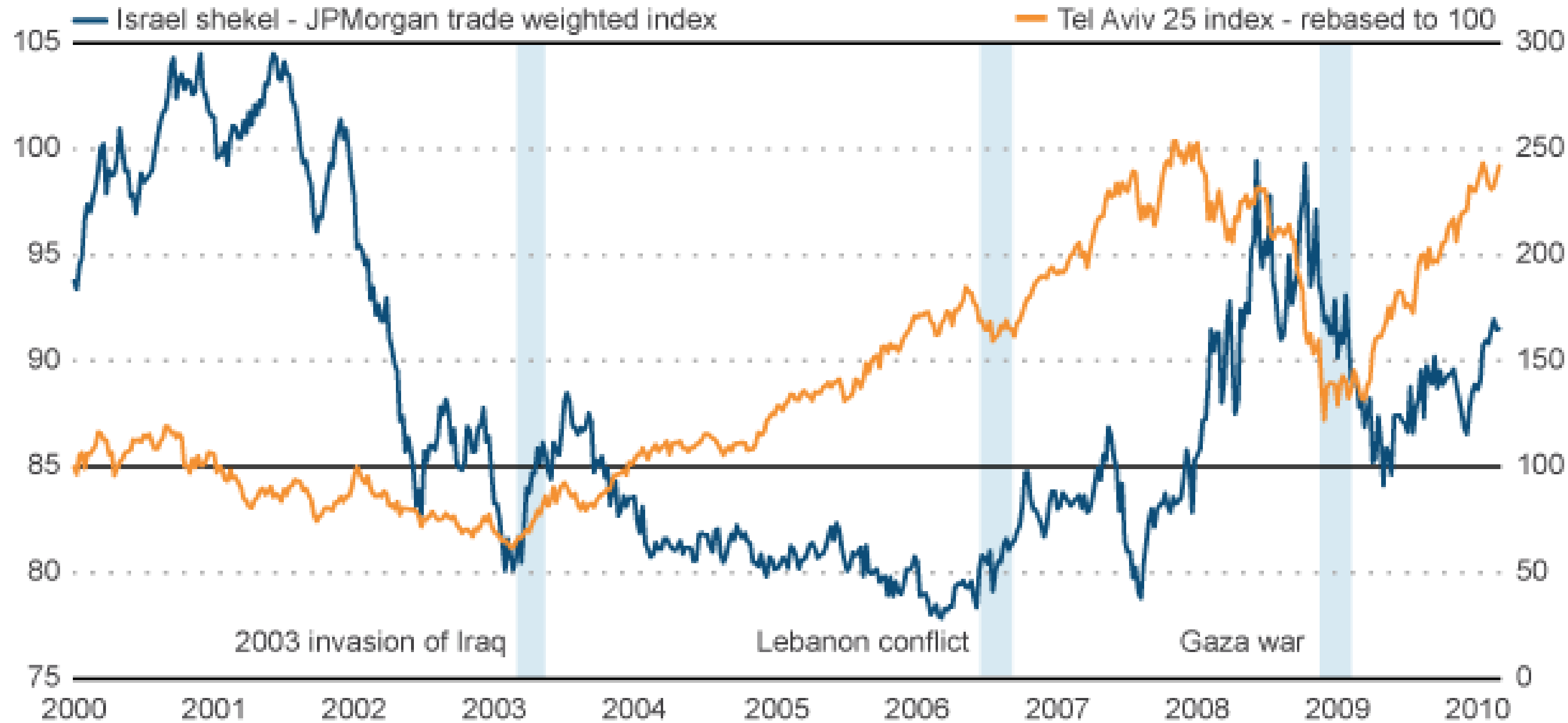
So I started:




SOME QUESTIONS
CAN'T BE
ANSWERED BY GOOGLE
SUN WORSHIP 9AM

Israel Economy



Source: Thomson Reuters Datastream

REUTERS

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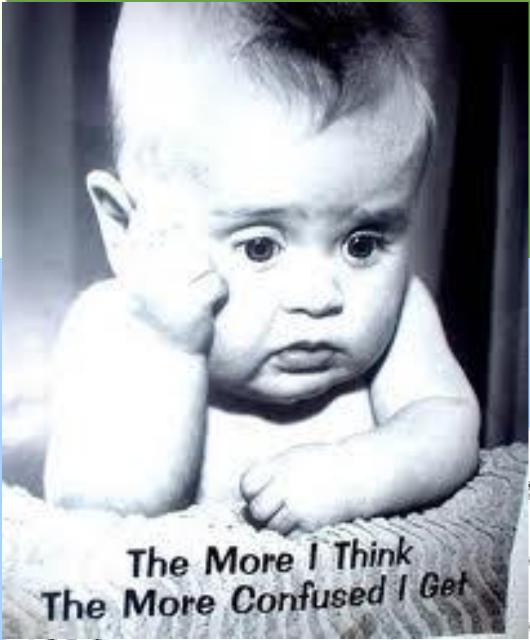
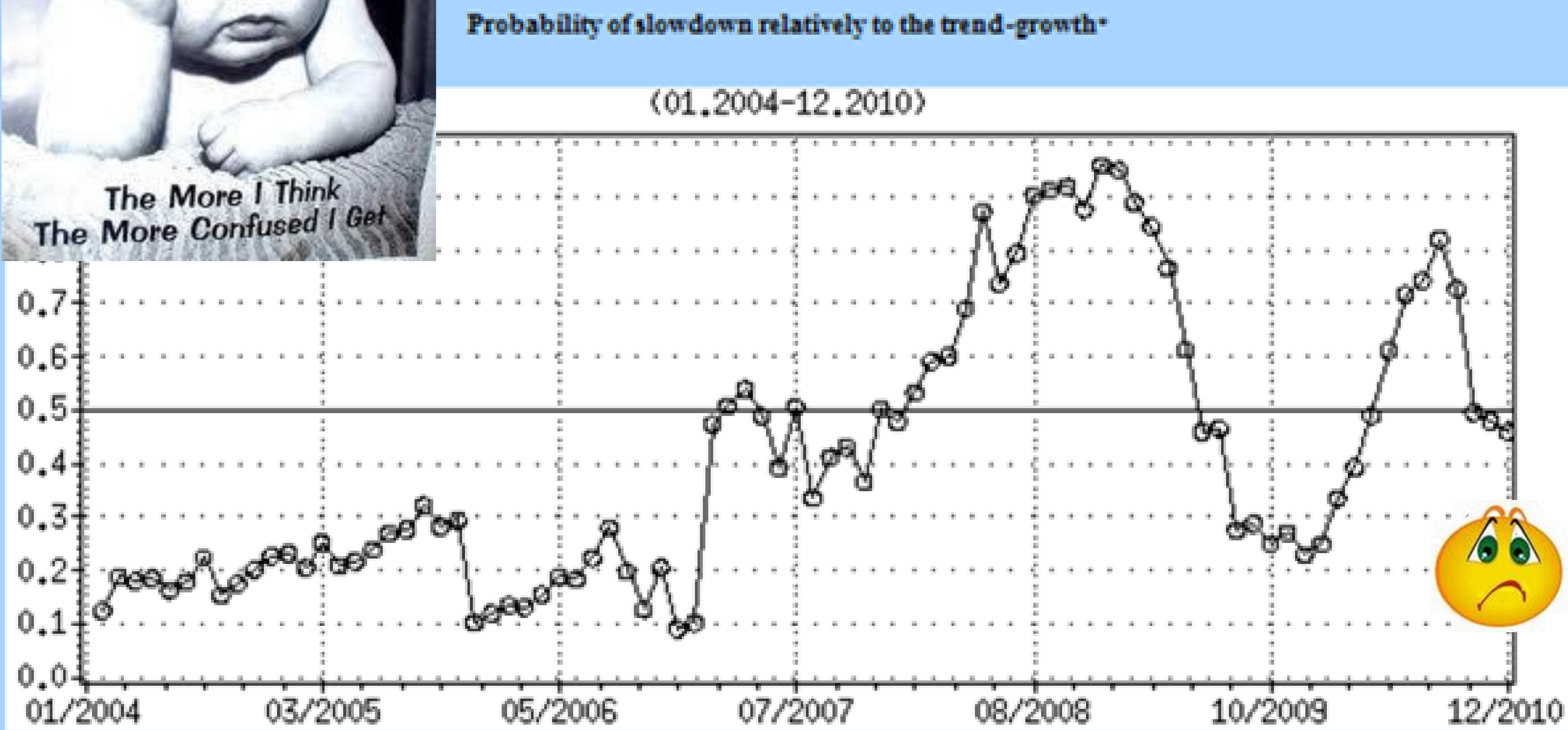
Israel: Selected Economic and Social Indicators (% change) 2007–11

	2007	2008	2009	2010 1/	2011 1/
Real GDP	5.3	4.2	0.8	3.9	3.5
Private consumption	6.3	3	1.7	4.9	4
Public consumption	3.1	2.6	2.5	2.2	2.1
Exports of goods and services; Real growth rate (percent)	9.3	5.9	-12.5	11.8	2.4
Imports of goods and services; Real growth rate (percent)	11.9	2.4	-14.1	10.6	2.8
Oil Imports (billions of U.S. dollars)	8.9	12.8	8.1	10.7	12.6

International Monetary Fund (IMF)



Probability of slowdown



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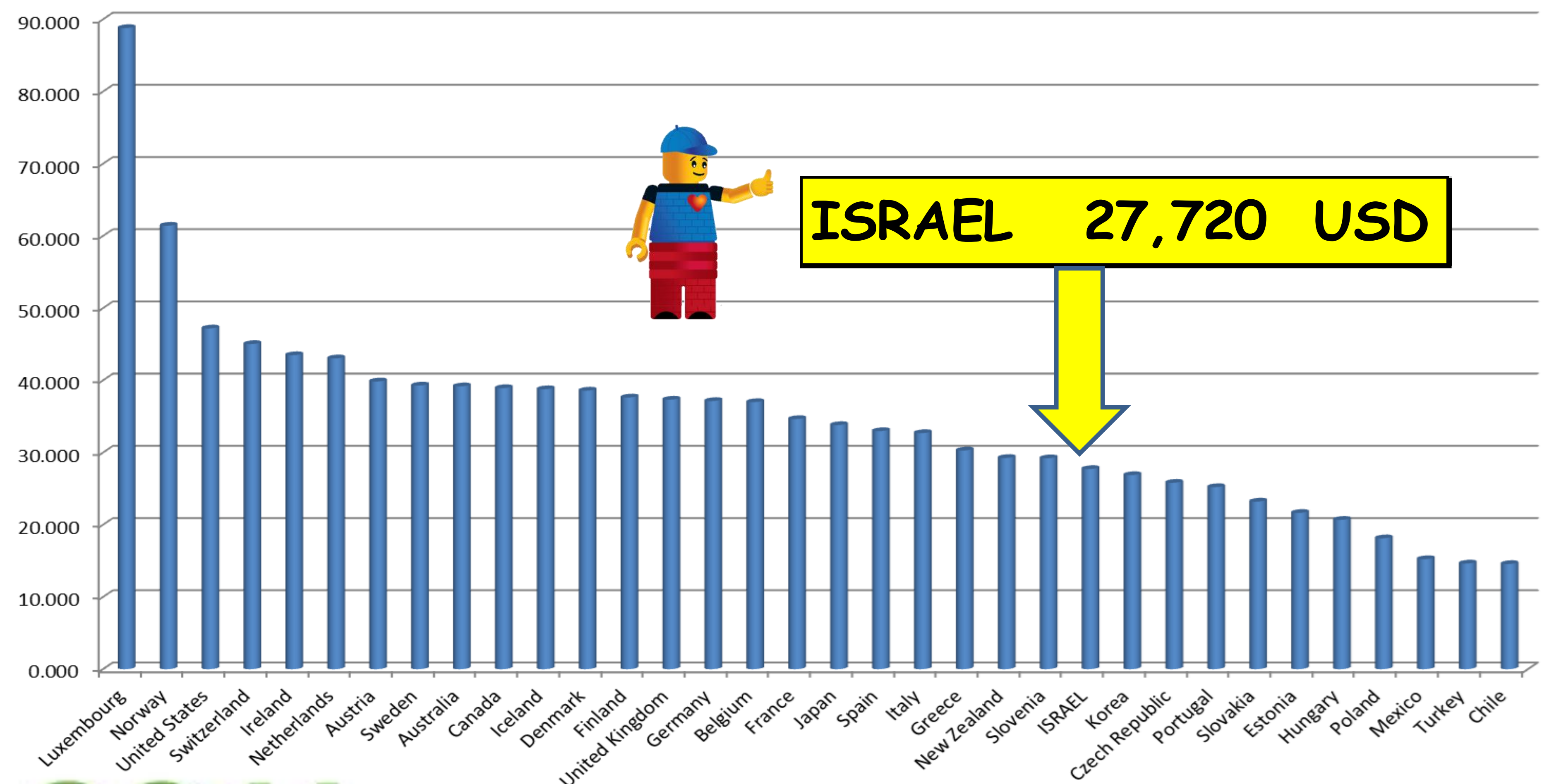
Gross domestic product per capita



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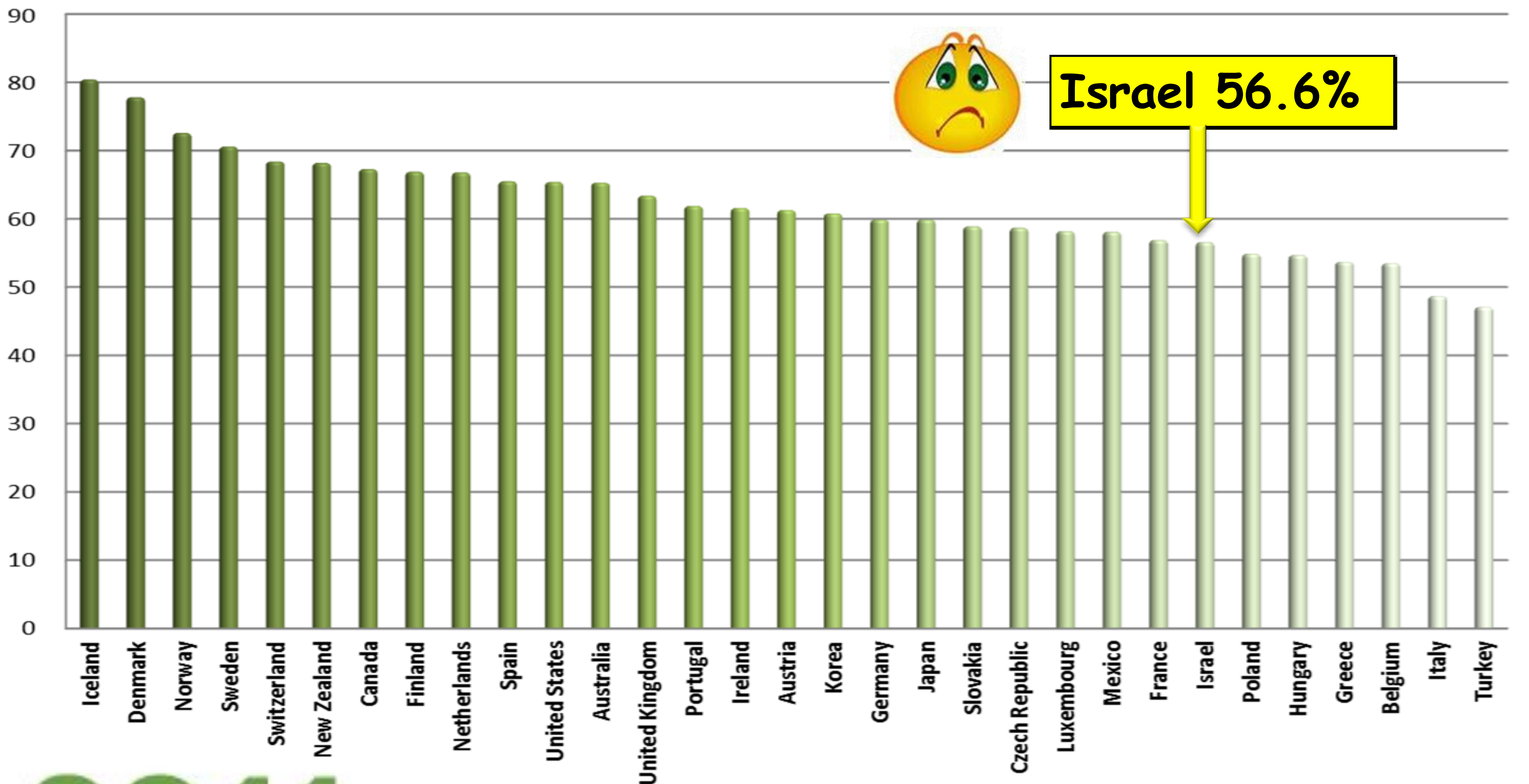
percentage of persons aged 15 and over in civilian labor force



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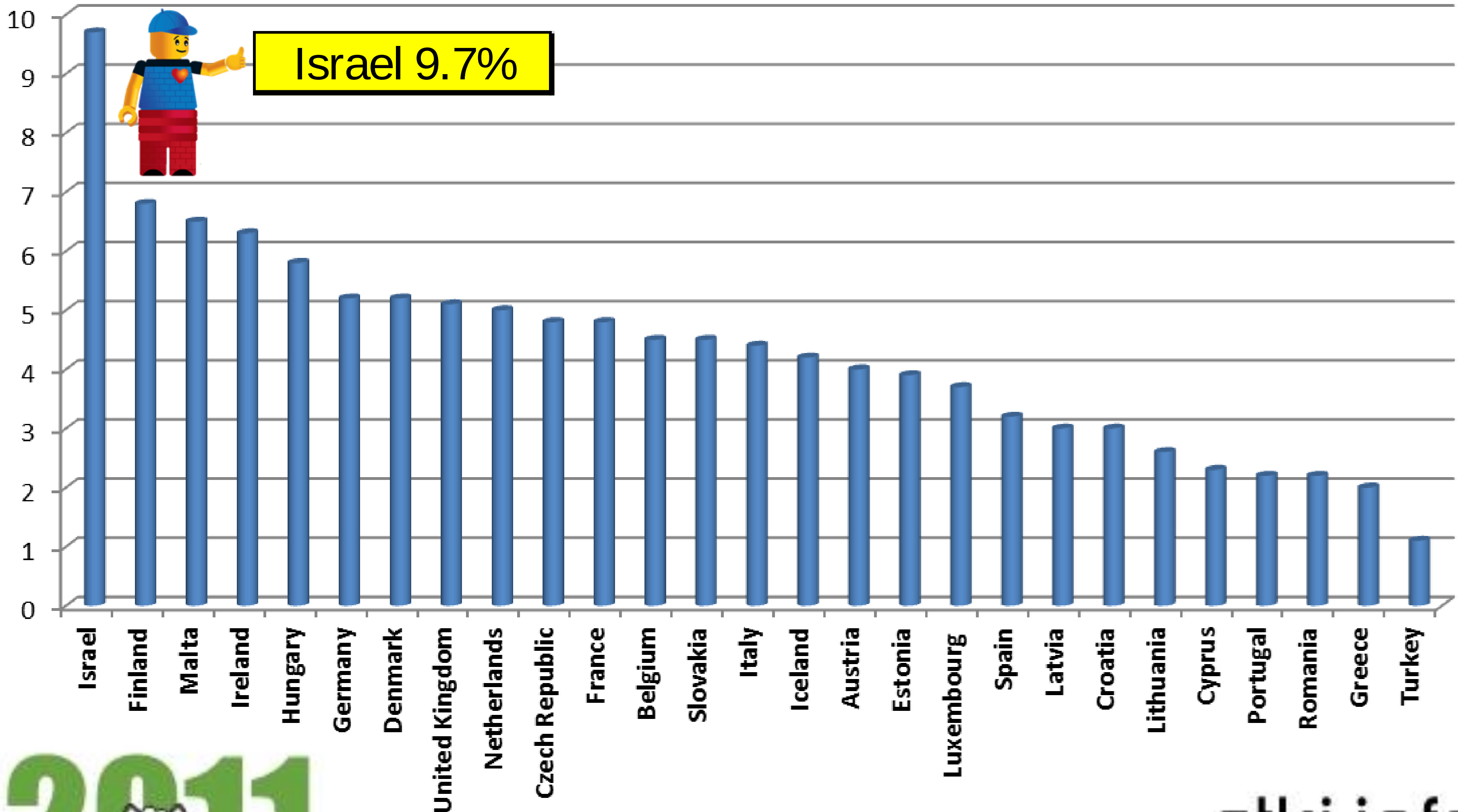
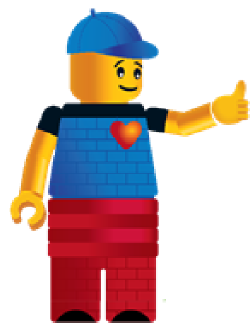
percentage of employed persons aged 15-74 in ICT fields



ICT in the business sector

Share of ICT jobs in business sector

Finland	9.8
Sweden	8.7
ISRAEL	**8.3**
Ireland	8.3
Denmark	7.0
France	6.5
Hungary	6.3
Netherlands	6.3
Italy	6.3
Korea	6.2
Japan	6.1
Norway	5.9
Germany	5.6
United States	5.5
Canada	5.4
Austria	5.4
Australia	5.0
United Kingdom	4.9
Belgium	4.9
Czech Republic	4.7
Spain	3.9
Mexico	3.6
Portugal	2.6



Share of ICT Gross Value Added in business sector product

ISRAEL	**15.92**
Finland	14.78
Korea	13.69
Ireland	12.14
Hungary	10.95
Sweden	10.78
United Kingdom	10.67
Netherlands	9.20
United States	8.70
Norway	8.34
Denmark	7.93
France	7.92
Japan	7.90
Belgium	7.65
Canada	7.62
Czech Republic	7.54
Italy	7.48
Australia	7.08
Portugal	7.07
Germany	6.92
Austria	6.81
Spain	6.75
Mexico	5.00

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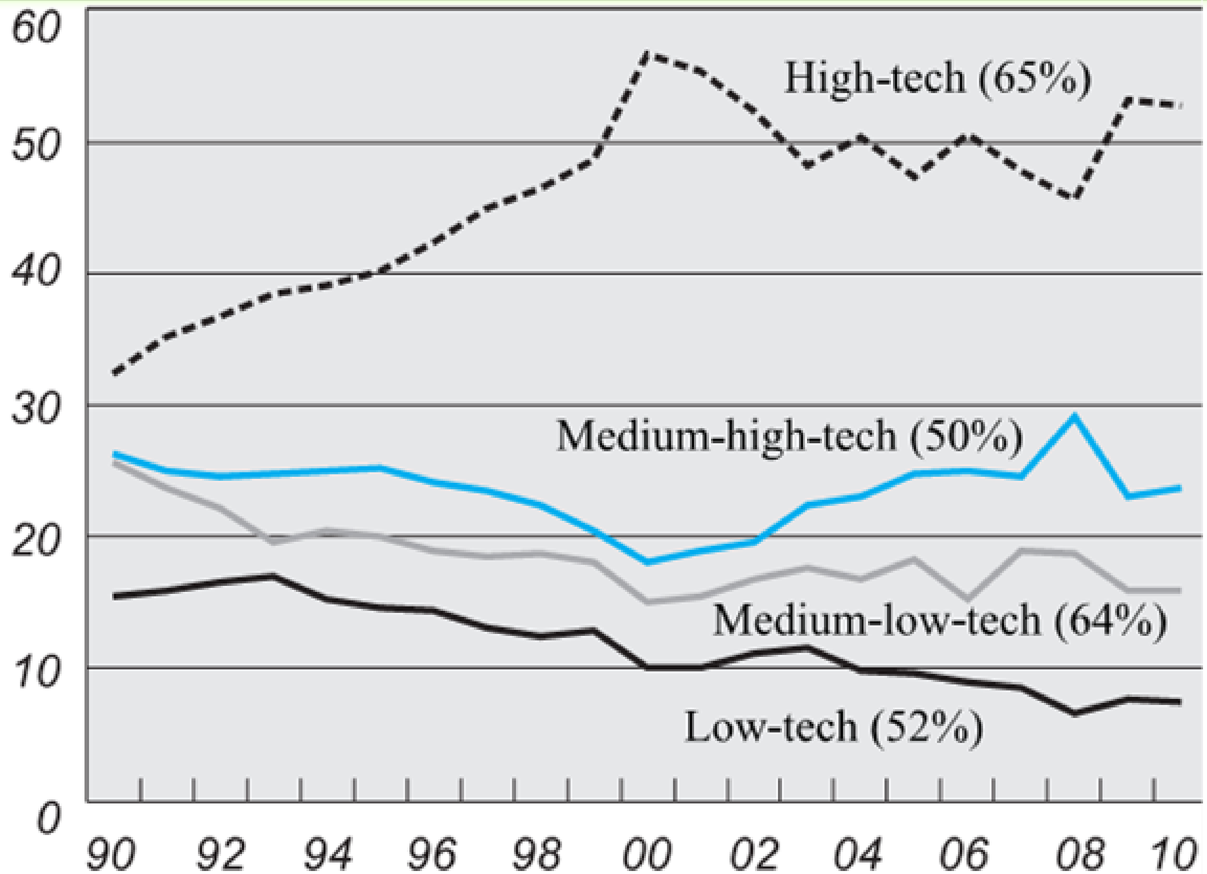
Exports by technology intensity 1990-2010



[a] The numbers in parentheses is the share of value added in exports of that category of technological intensity according to the 1995 input-output tables.

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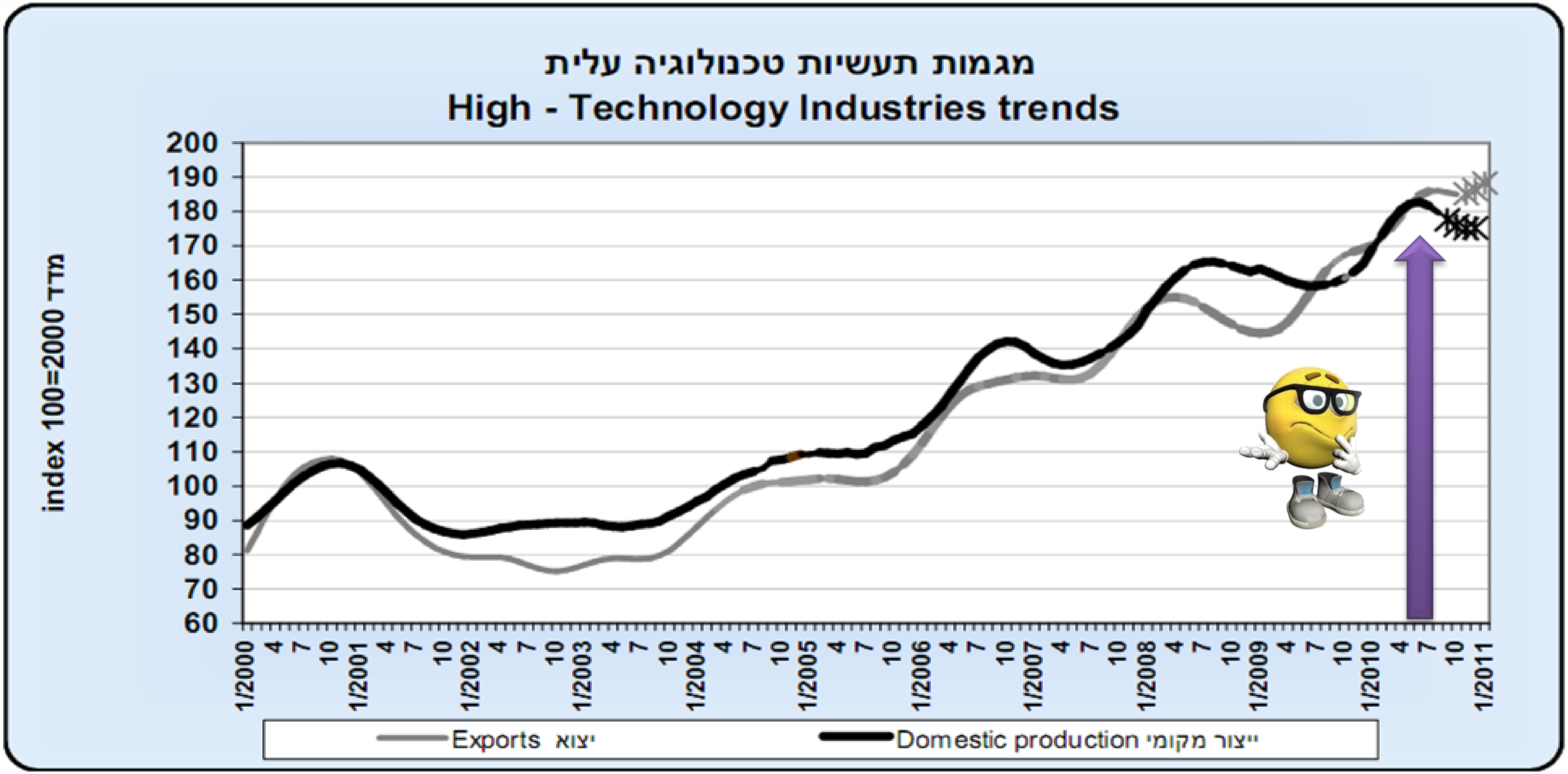
High Technology Industry Trends



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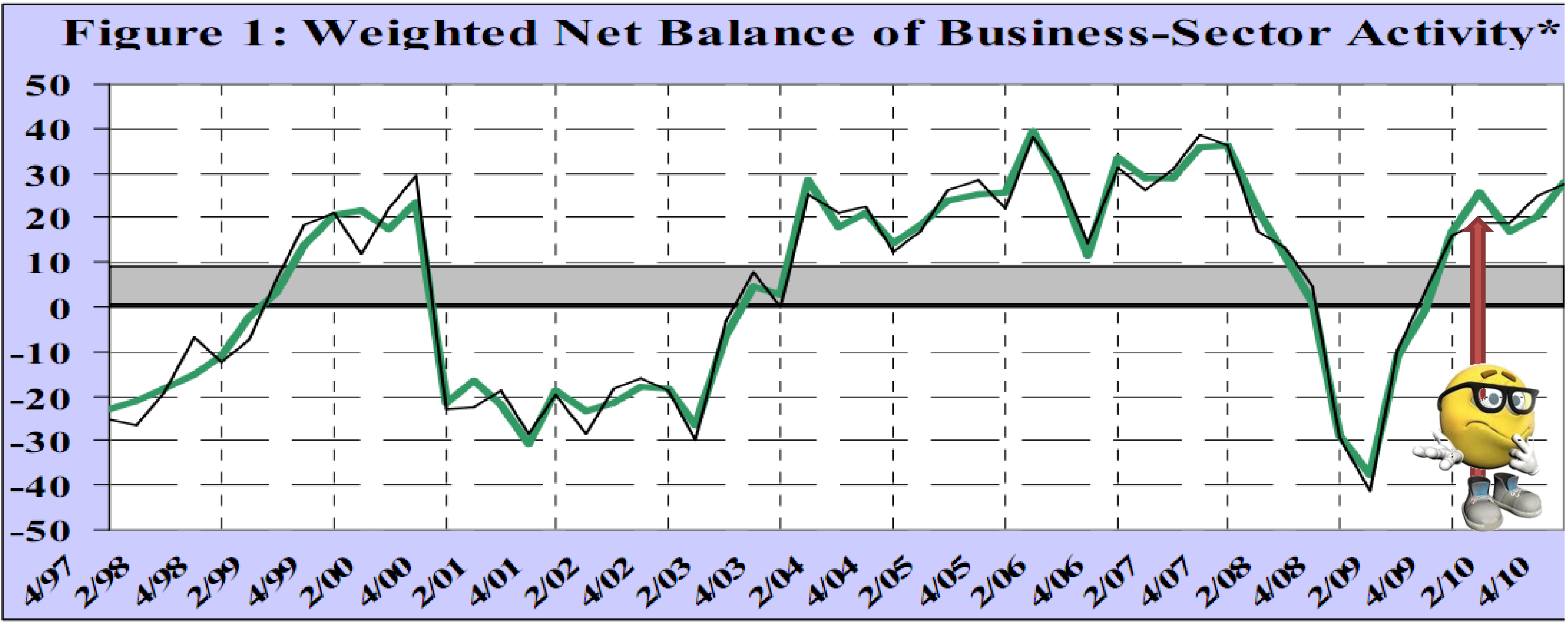
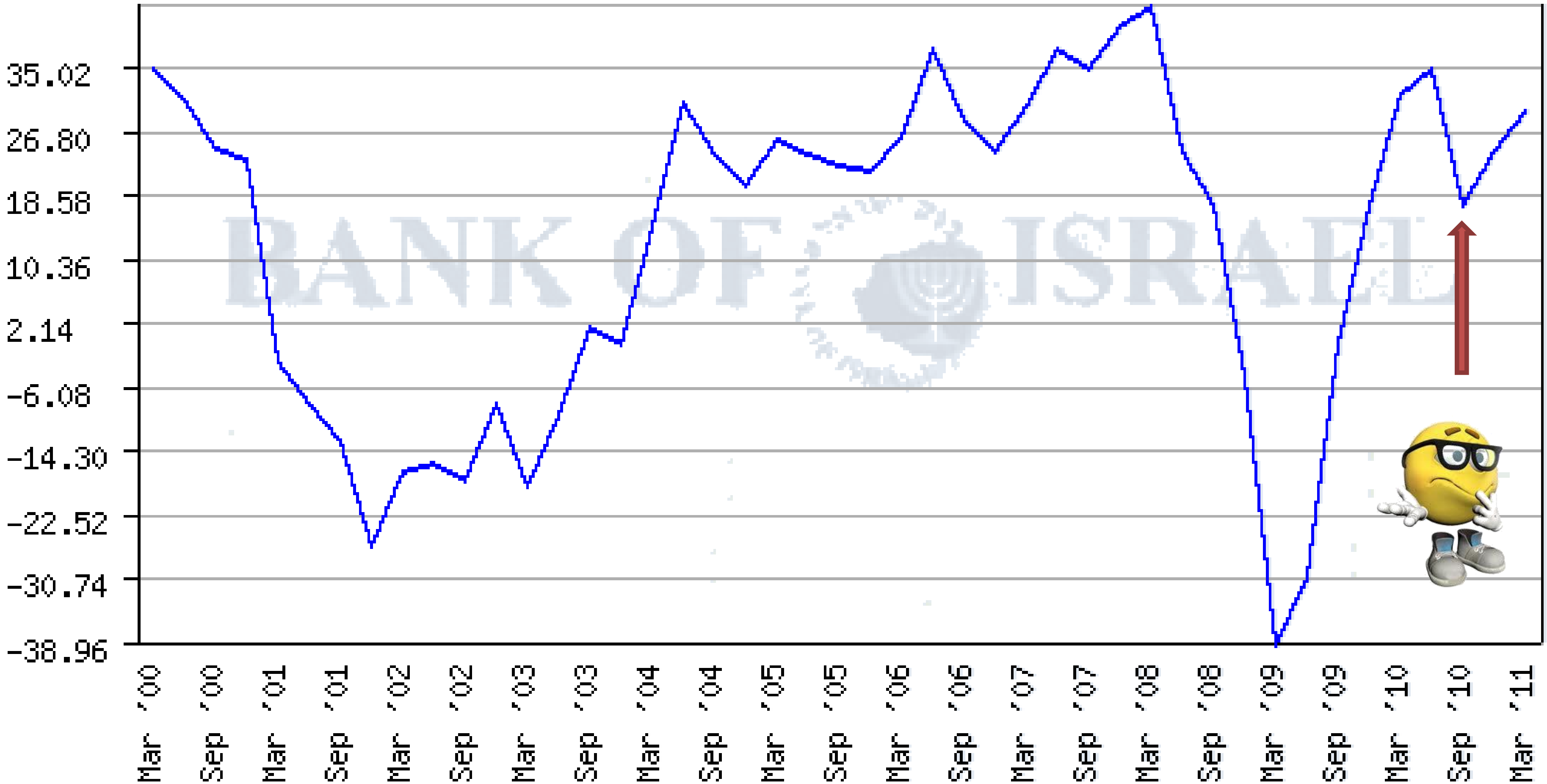
Companies Survey (4Q 2010)

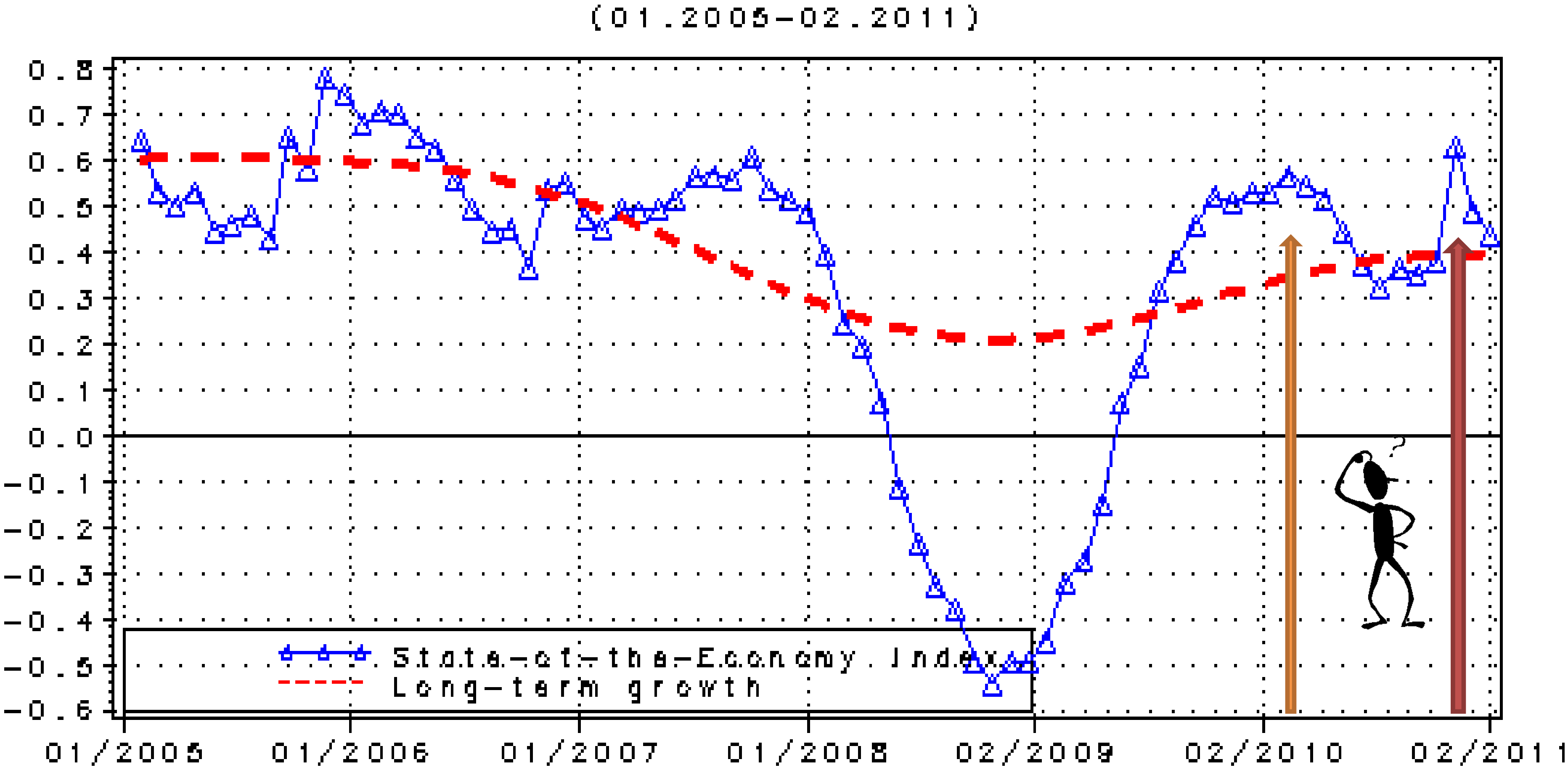


* The net balance is the difference between the share of companies reporting an increase and the shares of those reporting a decrease. The thick line describes the development of seasonally-adjusted data and the thin line, the original data.

BoI: Business Survey



State of the Economy Index



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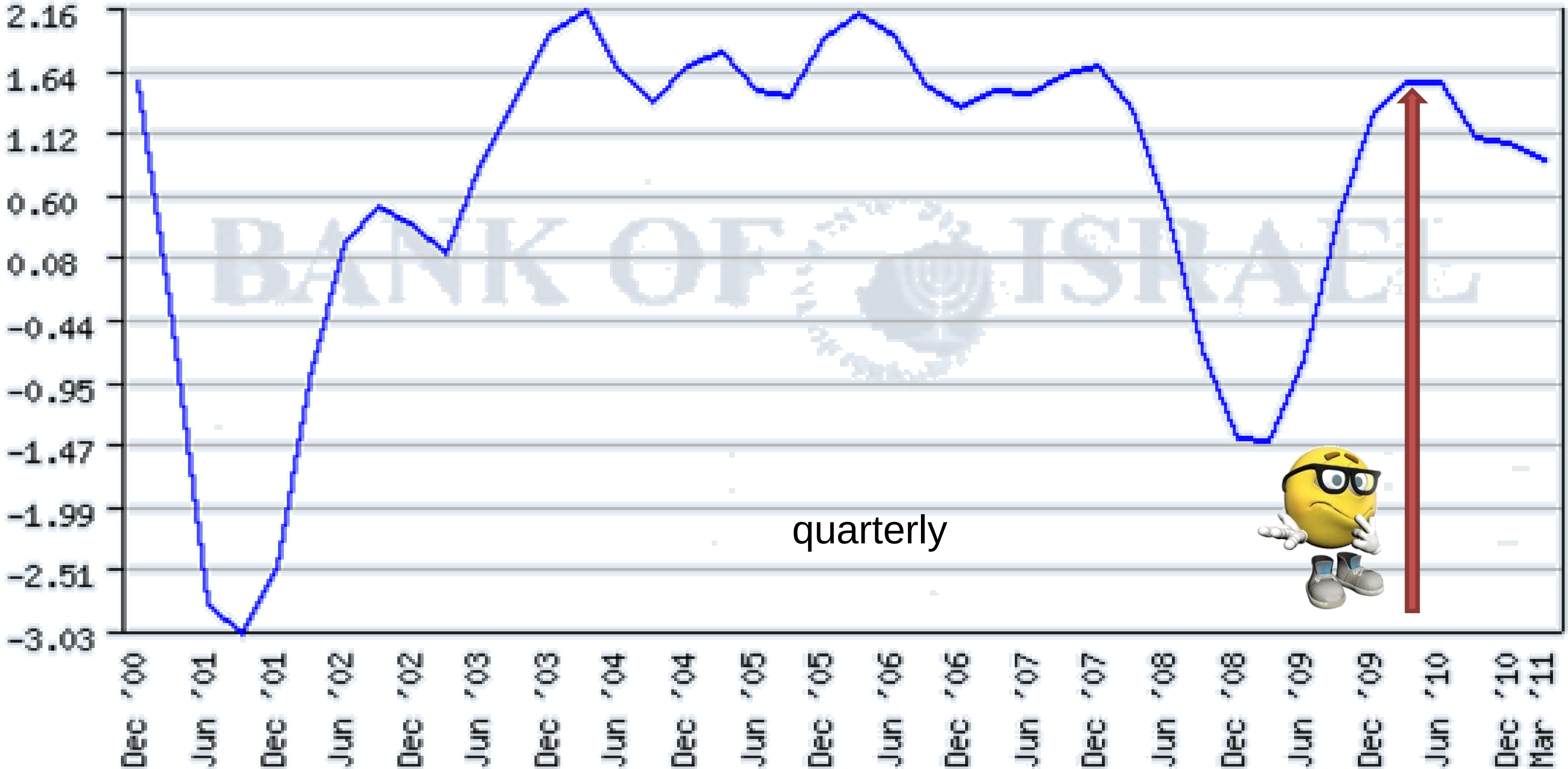
State-of-the-Economy Index percent change



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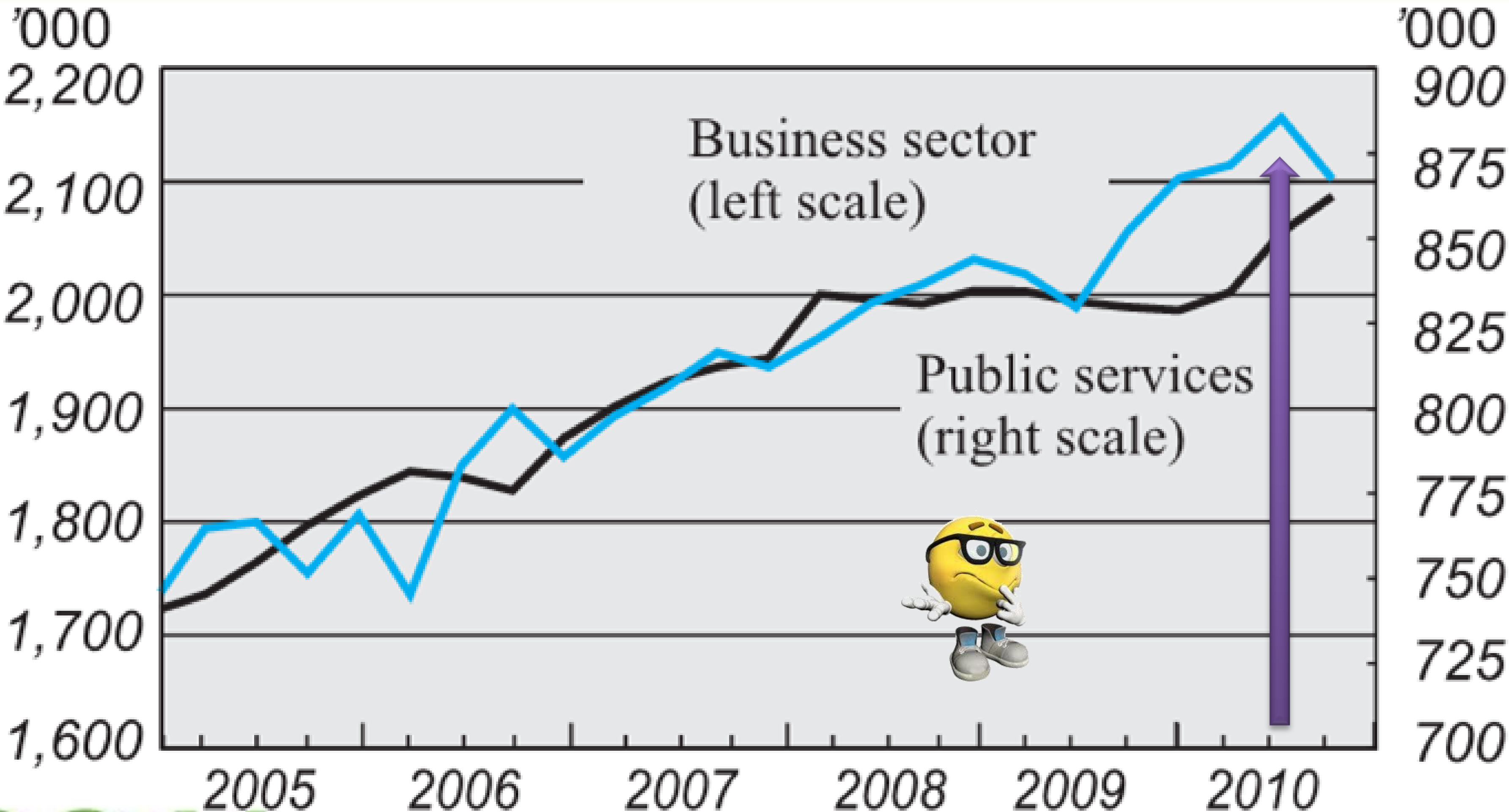
Employees , by sector



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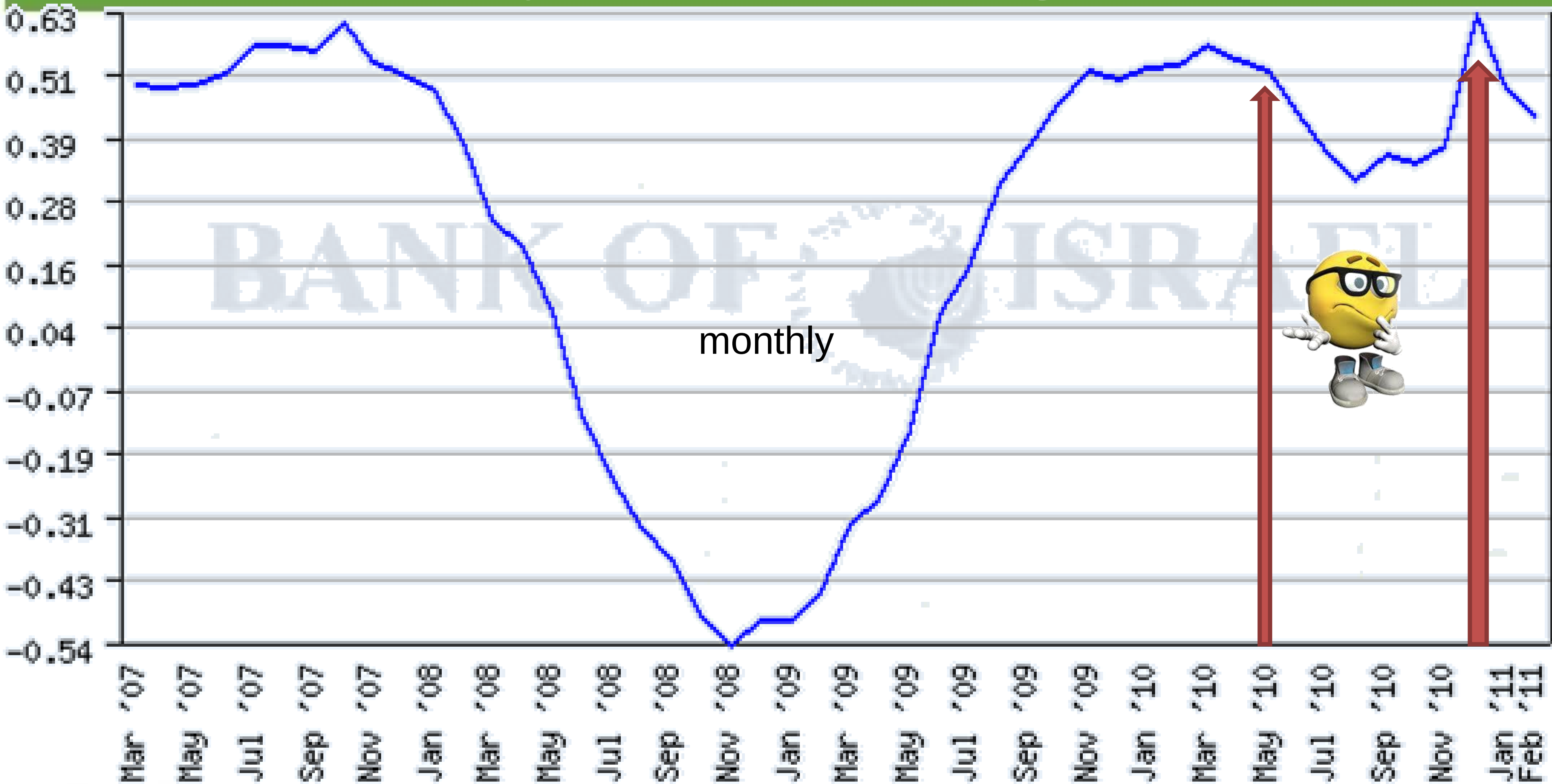
State-of-the-Economy Index percent change



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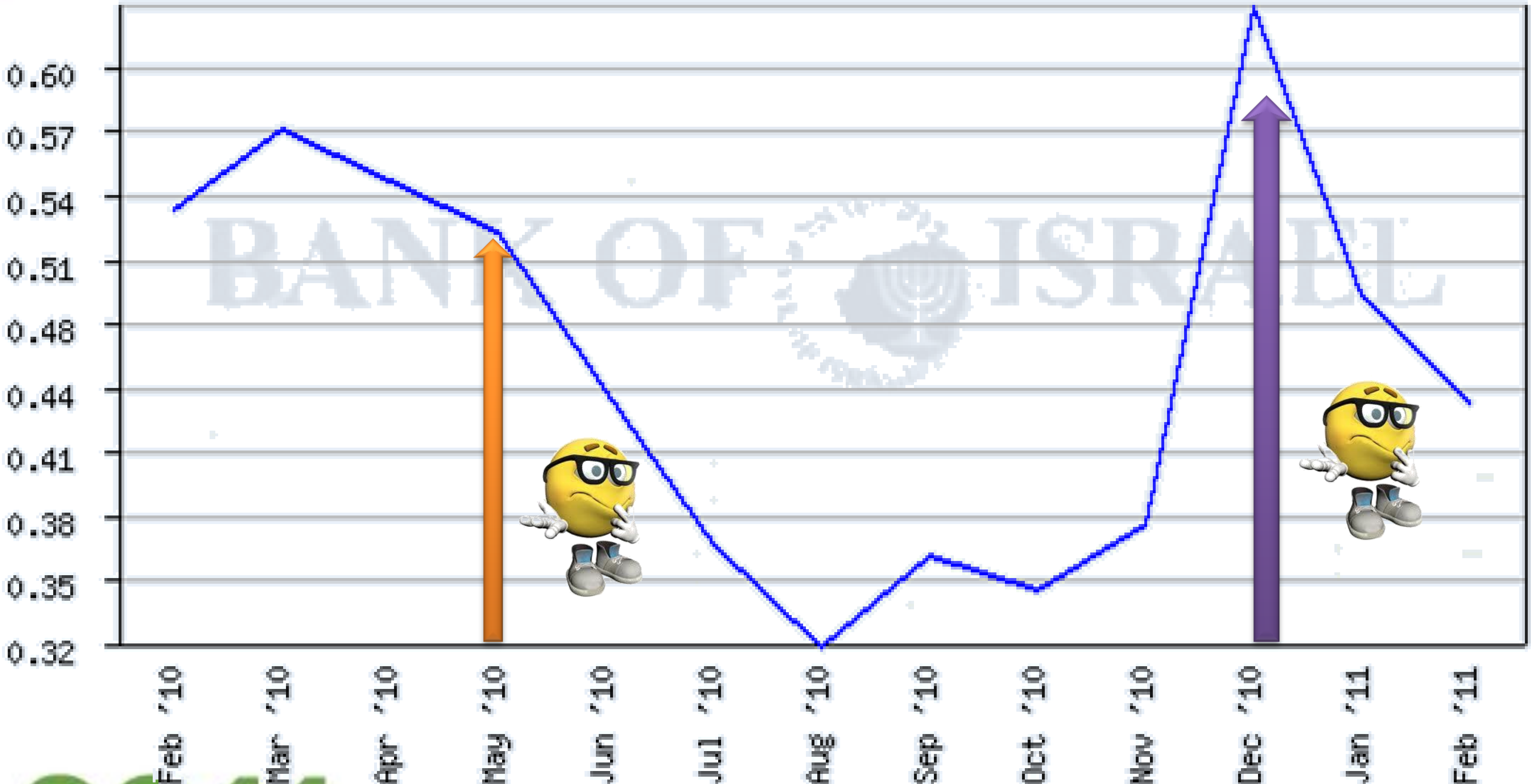
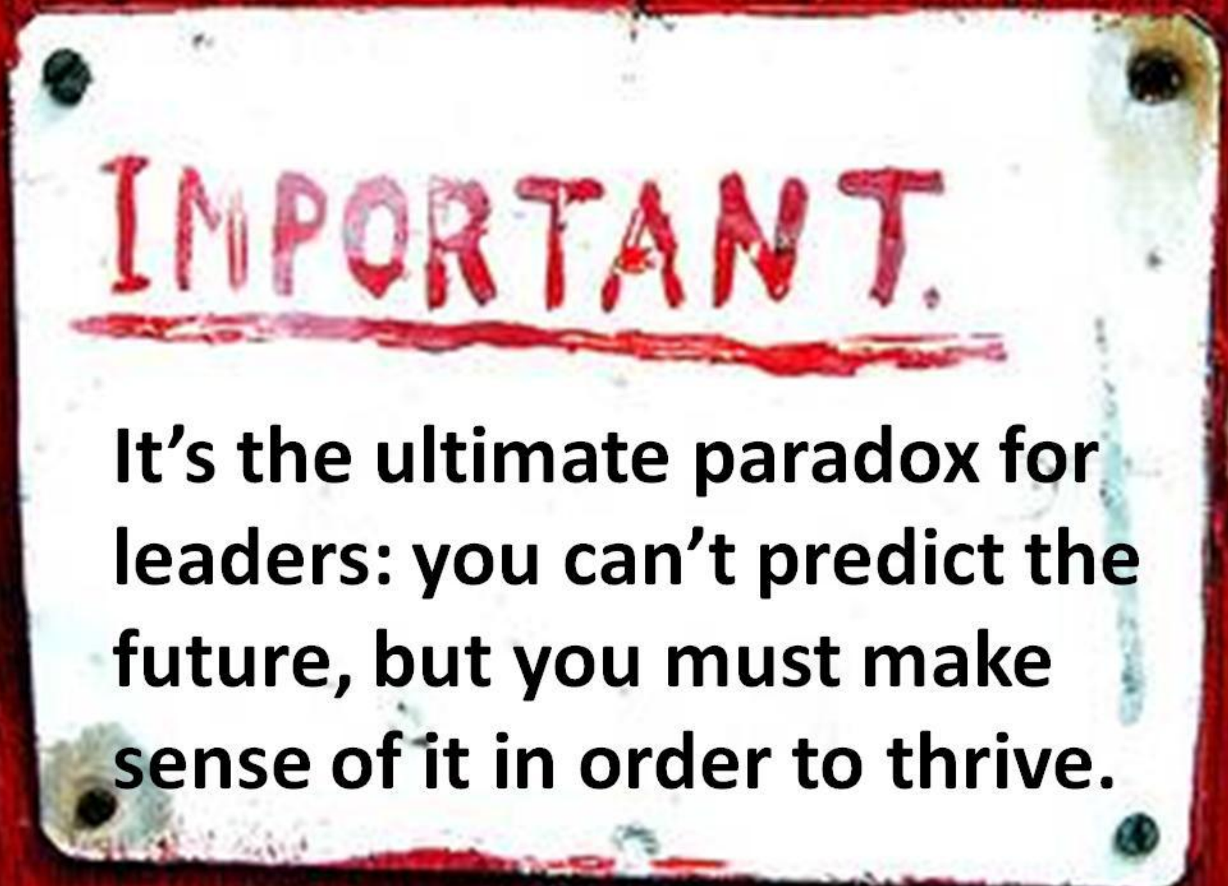
State-of-the-Economy Index - percent change

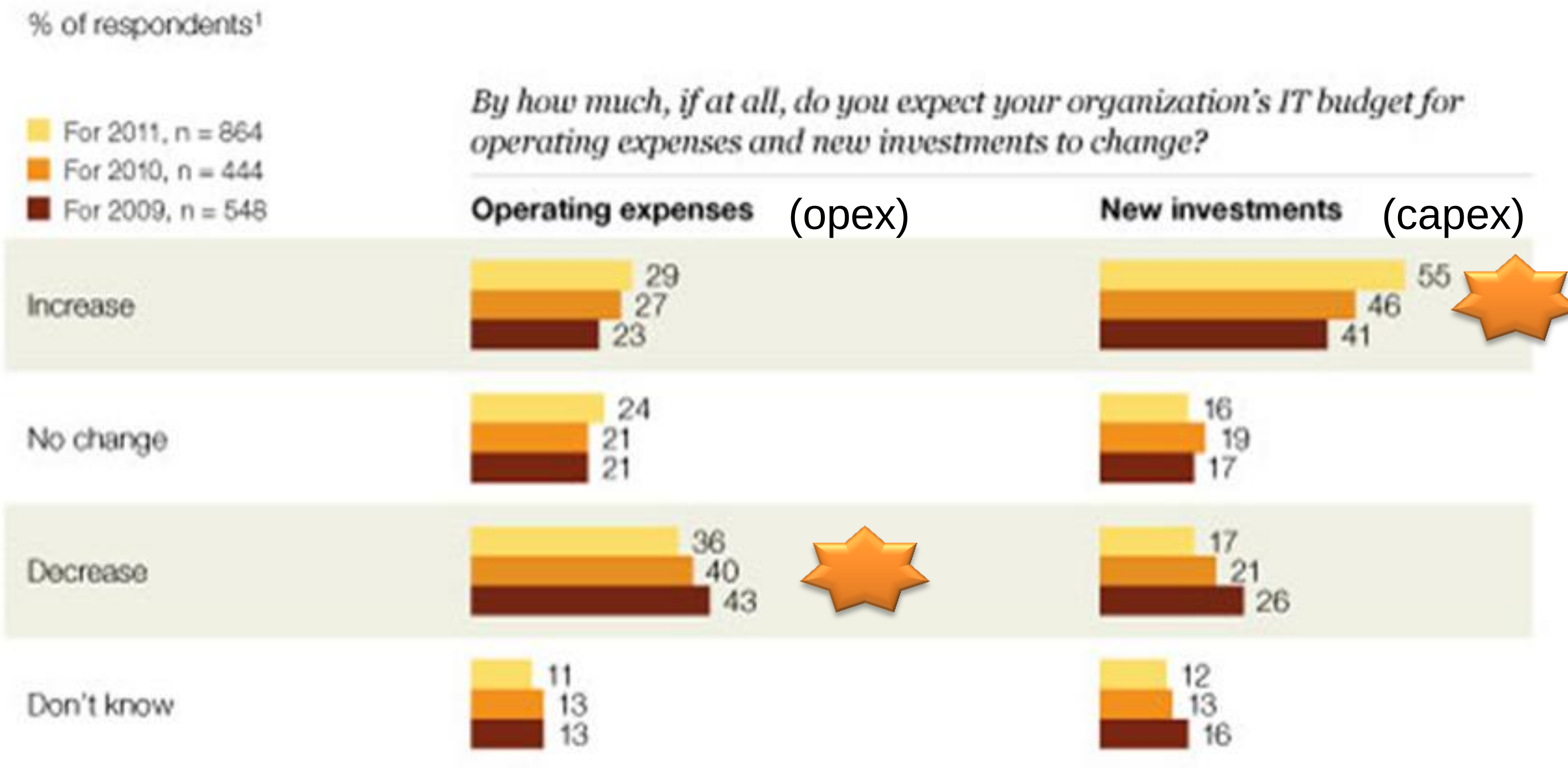




It's the ultimate paradox for leaders: you can't predict the future, but you must make sense of it in order to thrive.

IT Market in Israel: what is changing ?

Budget Changes (world)



[1]Figures do not sum to 100%, because of rounding.

McKinsey Quarterly *2011*

Capex of today is the Opex of tomorrow

- *The more projects (capex) we do today the more we have to support (opex) tomorrow*
- The more we invest in "good" capex , the less we will spend on "bad" opex.
- *Relationship between capex and opex is not straightforward; but we cannot reduce opex after a boom in projects*

- Can we have *-"Just-In-Time IT Spending"-* ?????????

3 most important actions for 2011

		Actions taken in the past year	Actions planned for the next 12–18 months
1	Increasing infrastructure consolidation or virtualization	22	21
2	Looking to IT as a lever to reduce costs in other areas of the business	18	21
3	Focusing on efficiency improvements in application development, maintenance (eg, lean IT, process streamlining)	14	21
	Renegotiating existing vendor contracts	12	7
	Increasing outsourcing and/or offshoring	11	9
	Reducing demand by cancelling or deferring projects/activities	9	8
	Rationalizing or eliminating services or offerings, reducing service levels	6	4
	Changing the scope of projects to reduce costs	6	8

[1] Respondents who answered "other" are not shown.

McKinsey Quarterly *2011*

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Differences between Managers and CIOs

% of respondents,[1] n = 864

Select the objectives that most accurately describe your organization's IT priorities for the next budget cycle.

		Rank: Non-IT executives, n = 332	Rank: IT executives, n = 532
Improving cost efficiency of business processes	47	1	2
Reducing IT costs	45	3	1
Improving effectiveness of business processes (providing additional or better capabilities)	44	2	3
Ensuring compliance with regulations	30	5	4
Giving managers information to support planning and decision making	30	4	5
Creating new products or services	26	6	6
Managing risk	20	7	7
Entering new markets	16	8	8

[1]Respondents who answered "other" and "don't know" are not shown.

McKinsey Quarterly ***2011***

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STKI 2011 results:

2010	19.90%	$4,872
2011	8.90%	$5,305
2012	11.80%	$5,933
2013	9.30%	$6,484

All amounts in M $ USD

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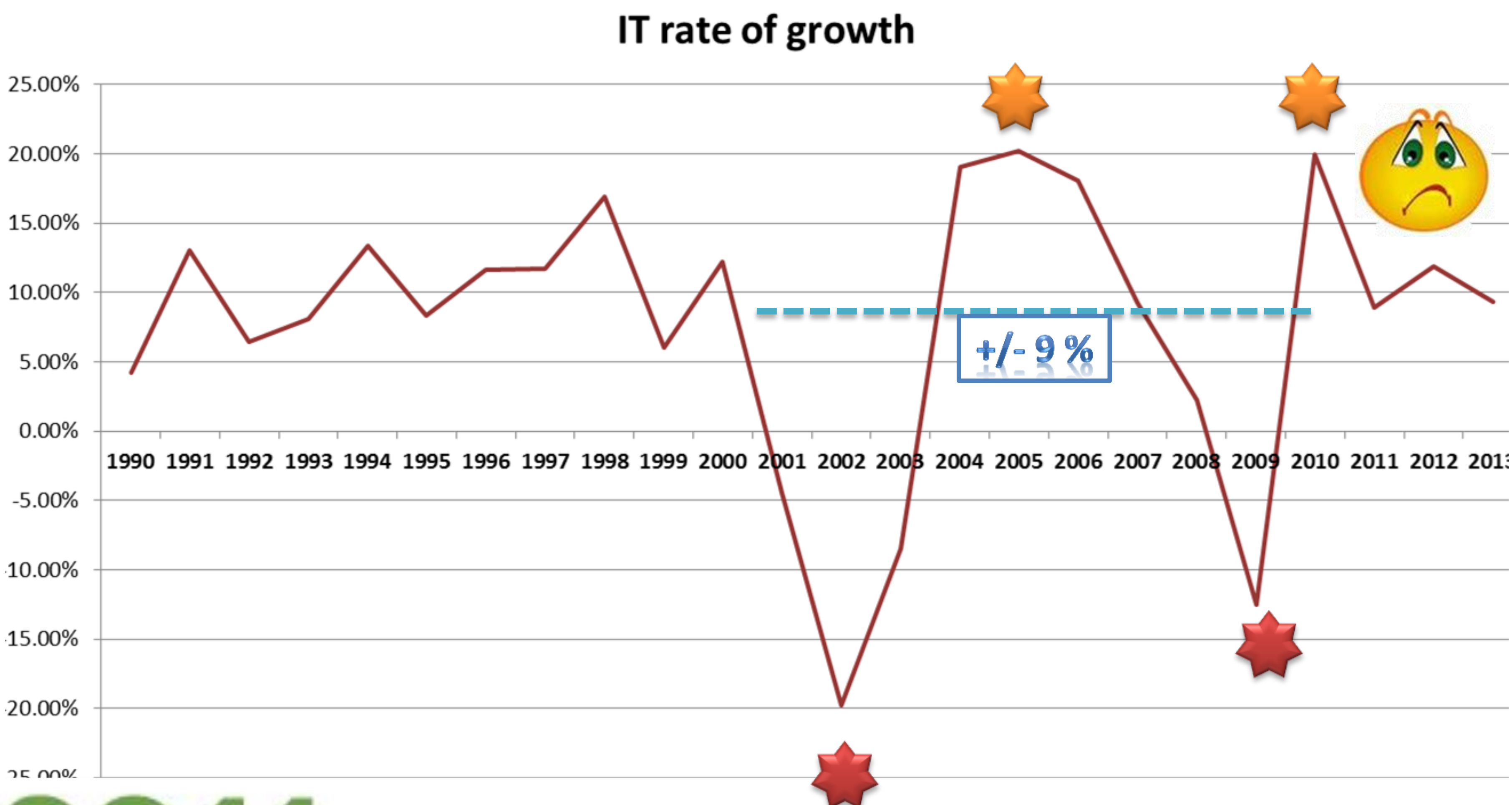
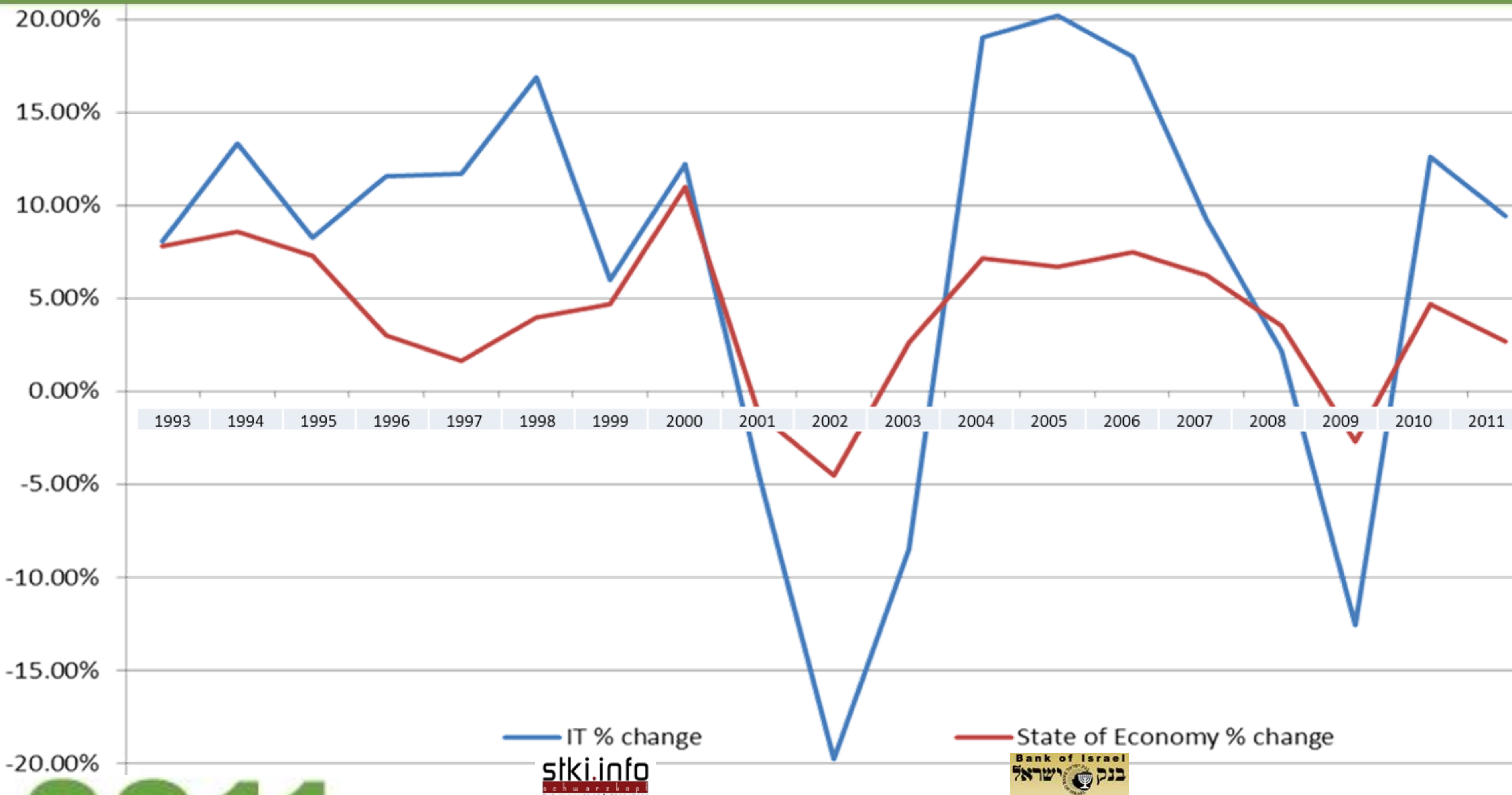
IT rate of growth in Israel



COMPARISONS: IT and Economy



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Number of “legal” entities paying taxes

Growth of 4.56% in number of tax-paying companies 2010 to 2011

number of employees	number of companies (paying taxes)	& of TOTAL	subtotals	
251+	1,348	0.57%	3,732	
101-250	2,384	1.01%		
51-100	3,871	1.64%	35,591	232,393
10-50	31,720	13.43%		
up to 9	196,802	83.35%	196,802	
TOTAL	236,125			

ACCORDING TO BITUACH LEUMI 2/2011

subtotals		& of TOTAL	number of companies (paying taxes)	number of employees
3,298		0.10%	236	1001+
		0.18%	419	401-1000
		0.64%	1,470	151-400
		0.51%	1,173	101-150
225,824	56,603	6.28%	14,419	21-100
		18.38%	42,184	6-20
	169,221	73.71%	169,221	up to 5
441		0.15%	335	municipalities
		0.05%	106	government
225,824				TOTAL

ACCORDING TO BITUACH LEUMI 2/2010

So will it be “cloudy” ?

number of employees	number of companies (paying taxes)	have CIO (IT department)	will have "cloud" IT applications by 2013
251+	1,348	98.00%	50.00%
101-250	2,384	85.00%	70.00%
51-100	3,871	50.00%	85.00%
10-50	31,720	25.00%	90.00%
up to 9	196,802	0.01%	90.00%

Are You Ready for the New Peer-to-Peer Economy?

transactions happen between individuals or a group of individuals and not only between corporations and individuals.

196,802 companies	***soho (up to 9 employees)***

2011

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Share of total IT market by Industry

		2010	2011	2012	2013
500 enterprises	government % municipalities	11.50%	10.93%	9.94%	9.48%
	security	8.87%	8.48%	8.09%	7.87%
n/r	medicine & education	7.45%	7.16%	6.57%	6.26%
about 7,000 enterprises	utilities & transportation	10.73%	9.99%	9.41%	8.74%
	financial companies	22.91%	25.12%	26.80%	27.84%
	telecomm & media	6.10%	6.10%	6.67%	6.63%
	manufacturing, retail & high tech	20.46%	20.46%	20.46%	20.46%
31,720 companies	*SMB (10-50 employees)*	7.99%	7.99%	8.43%	8.95%
196,802 companies	*soho (up to 9 employees)*	3.99%	3.77%	3.62%	3.78%

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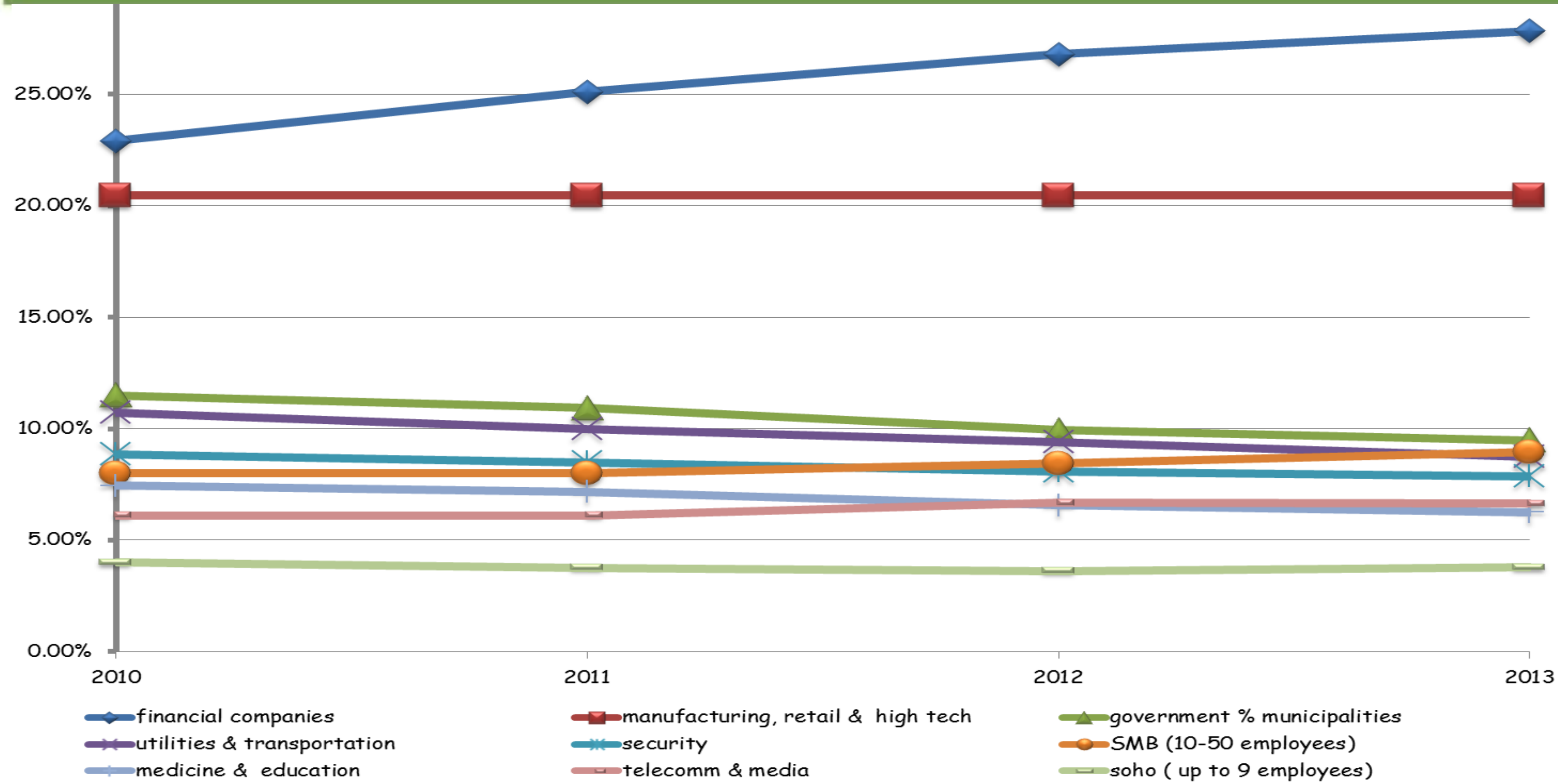
IT Market Shares (Industries)



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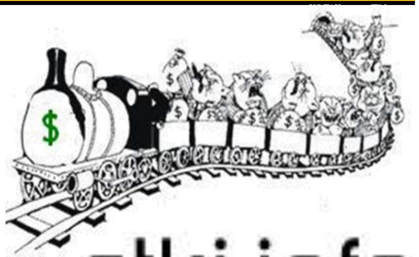
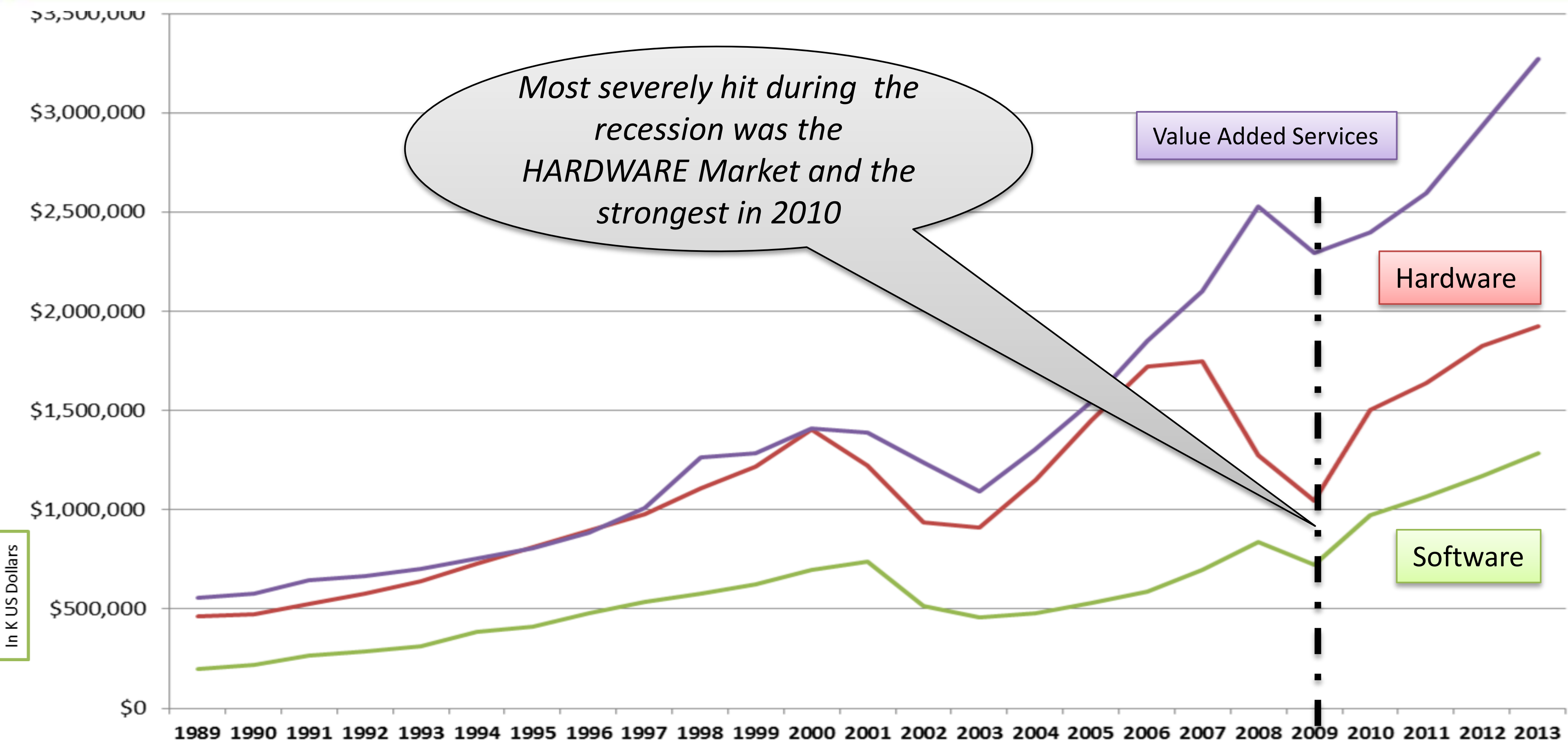
IT Market in Israel (3/2011)

	2005	2006	2007	2008	2009	2010	2011	2012	2013
							forecasted		
Infrastructure (hwre)	1,450	1,720	1,750	1,275	1,046	1,503	*1,641*	*1,826*	*1,926*
Software	530	590	695	840	722	972	*1,066*	*1,173*	*1,287*
Value Added Services	1,545	1,850	2,100	2,530	2,295	2,397	*2,598*	*2,934*	*3,271*
TOTAL MARKET	3,525	4,160	4,545	4,645	4,063	4,872	*5,305*	*5,933*	*6,484*
growth	*20.2%*	*18.0%*	*9.3%*	*2.2%*	*-12.5%*	*19.9%*	*8.9%*	*11.8%*	*9.3%*
	2005	2006	2007	2008	2009	2010	2011	2012	2013
							forecasted		

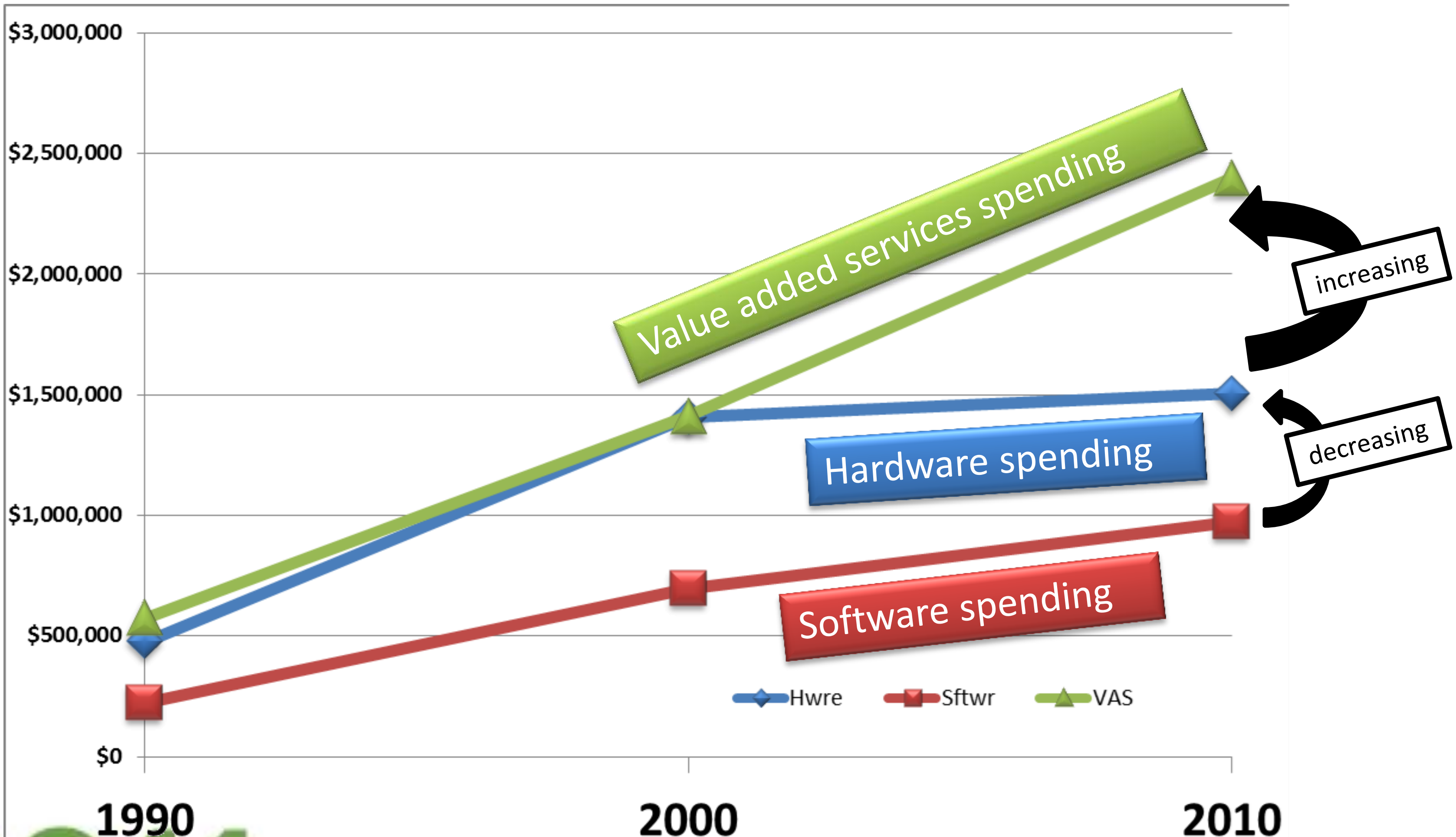
* In Millions of US Dollars



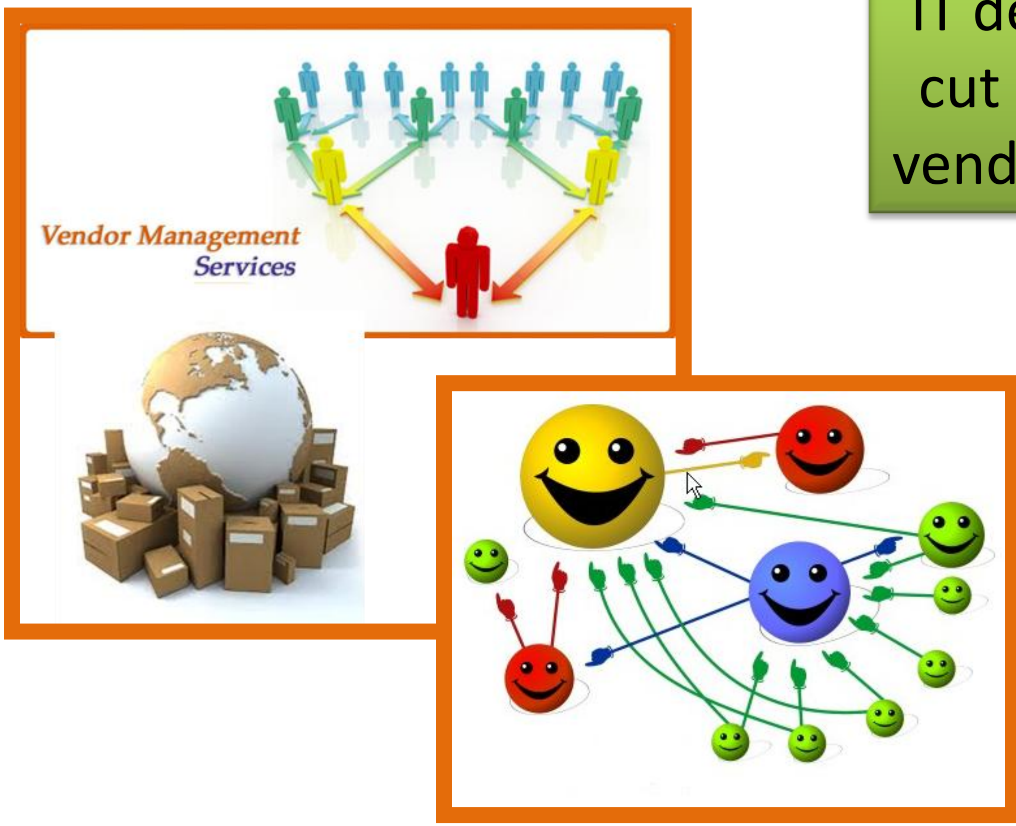
IT Markets in Israel



Historic Look at IT Spending



Vendor Management



IT departments are starting to cut drastically the number of vendors they are going to allow

Vendors are
Integrating Vertically
In order to give
one stop solutions

New Vendor Organizations

- Banking
- Insurance
- Telecomm
- Utilities
- others

Industry

- ERP
- CRM
- Risk
- Infra Integration
- others

Technology

The Challenge for IT Israeli Vendors:

-"helping customers apply *available* technologies to achieve results"-

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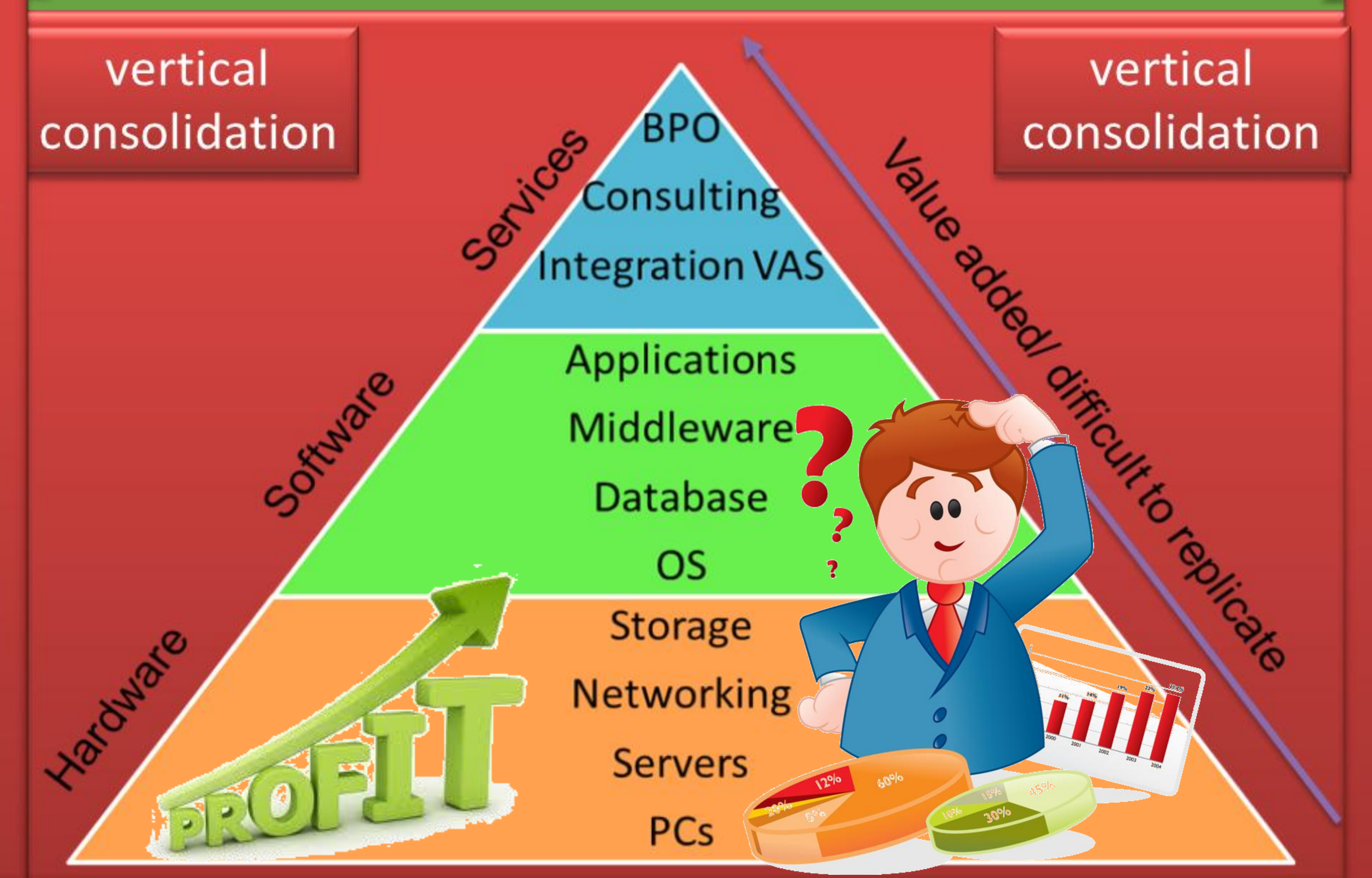
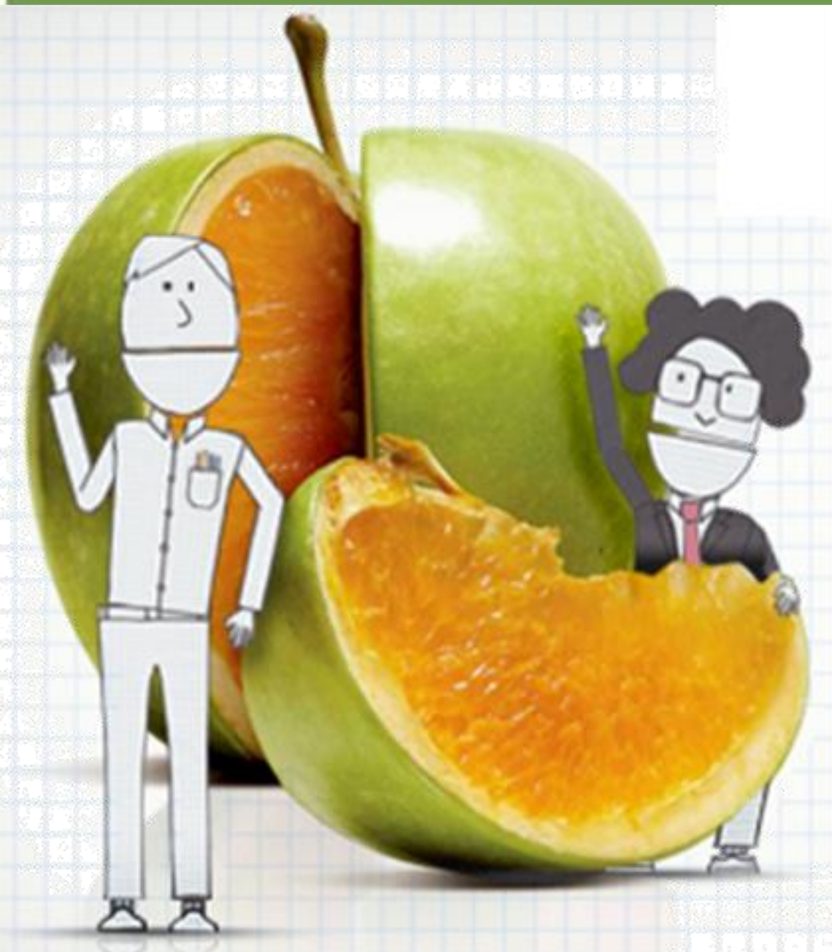
Will the vertical consolidation vendors get too big for Israel ?



One list for apples/oranges ……



-"***It is not enough that I should succeed, others must fail*** "-

Gore Vidal

1
2
3
4
5
6

We rank VENDORS by REVENUE and CLIENT MINDSHARE

All amounts in M $ USD

2011

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TOP 11 IT Vendors in Israel

These 11 vendors either sell in all ***Hardware, Software and Services*** categories or they have extremely large market share in only part of the categories

HP
Malam-Team
IBM
Matrix
One1
Taldor
Ness
Microsoft
Bynet
Oracle
Cisco

We rank VENDORS by REVENUE and CLIENT MINDSHARE

All amounts in M $ USD

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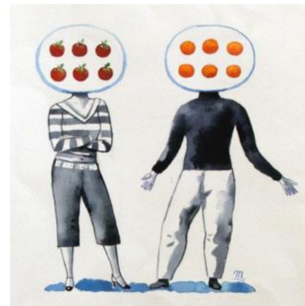
Hardware Markets

STKI mixes manufacturers and vendors in the hardware tiers because in Israel manufacturers sell to organizations that are not "global size enterprises" in several modes:

- ❑ Directly
- ❑ Through partners
- ❑ Hybrid



		forecasted		
	2010	2011	2012	2013
Infrastructure (hwre)	1,503	*1,641*	*1,826*	*1,926*
Rate of change		9.2%	11.3%	5.5%

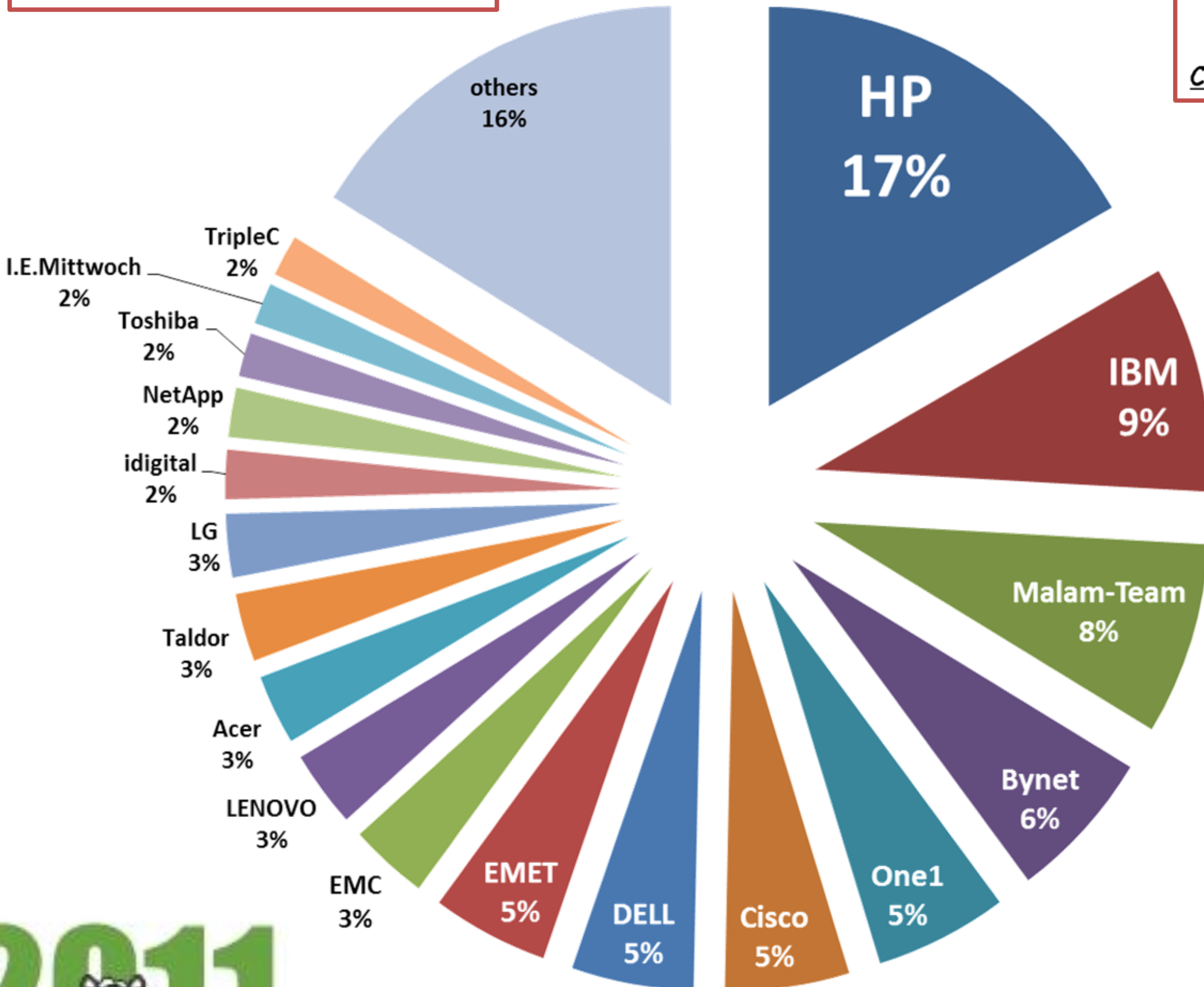
All amounts in M $ USD

servers	x386 servers x386 blades legacy (non X86) DBMS Appliances
Clients	notebooks desk thin clients mobility/tablets
storage	disks tapes
networking	enterprise networking security equipment VoIP/call center
Printer	printers toners/ink/refillers

Self Service Appliances (ATMs, Kiosks, etc)
Point of Sale Appliances
Data Center Physical Infrastructure
miscelaneus: Computer Supplies

Hardware Vendor Rankings

We rank VENDORS by REVENUE and CLIENT MINDSHARE



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SERVERS

2010		2011		2012		2013		
102.0	7.84%	110.0	4.55%	115.0	4.35%	120.0	servers	x386
118.0	10.17%	130.0	15.38%	150.0	6.67%	160.0	blades	x386
80.0	-6.25%	75.0	-4.00%	72.0	-9.72%	65.0	legacy (non X86)	
6.0	66.67%	10.0	80.00%	18.0	38.89%	25.0	DBMS Appliances	
306.0	6.21%	325.0	9.23%	355.0	4.23%	370.0	totals	

All amounts in M $ USD

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Servers

- X86 or “commodity” servers will come in std “lego” boxes (already virtualized) with storage and networking. Needed for private clouds.
- Blades will become the standard. Its TCO is low and enticing for moving from legacies.
- The “excessive” TCO (especially software) of mainframes is forcing downloading all or part of the workload.
- Workforce (legacies) is over 50 years old.
- “industry in a box” Data Base machines will be introduced by all vendors.

Server Vendors Tiers

SERVERS X86 BLADES ALL

- HP
- IBM
- Malam-Team
- EMET
- One1
- TripleC
- DELL
- Bynet
- SGI
- Hilan
- Taldor
- Yael Software
- Cisco
- Matrix

SERVERS X86 ALL

- HP
- IBM
- One1
- DELL
- Malam-Team
- EMET
- TripleC
- Bynet
- Yael Software
- Hilan
- Taldor
- Matrix
- Cisco

legacy (non-x86)

- IBM
- Oracle
- HP
- EMET
- Matrix
- Malam-Team
- TripleC
- One1

DW Appliances

- I.E.Mittwoch
- Oracle
- EMC
- IBM

SERVERS X86 manufactures

- HP
- IBM
- DELL
- Cisco

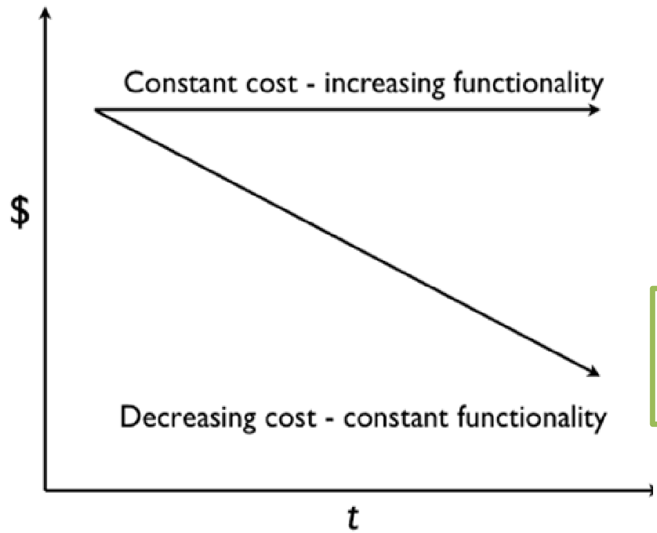
SERVERS X86 blades manufactures

- HP
- IBM
- DELL
- SGI
- Cisco

All amounts in M $ USD

We rank VENDORS by
REVENUE
and
CLIENT MINDSHARE

Clients



price of a PC has dropped roughly 15% per year over the last 12 years.

2010		2011		2012		2013	
200.0	2.50%	205.0	2.44%	210.0	1.90%	214.0	notebooks
150.0	1.33%	152.0	2.63%	156.0	2.56%	160.0	desk
8.0	25.00%	10.0	50.00%	15.0	66.67%	25.0	thin clients
15.0	133.33%	35.0	71.43%	60.0	33.33%	80.0	mobility/tablets
373.0	7.77%	402.0	9.70%	441.0	8.62%	479.0	totals

All amounts in M $ USD

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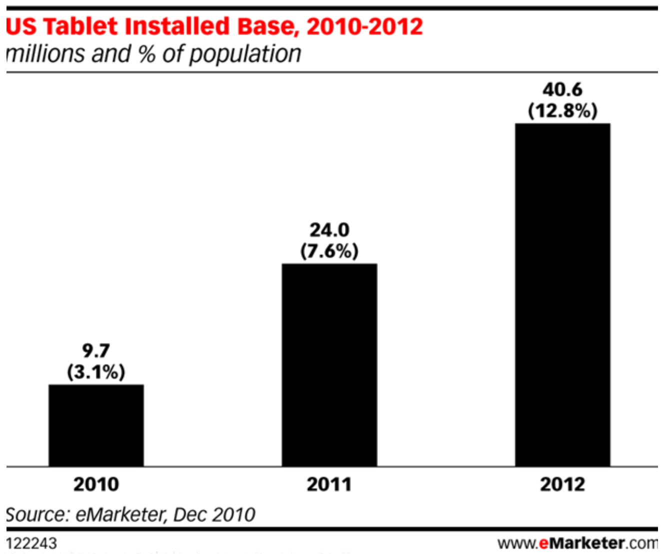
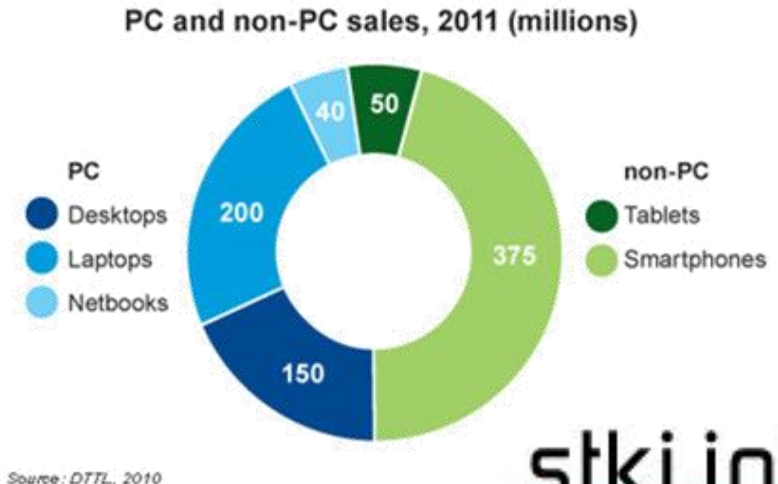
Clients

- Big "shift" from only *__smart wintel PCs__* to a *__variety__* of appliances and operating systems:
  - Smart desktop client
  - Smart notebook device
  - Converged mobile devices
    - Tablets
    - Smartphones
    - netbooks
  - Thin clients (or VDI devices)
    - OS-less
    - Very thin OS





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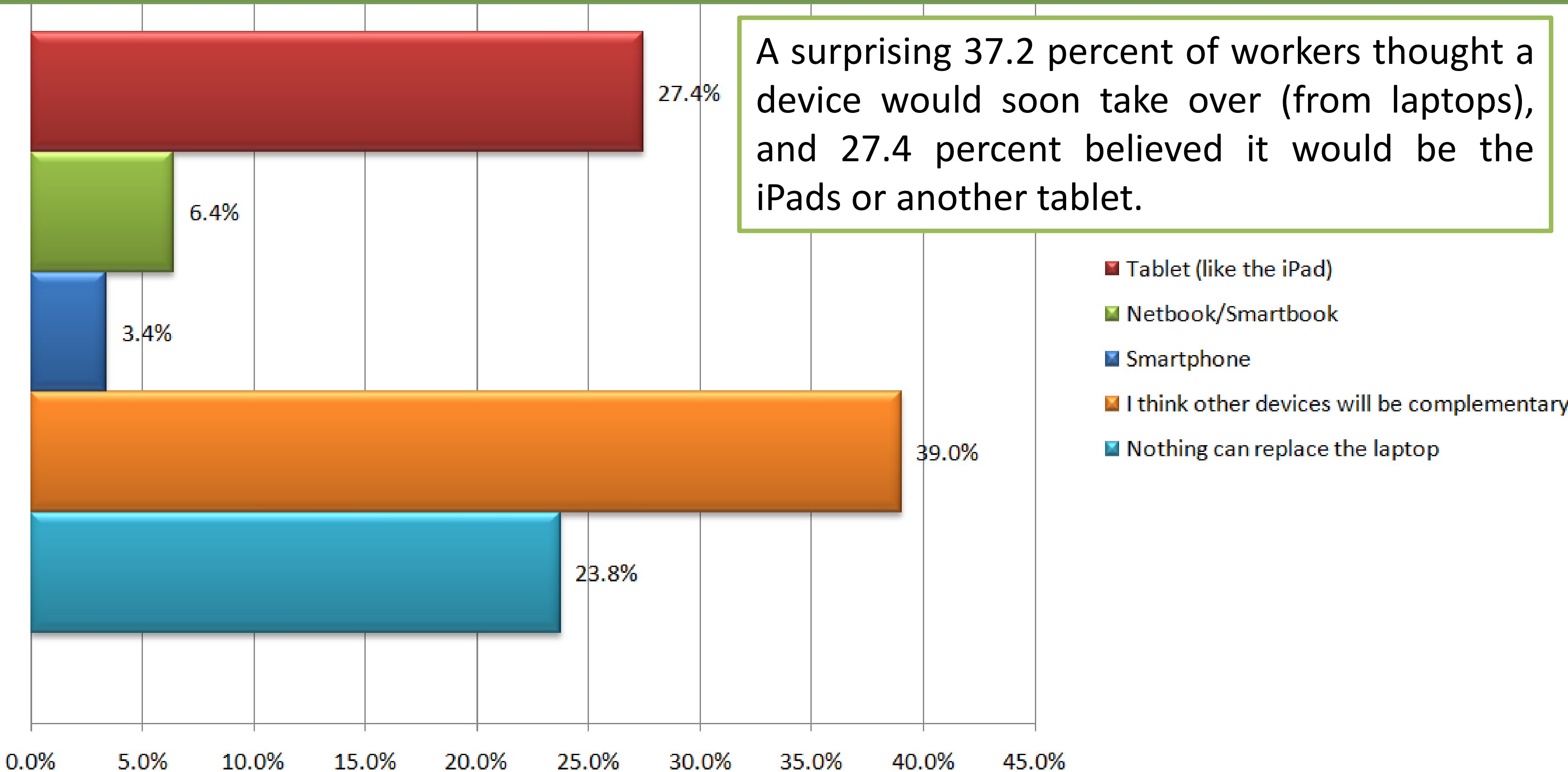
Do you think any device available today can replace the laptop for general business use?

A surprising 37.2 percent of workers thought a device would soon take over (from laptops), and 27.4 percent believed it would be the iPads or another tablet.



2011

http://www3.ipass.com/about/mobile-workforce-report

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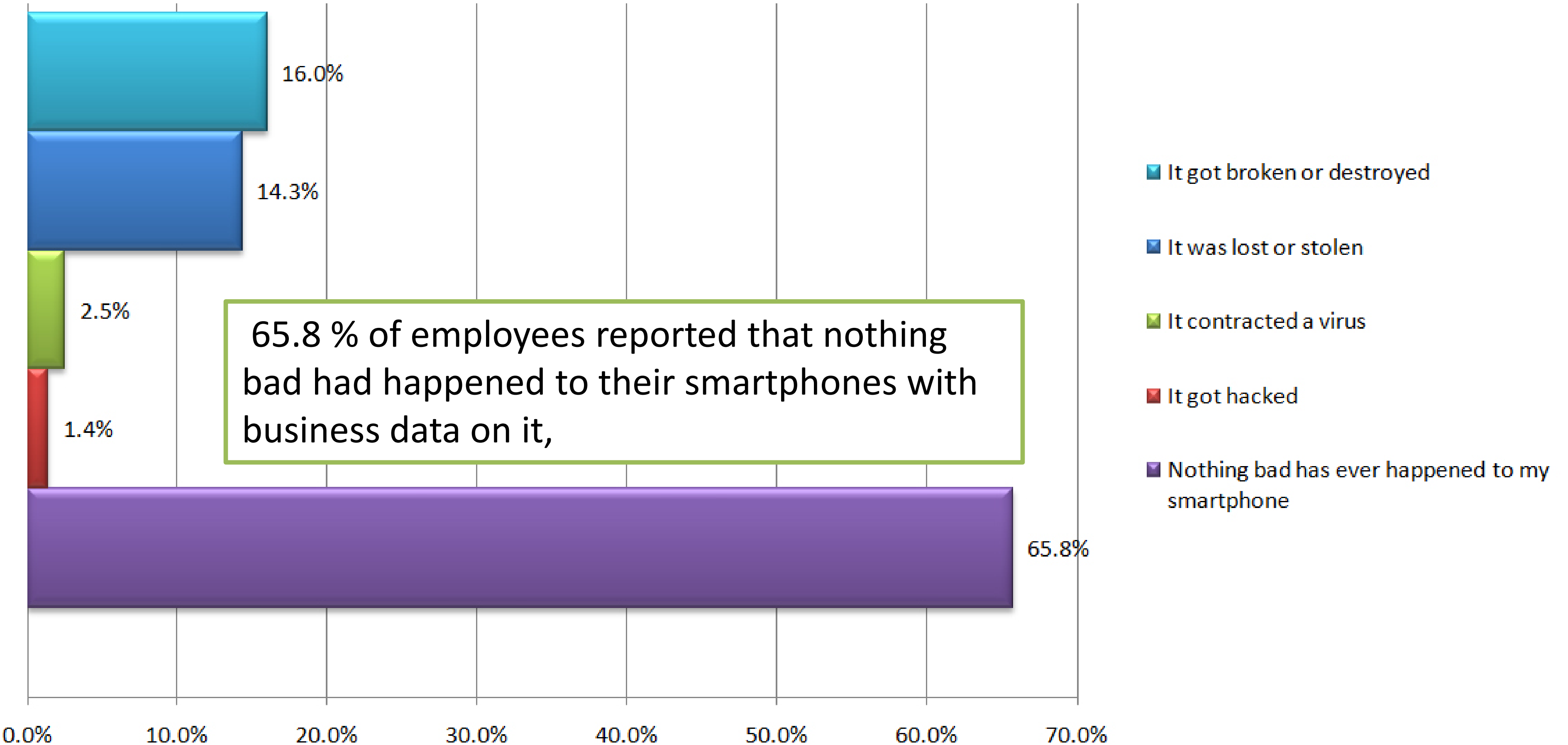
What was the worst thing that ever happened to your smartphone containing business data?



65.8 % of employees reported that nothing bad had happened to their smartphones with business data on it,

2011

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Clients Vendor Tiers

Notebooks ALL
HP
LENOVO
DELL
LG
Acer
ASUS
Toshiba
EMET
Malam-Team
Samsung
One1
Yael Software
idigital
Matrix
Bynet

Notebooks Manufactures
HP
LENOVO
DELL
LG
Acer
ASUS
Toshiba
Samsung
idigital

Tablets (next year)

Smartphones (next year)

Not enough sold in order to “tier” correctly

thin clients
BIG LK
HP
Malam-Team
EMET
Bynet
chipPC
Oracle

DESKTOP PCs Manufactures
HP
LENOVO
DELL
ivory
idigital
Acer

DESKTOP PCs ALL
HP
LENOVO
DELL
ivory
Malam-Team
Bynet
idigital
Acer
Yael Software
Matrix

All amounts in M $ USD

We rank VENDORS by REVENUE and CLIENT MINDSHARE

2011

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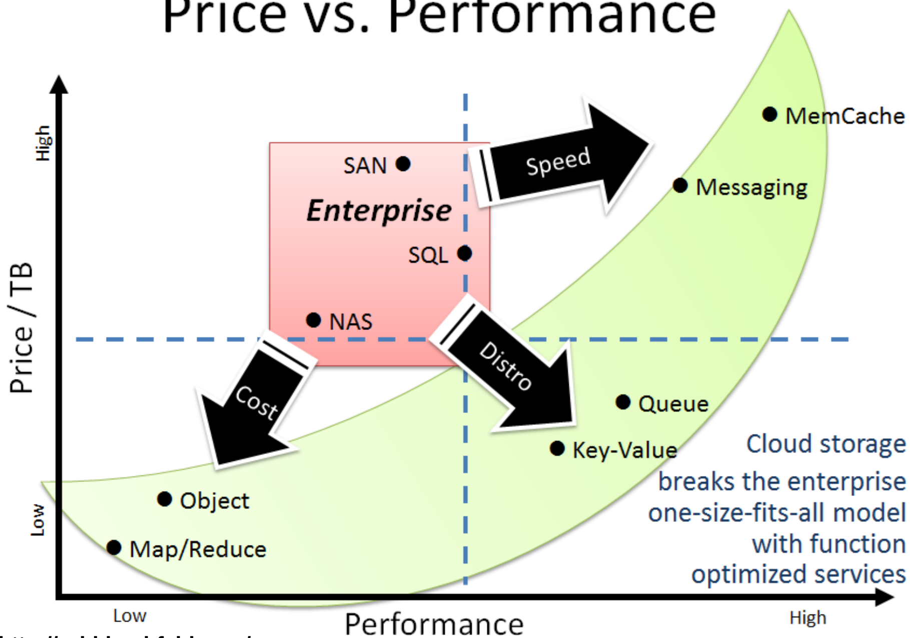
Storage

Price vs. Performance



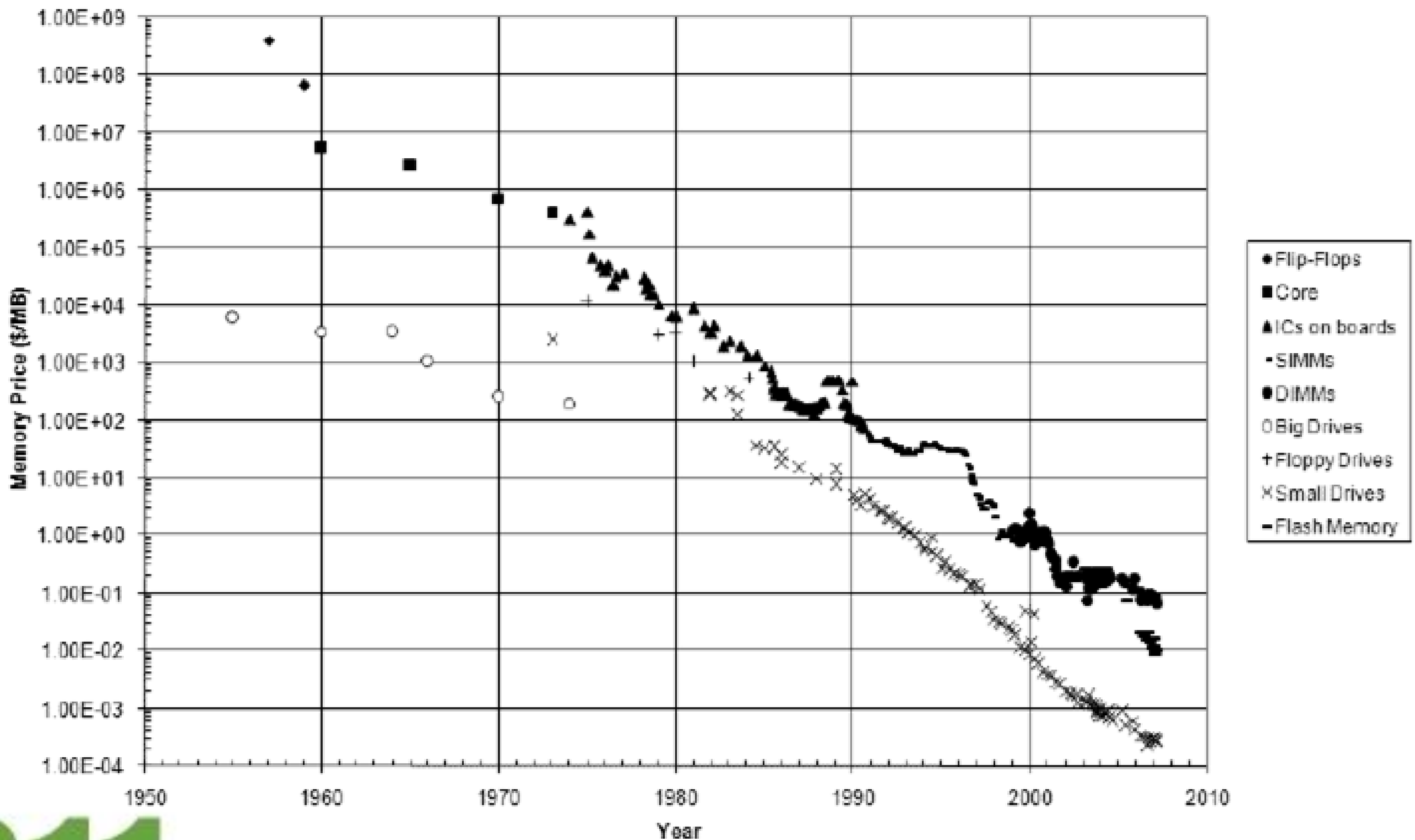
http://robhirschfeld.com/

36 peta sold in 2010

2010		2011		2012		2013	
140.0	8.57%	152.0	8.55%	165.0	7.88%	178.0	disks
12.0	25.00%	15.0	-33.33%	10.0	-20.00%	8.0	tapes
152.0	9.87%	167.0	4.79%	175.0	6.29%	186.0	totals

All amounts in M $ USD

Historical Cost of Memory and Storage



http://organdi.net

Storage Vendor Tiers

Tape Systems (open & MF)

All

- IBM
- Malam-Team
- One1
- HP
- EMET
- Oracle
- Bynet
- GlassHouse
- HILAN
- Matrix
- Taldor

Manufacturers

- IBM
- HP
- Oracle

Disk Systems (open & MF)

Manufacturers

- EMC
- NetApp
- IBM
- HP
- HDS
- DELL
- Kaminario
- SGI
- Oracle

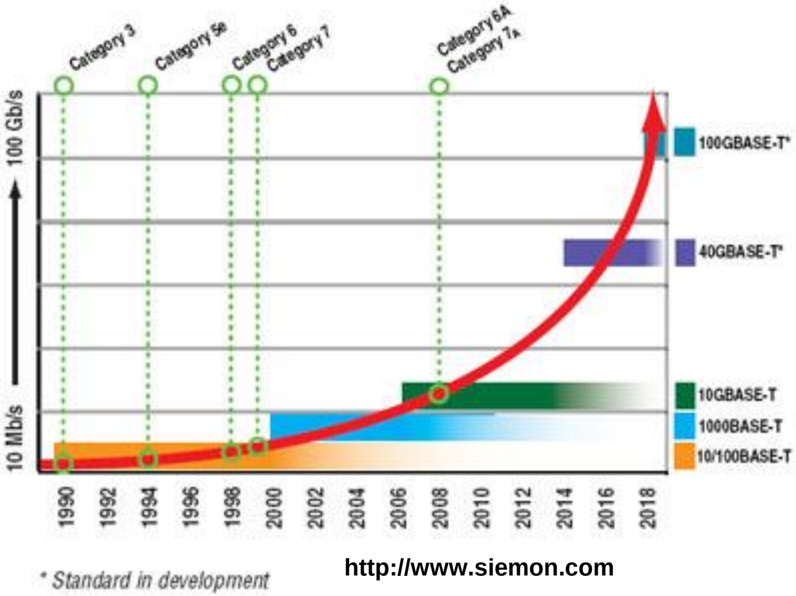
All

- EMC
- NetApp
- Malam-Team
- IBM
- EMET
- HILAN
- One1
- GlassHouse
- Bynet
- HP
- HDS
- Matrix
- DELL
- TripleC
- Bezeq International
- Taldor
- Kaminario
- SGI
- DDN
- Yael Software
- Oracle

All amounts in M $ USD

We rank VENDORS by <u>REVENUE</u> and <u>CLIENT MINDSHARE</u>

Networking



http://www.siemon.com

It seems like only yesterday my 300 baud Hayes compatible was feeding an Apple IIgs with 256 KB of built-in RAM.

Next generation Ethernet, will handle 1 trillion bits (Terabit) per second by 2015 and 100Tbps by 2020

2010		2011		2012		2013	
180.0	6.67%	192.0	9.38%	210.0	6.19%	223.0	enterprise networking
42.0	9.52%	46.0	13.04%	52.0	11.54%	58.0	security equipment
35.0	14.29%	40.0	12.50%	45.0	11.11%	50.0	VoIP/call center equipment
257.0	8.17%	278.0	10.43%	307.0	7.82%	331.0	totals

All amounts in M $ USD

Networking Vendor Tiers

Enterprise Networking (double bookings) manufacturers/distributors

- Cisco
- Bynet
- Taldor
- Malam-Team
- HP
- Juniper
- Alcatel-Lucent
- Netvision
- Radware
- Bezeq International
- F5
- IBM
- One1
- Avaya
- Smile 012
- Citrix
- Riverbed
- 2Bsecure
- Brocade
- Matrix
- EMET
- NewAge
- A10
- Enterasys
- MultiPoint

Security Hwre (double bookings) manufacturers/distributors

- Cisco
- Bynet
- Malam-Team
- Taldor
- Checkpoint
- Juniper
- EMET
- Fortinet
- 2Bsecure
- HP
- McAfee
- IBM
- NewAge
- ForeScout
- One1
- Netvision
- Radware
- F5
- Smile 012
- Citrix

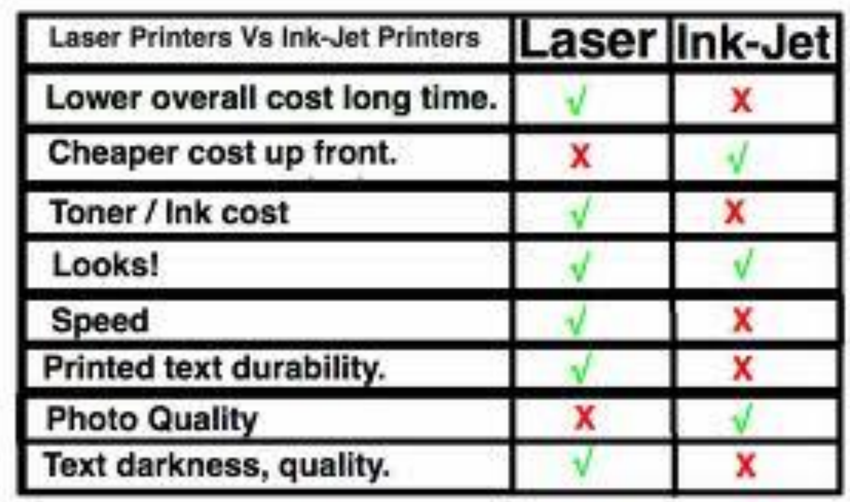
VoIP/call center equipment

- Bynet
- Bezeq International
- Avaya
- IBM
- Malam-Team
- Taldor
- Polycom
- Alcatel-Lucent
- I.E.Mittwoch
- Tadiran Telecom
- Cisco
- Netvision

All amounts in M $ USD

We rank VENDORS by
REVENUE
and
CLIENT MINDSHARE

Printers



Laser Printers Vs Ink-Jet Printers	Laser	Ink-Jet
Lower overall cost long time.	√	X
Cheaper cost up front.	X	√
Toner / Ink cost	√	X
Looks!	√	√
Speed	√	X
Printed text durability.	√	X
Photo Quality	X	√
Text darkness, quality.	√	X

2010		2011		2012		2013	
120.0	3.33%	124.0	3.23%	128.0	4.69%	134.0	printers
100.0	5.00%	105.0	4.76%	110.0	5.45%	116.0	toners/ink/refillers
220.0	4.09%	229.0	3.93%	238.0	5.04%	250.0	totals

All amounts in M $ USD

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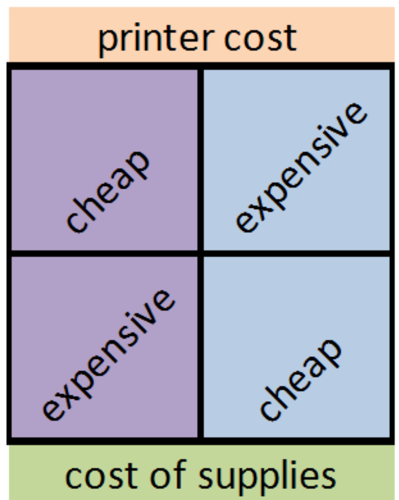
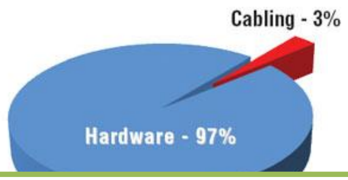
Enterprise Printer Vendor Tiers

HP
Lexmark
One1
Xerox
Samsung
EPSON
Brother
Malam-Team
Canon
I.E.Mittwoch
DELL
IBM
Yael

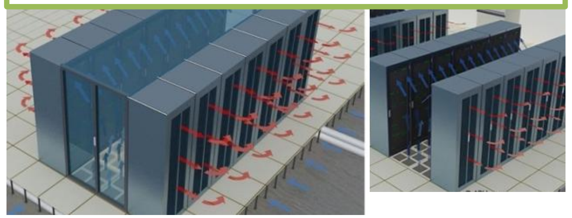


- The business models of "printer" manufacturers:
  1. *"camera/film"* **or** *"razor/blade"* sell printer below manufacturing costs but recuperate with refills (mostly for smaller models and home/SOHO)
  2. Sell at "fair price" both printer and refills (mostly for business and bigger models)

Other Hardware



Physical infrastructure as important as other hardware



2011-2012 new “Self service” tech (retail and financial services

2010		2011		2012		2013	
40.0	50.00%	60.0	20.00%	72.0	11.11%	80.0	Self Service Appliances (ATMs, Kiosks, etc)
25.0	20.00%	30.0	50.00%	45.0	24.44%	56.0	Point of Sale Appliances
45.0	33.33%	60.0	20.00%	72.0	11.11%	80.0	Data Center Physical Infrastructure
85.0	5.88%	90.0	4.44%	94.0	4.26%	98.0	miscelaneus: Computer Supplies
195.0	23.08%	240.0	29.17%	283.0	10.95%	314.0	totals

All amounts in M $ USD

Other Hardware

Data Center Physical Equipment
Alexander Schneider
Bynet
Rittal
I.E.Mittwoch
Malam-Team
APC
Minicom
MultiPoint

Point of Sale Appliances

- 2011 is a turning point
- Self Service will change the vendors

Self Service (ATM/Kiosks/other)
I.E.Mittwoch
Taldor
Iudan
One1
Bynet
Yael Software

2011

All amounts in M $ USD

We rank VENDORS by REVENUE and CLIENT MINDSHARE

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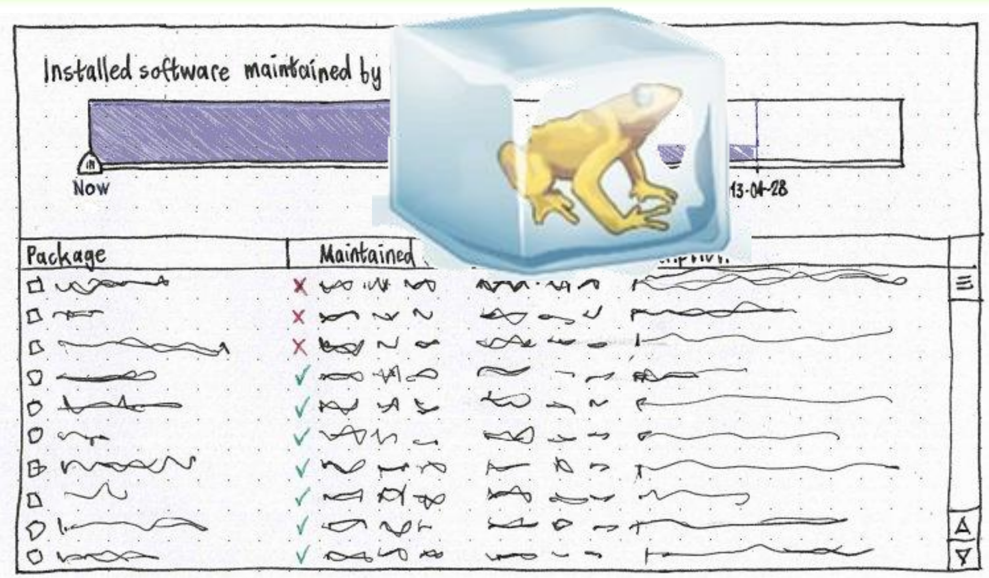
Software Markets



	forecasted		

	2010	2011	2012	2013
Software	972	*1,066*	*1,173*	*1,287*
Rate of change		9.7%	10.0%	9.7%

All amounts in M $ USD

System Infrastructure	*operating systems* *data bases* *middleware*
Office of the CIO	*Portfolio Mgmt* *Project Management* *Asset Mgmt* *Governance, Risk & Compliance*
IT Mgmt Tools	*Service Desk* *Systems Control and Mgmt* *Storage/ backup* *Security*
Information Management	*office productivity* *portals, collaboration & social tools* *document mgmt & search tools* *multimedia mgmt tools (video and* *output mgmt tools* *Analytics/BI / MDM/ ETL tools*
Development Tools	*development & ALM tools* *PLM tools* *testing tools* *mobile dev tools* *LMS learning/hatmaa tools*
Business Applications	*core applications* *ERP* *CRM* *BPM* *WEB - Social mgmt* *others*

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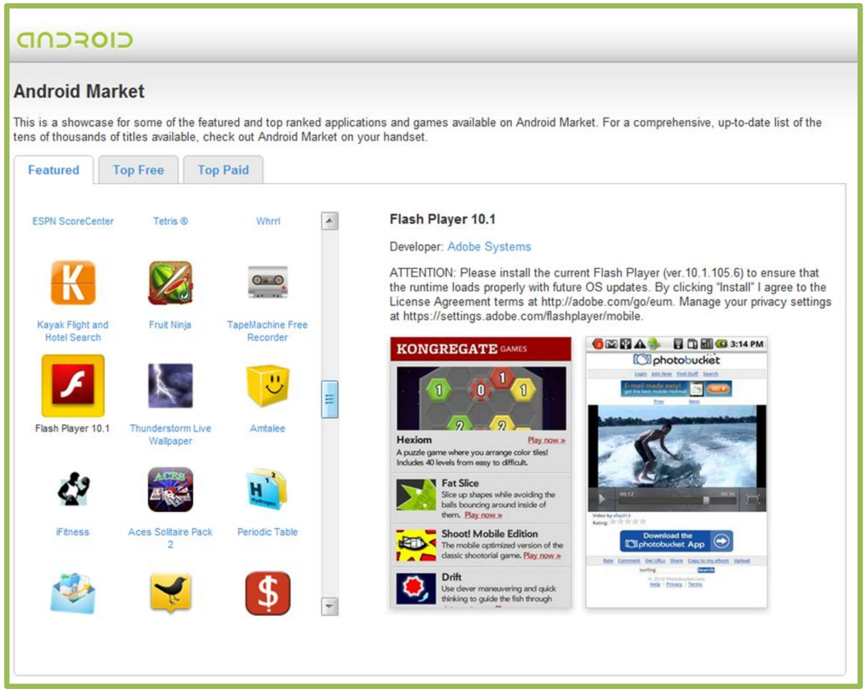
Software Market

- The numbers include “maintenance” or “other yearly usage” payments together with license, agreements to use or lease payments.
- Multi-year agreements are calculated according to annuities.
- Maintenance costs run **between 18-22%** with three exceptions:
  - Software that requires constant updating, sometimes with information, can go **beyond 25%.**
  - Maintenance for extremely standardized software, sometimes delivered as an appliance is often charged **less than 18%.**
  - Discounts to **14%** in highly competitive product categories.

“apps store” break licensing model of today

Apple opened iPhone/iPad & Mac apps Stores and in 4/2011 for PCs
Google opened apps stores : Android and Chrome



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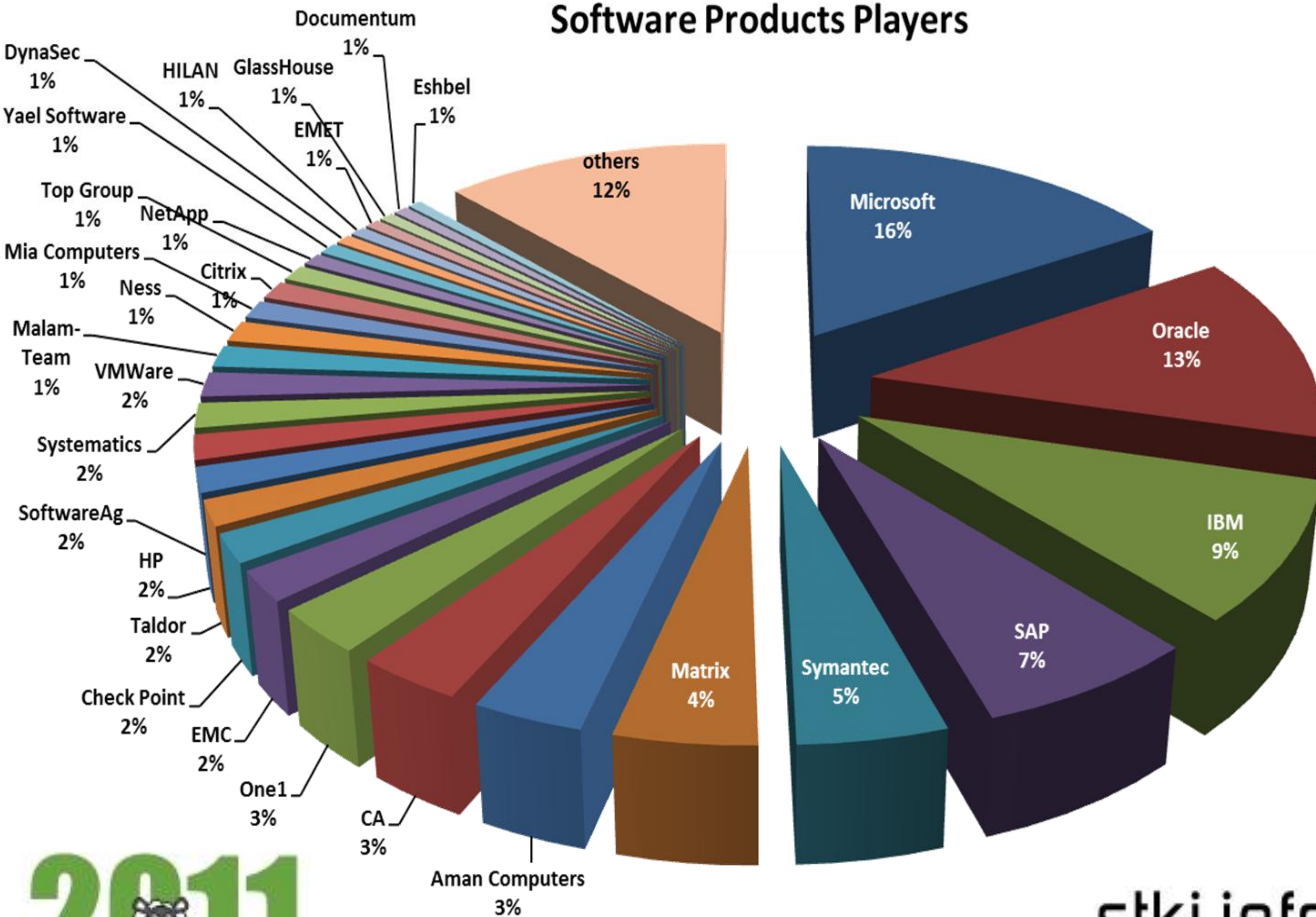
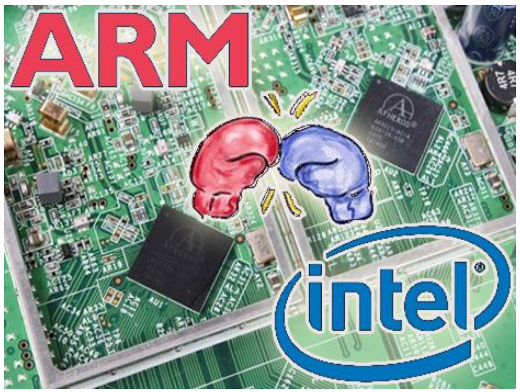
Software Products Players



System Infrastructure Software



Microsoft announced that its software will move away from x86 technology exclusivity

2010		2011		2012		2013	
75.0	9.33%	82.0	3.66%	85.0	8.24%	92.0	operating systems
80.0	3.75%	83.0	8.43%	90.0	4.44%	94.0	data bases
60.0	8.33%	65.0	10.77%	72.0	4.17%	75.0	middleware
215.0	6.98%	230.0	7.39%	247.0	5.67%	261.0	totals

All amounts in M $ USD

System Infrastructure Software 2

operating systems	middleware	data bases
Microsoft	IBM	Oracle
VMWare	Oracle	Microsoft
Aman Computers	Microsoft	SoftwareAg
Citrix	Matrix	One1
IBM	SoftwareAg	IBM
Matrix	One1	Ness
One1	Yael Software	
Taldor	ACS	
ELAD	Aman Computers	
	ELAD	
	MAGIC Software	
	Ness	
	HILAN	
	Taldor	

2011

All amounts in M $ USD

We rank VENDORS by
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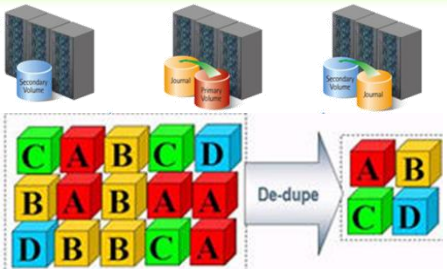
IT Management Tools

IT managed as companies learned to manage their factory facilities

(Industrial Engineering enters IT for own needs not only for others)



2010		2011		2012		2013	
7.0	28.57%	9.0	33.33%	12.0	16.67%	14.0	Service Desk
52.0	5.77%	55.0	9.09%	60.0	8.33%	65.0	Systems Control
45.0	6.67%	48.0	10.42%	53.0	5.66%	56.0	Storage/ backup
120.0	5.83%	127.0	3.94%	132.0	6.06%	140.0	Security
224.5	6.73%	239.6	7.43%	257.4	6.85%	275.0	totals

IT Management Tools 2

Service Desk

- CA
- Matrix
- Aman
- Ness
- HP
- IBM
- Consist
- One1
- Advantech
- ELAD
- Netwise
- Taldor

Security

- Check Point
- Symantec
- CA
- EMET
- Malam-Team
- McAfee
- Comda
- One1
- Microsoft
- CyberArk
- Accesslayers
- Bynet
- HILAN
- Innocom
- InnoVAD
- Netvision
- New Age

- Oracle
- Aman
- IBM
- Taldor
- ACS
- Commtouch
- Crossbeam
- EMC
- Imperva
- Zebra
- Ness
- Promisec
- Sentrigo
- Safend
- Varonis
- Websense

- Wise
- MultiPoint
- Intellinx
- Secure Islands
- ARX
- Brillix
- Covertix
- Safenet
- Waterfall
- Top Group
- Kasperky Lab
- Barracuda
- BlueCoat
- Insightix
- ELAD

storage & backup

- Symantec
- EMC
- IBM
- NetApp
- GlassHouse
- Malam-Team
- CA
- HP
- HILAN
- opal systems
- One1
- Asigra
- Top Group
- Wanova
- MultiPoint

System Control & Mgmt Systems (BSM, APM, BTM)

- CA
- IBM
- Matrix
- HP
- Microsoft
- Oracle
- Aman
- Symantec
- ACS

- Ness
- Promisec
- Centerity
- Trigerplus
- Taldor
- BenefIT
- Alexander Schneider
- MultiPoint
- ELAD
- IT Analyzer
- One1
- Advantech
- Netwise

2011

All amounts in M $ USD

We rank VENDORS by
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Office of the CIO Software

- Second generation Office of the CIO tools
  - managing customer IT requirement, how delivered and at what cost
  - forecasting/estimating based on own and others' experience
  - all have BI interfaces

2010		2011		2012		2013	
6.0	16.67%	7.0	28.57%	9.0	22.22%	11.0	Portfolio Mgmt
8.0	25.00%	10.0	10.00%	11.0	18.18%	13.0	Project Management
8.0	12.50%	9.0	22.22%	11.0	36.36%	15.0	Asset Mgmt
10.0	30.00%	13.0	15.38%	15.0	26.67%	19.0	Governance, Risk & Compliance
32.0	21.88%	39.0	17.95%	46.0	26.09%	58.0	totals

All amounts in M $ USD

Office of the CIO Software 2

Project & Portfolio Management	Asset Management	Governance Risk & Compliance
Microsoft	Matrix	DynaSec
CA	CA	CA
MSP	HP	SAP
One1	One1	Ness
Proceed	IBM	Top Group
Matrix	ELAD	ELAD
HP		
Xioma		
IBM		
Pro-fix		

2011

All amounts in M $ USD

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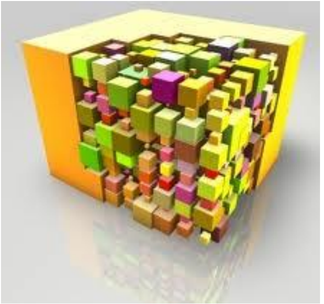
Information Management Software



2010		2011		2012		2013	
30.0	6.67%	32.0	9.38%	35.0	5.71%	37.0	office productivity
20.0	30.00%	26.0	7.69%	28.0	14.29%	32.0	portals, collaboration & social tools
45.0	4.44%	47.0	6.38%	50.0	6.00%	53.0	document mgmt & search tools
4.0	50.00%	6.0	150.00%	15.0	66.67%	25.0	multimedia mgmt tools (video and others)
10.0	20.00%	12.0	16.67%	14.0	14.29%	16.0	output mgmt tools
90.0	11.11%	100.0	12.00%	112.0	10.71%	124.0	analytics/BI / MDM/ ETL tools
199.0	12.06%	223.0	13.90%	254.0	12.99%	287.0	totals

Information Management Software 2

Output mgmt tools
Autofont
Matrix
Ness
Quicksoft
HP
SAP
Consist

information mgmt (MDM, ETL, EII etc)
Oracle
Aman Computers
IBM
Microsoft
Mia Computers
SAP
SoftwareAg
One1
Matrix
Ness
Attunity
Taldor

Analytics/ BI/DM/ EPM tools	
Oracle	
IBM	
SAP	HILAN
Matrix	I.E.Mittwoch
Microsoft	One1
Libi Tech	Lynx
Mia Computers	Yael Software
Panorama	Top Group
	Malam-Team
	Taldor
	Point of View

All amounts in M $ USD

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Information Management Software 3

Office Productivity
Microsoft
Top Group
ELAD

Document mgmt and search tools	
IBM	
Yael Software	ELAD
Documentum	Matrix
Ness	Omnisys
Microsoft	Aman Computers
Quicksoft	Taldor
Top Group	Netwise
Oracle	
Malam-Team	
Xioma	

Enterprise portals,
Microsoft
IBM
SAP
ELAD
Omnisys
Matrix
Top Group
Taldor
One1

multimedia mgmt tools (video, etc)
Xioma
Avcom
Veidan
Radvision

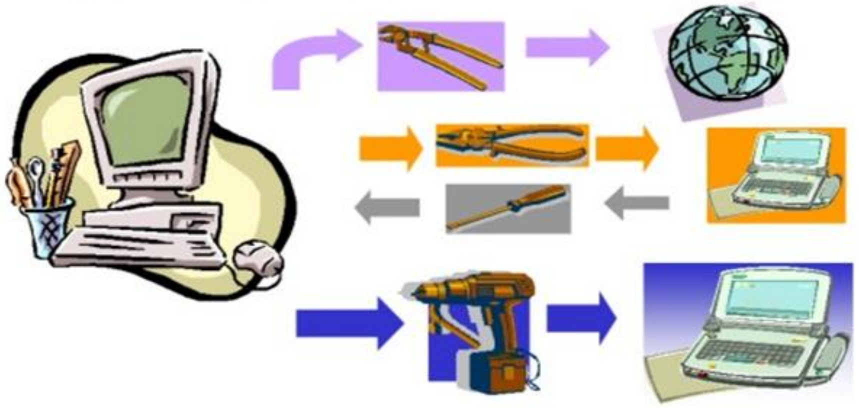
many more small companies (next year)

2011

All amounts in M $ USD

We rank VENDORS by REVENUE and CLIENT MINDSHARE

Development Tools



2010		2011		2012		2012	
50.0	4.00%	52.0	5.77%	55.0	9.09%	60.0	development & ALM tools
5.0	30.00%	6.5	7.69%	7.0	7.14%	7.5	PLM tools
20.0	15.00%	23.0	21.74%	28.0	21.43%	34.0	testing tools
5.0	140.00%	12.0	58.33%	19.0	36.84%	26.0	mobile dev tools
4.0	75.00%	7.0	42.86%	10.0	20.00%	12.0	LMS learning/hatmaa tools
80.0	16.88%	93.5	16.58%	109.0	16.97%	127.5	totals

Development Tools 2

Q/A & testing tools	Development and ALM (including testing)	mobile development tools	PLM
HP	Microsoft	SAP	One1
Microsoft	IBM	Matrix	Microsoft
IBM	Oracle	Netwise	Yael Software
Omnisys	Software AG	Ness	Aman Computers
Orcanos	MAGIC Software	One1	
Valire	Orcanos	ELAD	
Ness	Matrix		
	One1		

2011

All amounts in M $ USD

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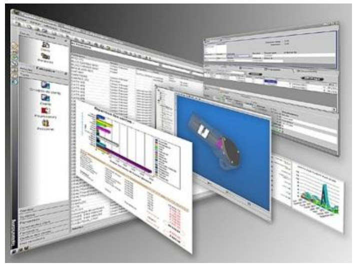
Business Application Software



2010		2011		2012		2012	
50.0	8.00%	54.0	14.81%	62.0	6.45%	66.0	core applications
102.0	7.84%	110.0	3.64%	114.0	5.26%	120.0	ERP
52.0	5.77%	55.0	5.45%	58.0	6.90%	62.0	CRM
12.0	25.00%	15.0	13.33%	17.0	11.76%	19.0	BPM
6.0	33.33%	8.0	15.00%	9.2	30.43%	12.0	WEB - Social mgmt
8.0	15.00%	9.2	8.70%	10.0	20.00%	12.0	others
222.0	9.01%	242.0	7.52%	260.2	7.23%	279.0	totals

All amounts in M $ USD

Business Application Software 2

ERP

- SAP
- Oracle
- Matrix
- One1
- Eshbel
- Maxoft
- Microsoft
- Aviv
- Intentia
- Kav marachot
- SIT

- Xioma
- Taldor
- Ness
- Aman
- Almog
- Ardom
- CBIT
- Yael

CRM XRM

- Microsoft
- Oracle
- SAP
- Taldor
- One1
- Matrix
- Aman
- Almog
- Yael
- Maxoft
- Netwise

Vertical (core business)

- SAP
- Top Group
- Taldor
- Matrix
- Aman
- One1
- Ness
- Xioma
- SoftwareAg

many more small companies (next year)

All amounts in M $ USD

We rank VENDORS by REVENUE and CLIENT MINDSHARE

2011

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Business Application Software 3

BPM

- SoftwareAg
- Oracle
- IBM
- Yael Software
- Malam-Team
- ProcessGene
- One1
- PNMsoft
- Tiuv
- Aman

WEB - social mng.

- Microsoft
- IBM
- Omnisys
- Netwise
- eWave
- many more small companies (next year)

GIS & location based

- Systematics
- Taldor
- many more small companies (next year)

All amounts in M $ USD

We rank VENDORS by REVENUE and CLIENT MINDSHARE

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Value Added Services Market

Project Services	Q/A & Testing Project Management Office
Development	ERP CRM KM,ECM,SP,BPM,others Web/internet/e-biz/social Mobile .NET Java Legacies/mainframe BI/DW/EPM/MDM/Data GIS/location based core/vertical output mgmt/print mgmt User Interface Design Migrations/ others
Governance, Risk, Regulation and Security	Governance & Risk Management Security Auditing and other Security Projects
Outsourcing	"off site" DC/finger services "off site" DC/full service call centers/help desk Complete outsourcing application outsourcing infrastructure outsourcing: total, storage, DBA, security, printing/copying/faxi

- Staff Augmentation
- IT Consulting/ Analysts
- Hardware Maintenance
- Data Center Environment
- Consolidation/virtualization/integration projects
- Talent Skill Mgmt/IT Training/ Hatmaa
- VoIP/call centers

Cloud Computing: BPaaS, PaaS, SaaS, IaaS

	2010	2011 (forecasted)	2012 (forecasted)	2013 (forecasted)
Value Added Services	2,397	2,598	2,934	3,271
Rate of change		8.4%	12.9%	11.5%

All amounts in M $ USD

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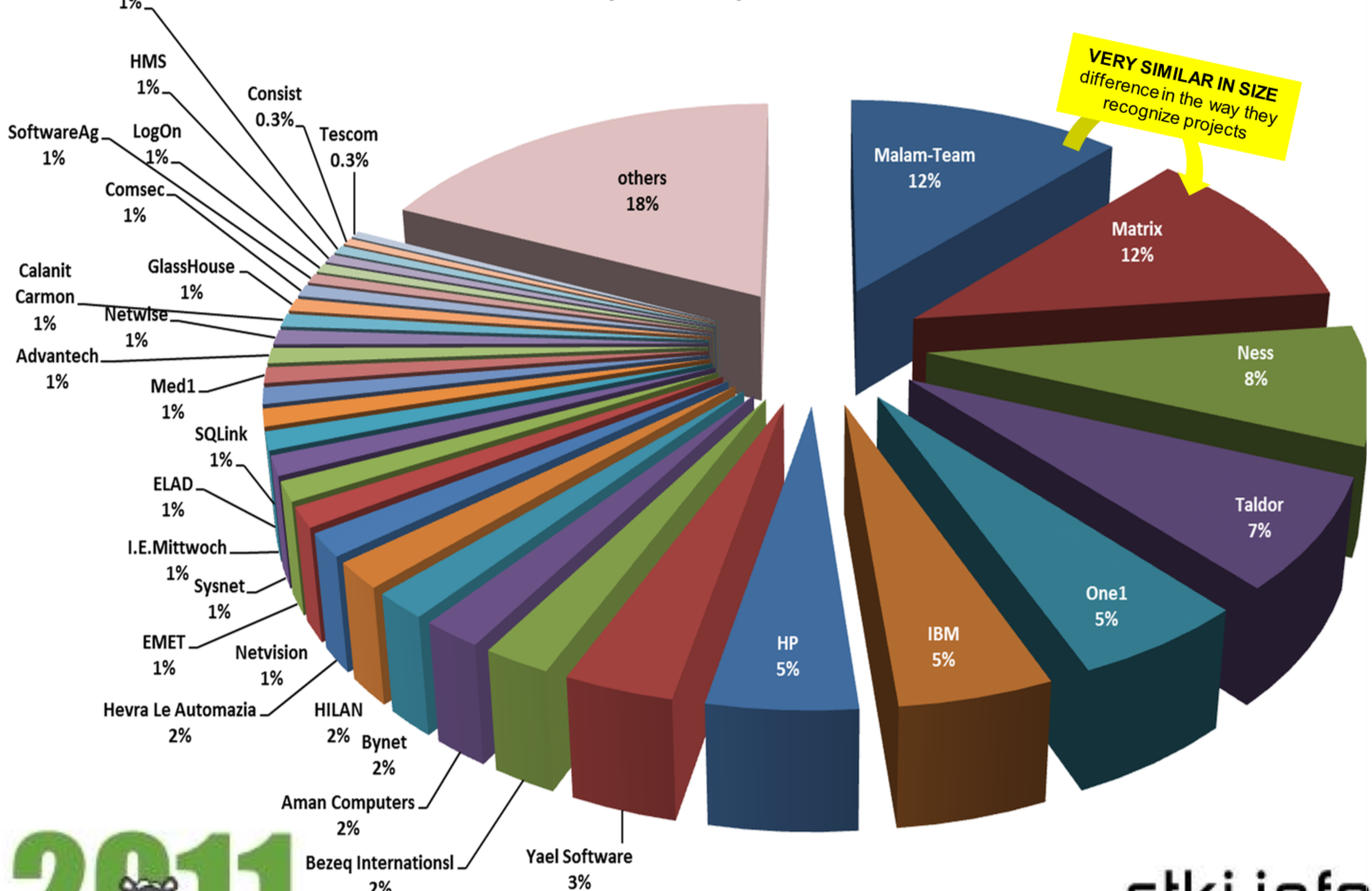
Value Added Services Suppliers
7 companies represent 53% of the market



2011

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IT Consulting/ Analysts

Matrix
One1
Ness
Accenture
Malam-Team
GlassHouse
IBM
Methoda
AKT
Ernst & Young
HP
STKI
BDO
Netwise
Aginix

Aman Computers
Gartner
HMS
Microsoft
PWC
Strauss
Taldor
Sysnet
Renaissance
BITplus
LogOn
Blat-Lapidot
Matan
SoftwareAg
db@net

Deloitte
Highview
Orantech
Tescom
BDA
Emerset
Afek Systems
Bynet

- always be required to present legal documents showing conflict of interest
- field is "infested" with corruption and plagiarism

2010		2011		2012		2013	
70.0	17.14%	82.0	9.76%	90.0	5.56%	95.0	IT Consulting/ Analysts

All amounts in M $ USD

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Hardware Maintenance

IBM
HP
Malam-Team
I.E.Mittwoch
Bynet
Taldor
EMET
One1
CISCO
DELL
GlassHouse
Matrix
MultiPoint
Yael

- Vendors are offering maintenance for all the equipment
- New 24x7 requirements for nearly all application will increase the use of ***"all in one"*** vendors
- New technologies and better hardware will extend usable real life of systems

2010		2011		2012		2013	
150.0	5.33%	158.0	4.43%	165.0	4.24%	172.0	Hardware Maintenance

All amounts in M $ USD

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Infrastructure Projects

Data Center Environment
IBM
Magalcom
Aman Computers
Bunkersec
HP
Bynet
Alexander Schneider
One1
Med1
Taldor

Consolidation, virtualization, CMDB, storage, integration, networks and new data centers

2010		2011		2012		2013	
20.0	15.00%	23.0	39.13%	32.0	25.00%	40.0	Data Center Environment
200.0	12.50%	225.0	15.56%	260.0	15.38%	300.0	Consolidation/virtualization/ integration projects
220.0	12.73%	248.0	17.74%	292.0	16.44%	340.0	total

All amounts in M $ USD

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Consolidation/virtualization/ integration projects

- Malam-Team
- IBM
- EMET
- HP
- Bezeq International
- Netvision
- 012-Smile
- Bynet
- One1
- Taldor
- HILAN
- GlassHouse

- Comm IT
- Matrix
- EMC
- I.E.Mittwoch
- Liacom
- LogOn
- Magalcom
- Veracity
- Oasis-Tech
- Aman Computers
- CA
- Headon
- HMS
- Nextcom
- NGSoft
- Valinor
- ticomsoft
- Yside

- Amdocs
- Anagal
- doITwise
- Dor -IT
- Integrity
- SQLink
- opal systems
- openstorage
- SteerU
- techmind
- penguinIT
- Ardom
- itassist

integrated
consolidated
virtualized
and ……

All amounts in M $ USD

We rank VENDORS by
REVENUE
and
CLIENT MINDSHARE

Project Services

Testing vendors vs same vendor (project)
PMO vendors vs same vendor (project)

? ?

2010		2011		2012		2013	
160.0	6.25%	170.0	4.71%	178.0	5.62%	188.0	Q/A & Testing
20.0	15.00%	23.0	8.70%	25.0	8.00%	27.0	Project Management Office
180.0	7.22%	193.0	5.18%	203.0	5.91%	215.0	total

All amounts in M $ USD

Testing Q/A & PMO Services

Q/A & Testing

- Malam-Team (Qualitest +)
- Matrix
- Ness
- Tescom
- Sysnet
- One1
- Tadiad
- Taldor
- LogOn
- Perfecto Mobile

- ALD
- Comm IT
- NGSoft
- Testpro
- Top Group
- Realcommerce
- Netwise
- ELAD
- SoftwareAg
- Methoda
- MindU

Project Management Office

- Matrix
- Matan
- Orantech
- Malam-Team
- Ness
- One1
- Proceed
- Xioma
- Methoda
- PZProjects
- Mateor

- Bynet
- Netwise
- Bunkersec
- BITplus
- Taldor
- Tescom
- SoftwareAg
- Renaissance
- MyBusiness
- Ziv systems
- BDA
- Pro-fix

2011

All amounts in M $ USD

We rank VENDORS by REVENUE and CLIENT MINDSHARE

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Software Development Services

2010		2011		2012		2013	
120.0	10.00%	132.0	9.85%	145.0	11.72%	162.0	ERP
52.0	9.62%	57.0	14.04%	65.0	10.77%	72.0	CRM
16.0	12.50%	18.0	33.33%	24.0	4.17%	25.0	KM,ECM,SP,BPM,others
35.0	42.86%	50.0	30.00%	65.0	26.15%	82.0	Web/internet/e-biz/social
10.0	100.00%	20.0	75.00%	35.0	42.86%	50.0	Mobile
80.0	2.50%	82.0	3.66%	85.0	5.88%	90.0	.NET
35.0	5.71%	37.0	5.41%	39.0	5.13%	41.0	Java
45.0	4.44%	47.0	4.26%	49.0	2.04%	50.0	Legacies/mainframe
90.0	5.56%	95.0	21.05%	115.0	13.04%	130.0	BI/DW/EPM/MDM/Data
20.0	15.00%	23.0	52.17%	35.0	37.14%	48.0	GIS/location based
50.0	16.00%	58.0	17.24%	68.0	17.65%	80.0	core/vertical
16.0	25.00%	20.0	25.00%	25.0	60.00%	40.0	output mgmt/print mgmt
12.0	33.33%	16.0	75.00%	28.0	42.86%	40.0	User Interface Design
30.0	16.67%	35.0	17.14%	41.0	12.20%	46.0	Migrations/ others
611.0	12.93%	690.0	18.70%	819.0	16.73%	956.0	totals

All amounts in M $ USD

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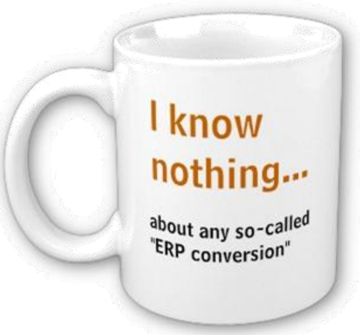
Software Development Services

- ERP systems (fin, log, HR, etc.):
  - Have a life of about 15 years
  - First ERPs in Israel in the '70s
  - Now we are in ERPv3 in Israel



- Core business applications:
  - Have a life of about 30 years
  - Now we are in CORE v2 in Israel
  - Most enterprises will develop a hybrid model (several ready made modules combined with some developmen (even old legacy core modules)
- Developing mobile, internet and e-bizz applications
- Development of "multichannel" (touch point management) systems a big priority in 2011-2013

ERP Development Services

ERP

1
- One1
- Malam-Team
- Matrix
- Advantech
- Ness
- IBM
- HP
- Taldor
- Tata

2
- Aman
- HMS
- Yael
- Intentia
- SIT
- Todan
- Accenture
- Aviv
- Corvette
- Eshbel
- milgam
- Raan
- Ziv systems
- Xioma
- Xact

3
- AKT
- FBC
- Kav marachot
- Rels
- Menahel4U
- Almog
- Ardom
- Complete
- E121
- Tulip
- Axperts
- Qesem
- Bgate
- Pisga

4
- ManofIT
- Afek Systems
- CBIT
- Top Group
- Anagal
- I.E.Mittwoch
- IT Com
- Edmiso
- ValuePlus

We rank VENDORS by
REVENUE
and
CLIENT MINDSHARE

All amounts in M $ USD

2011

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Software Development Services 2

CRM-XRM

- Matrix
- Malam-Team
- IBM
- One1
- Taldor
- Ness
- Tata
- ELAD
- HP
- Advantech

- Yael
- SIT
- Blat-Lapidot
- Kav marachot
- Almog
- Bynet
- Netwise
- CEMax
- Menahel4U
- ServIT
- ManofIT
- Service Wise
- Anagal
- IT Com
- MyBusiness
- Edmiso
- ValuePlus
- Business & Decisions

All amounts in M $ USD

User Interface Design

- Aman Computers
- Netwise
- Realcommerce
- Perfecto Mobile
- Methoda
- Matrix
- ELAD
- IdeoMobile
- Mobideo
- Malam-Team
- Yael Software

many more small companies (next year)

We rank VENDORS by REVENUE and CLIENT MINDSHARE

2011

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Software Development Services 3

BI/DW/EPM /Data Management

1
Ness
Opisoft
Matrix
Gstat
Aman Computers
Eternity
Libi Tech
Malam-Team
IBM

2
Highview
Consist
One1
Yael Software
Advantech
I.E.Mittwoch
Active View
HP
HMS

3
Midlink
Normative
Point of View
BeyondIT
BIconix
Enix
VisionBI
SIT
Business & Decisions
Xact
ServIT
Data Cube
Citrine BI
Bynet

4
Anagal
FBC
Afek Systems
BICS
Xioma
Netwise
DBbest
Orantech
Complete
ELAD
IT Com
Top Group
Tescom
Menahel4U

2011

All amounts in M $ USD

We rank VENDORS by REVENUE and CLIENT MINDSHARE

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Software Development Services 3

knowledge management (ECM, SP)+BPM

Yael
Ness
Matrix
Malam-Team
Tvuva-Milenium
Netwise
IBM
One1
Realcommerce
ELAD
Omnisys

SoftwareAg
Business Solutions
Or-Team
VisionBI
Moding
Xact
Taldor
Top Group
Byon
Diffdoof
Kwizcom
Tiuv
Xioma
Tescom

Web/internet/ portals/e-biz

Matrix
Netwise
ewave
Realcommerce
Malam-Team
IBM
One1
Ness
Omnisys
Consist
Taldor
Bynet
Top Group
SoftwareAg
Artis
ELAD
Afek Systems
DBbest

Mobile

Matrix
Netwise
IdeoMobile
Ness
Realcommerce
Malam-Team
One1
NGSoft
Taldor
Moblin
Mobideo
ELAD
Xact
ManofIT
DBbest
Almog

many more small companies (next year)

We rank VENDORS by
REVENUE
and
CLIENT MINDSHARE

2011

All amounts in M $ USD

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THE KNOWLEDGE INTEGRATORS

Software Development Services 4

.NET

- Malam-Team
- Matrix
- Taldor
- Advantech
- One1
- E4D
- Yael
- Ness
- Sysnet
- Bynet
- HP
- LogOn

- C-soft
- Lehavi
- Netwise
- SoftwareAg
- ELAD
- SIT
- Comm IT
- EMET
- Top Group
- db@net
- ServIT
- Afek Systems
- Complete
- Matan
- Tescom

many more small companies (next year)

java

- Malam-Team
- Matrix
- IBM
- Ness
- One1
- Taldor
- HP
- Yael
- Advantech
- LogOn
- EMET
- SoftwareAg
- Qesem
- Netwise
- ELAD
- Web Tech
- Top Group
- Tescom

2011

All amounts in M $ USD

We rank VENDORS by REVENUE and CLIENT MINDSHARE

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Software Development Services 6

mainframe
Matrix
IBM
SoftwareAg
Malam-Team
LogOn
Ness
Yael
Raz-Lee
One1

core
Amdocs
Matrix
IBM
Malam-Team
Ness
Yael Software
One1
Taldor
HMS
Accenture
Hevra Le Automazia
Consist
milgam
Complete

Printing
HP
Auto Font
One1
Methoda
many more small companies (next year)

migrations/ GIS/ others
Yael Software
Systematics
Malam-Team
I.E.Mittwoch
Tata
Ness
One1
HP
Taldor
BluePhoenix
MOST
Netwise
Artis
DBbest
Edmiso
Almog

2011

All amounts in M $ USD

We rank VENDORS by REVENUE and CLIENT MINDSHARE

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Talent Skill Management
IT Training/ Hatmaa Services

Matrix
Ness
Malam-Team
ELAD
One1
Taldor
Hevra Le Automazia
EMET
BDA
Kineo
SoftwareAg
Trainmate
Orantech
Matan
Almog

- IT HR budget should include 5% of workable hours and $2K dollars per employee per year
  - Average age in legacy installations is over 50
  - Technologies are moving very fast for users and IT itself
- Project budgets should include 15% for HATMAA
  - Should the same vendor/developer do HATMAA or separate ?
  - like TESTING and PMO services.. NO right answer
  - In testing and HATMAA there is a need to start with project
  - PMO services should start before the contract is signed at the time of the SOW. Connecting the SOW to work plans is essential

2010		2011		2012		2013	
100.0	5.00%	105.0	14.29%	120.0	6.67%	128.0	Talent Skill Mgmt/ IT Training/ Hatmaa

All amounts in M $ USD

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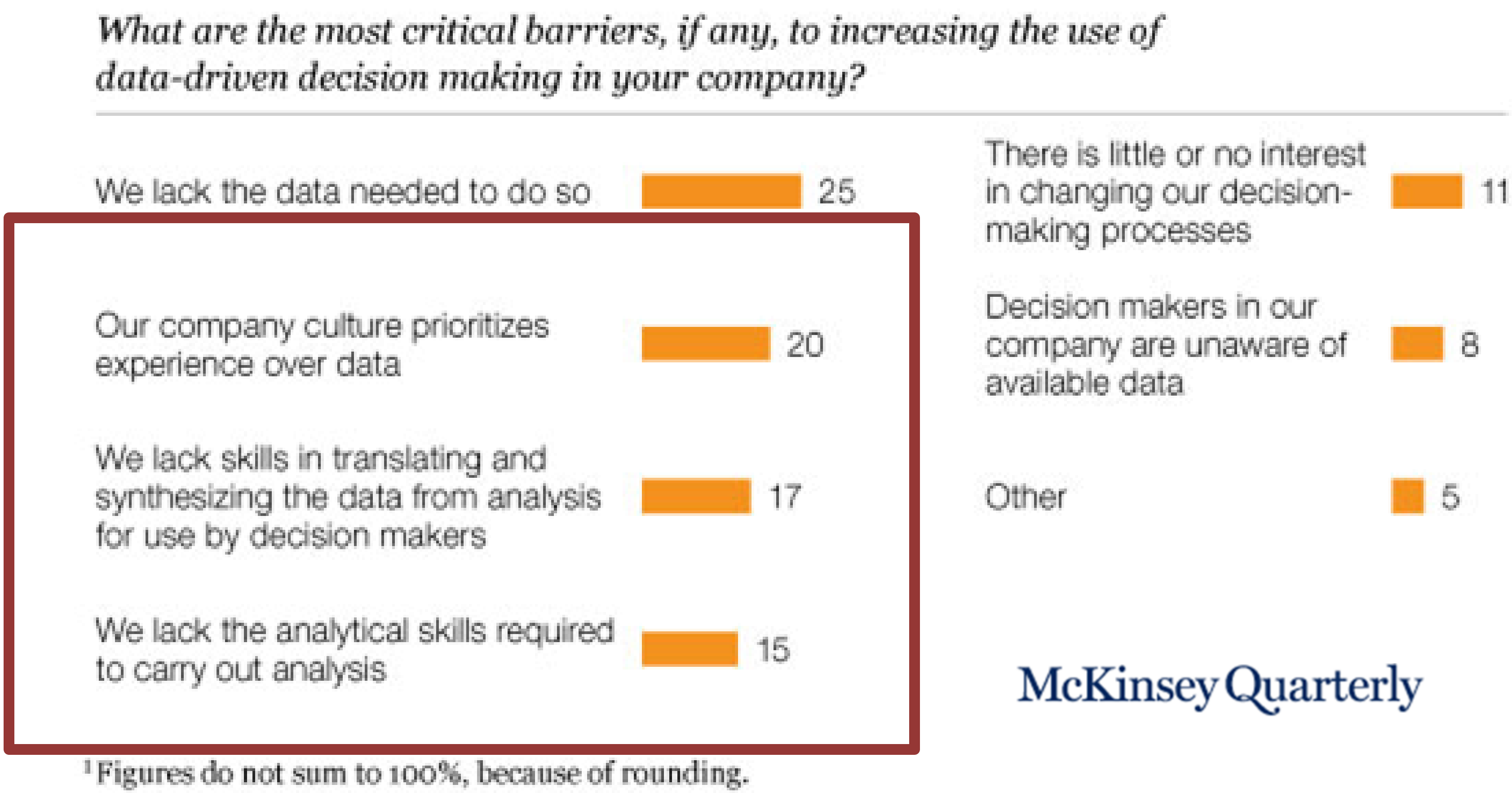
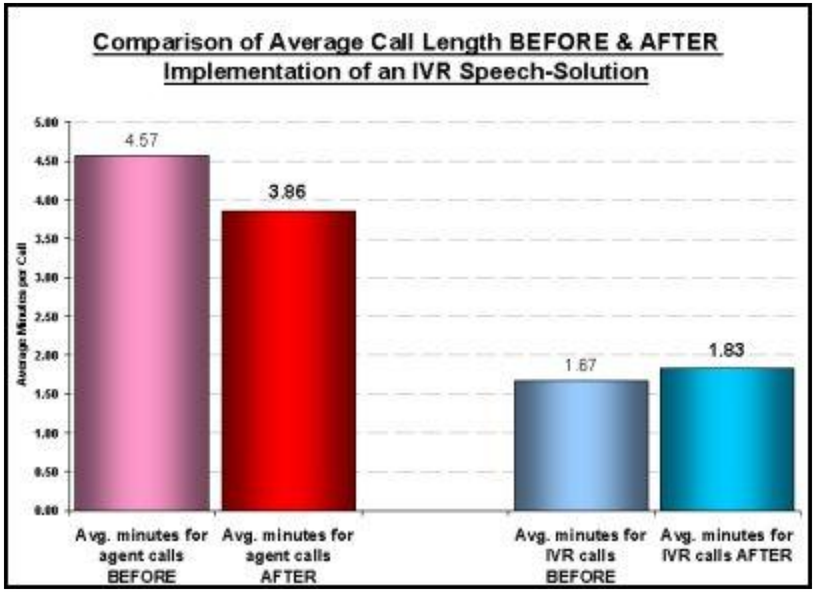
Barriers to Analytics: lack of data & skills



VoIP and Call Center Projects

Bynet
IT Navigator
Bezeq International
Aginix
Sensecom
IBM
Taldor
I.E.Mittwoch
Netvision
Malam-Team
Ness



2010		2011		2012		2013	
30.0	6.67%	32.0	9.38%	35.0	14.29%	40.0	VoIP/call centers

All amounts in M $ USD

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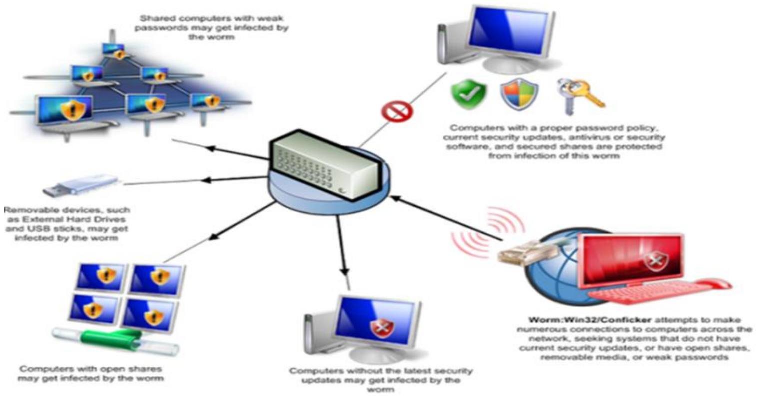
Governance, Risk, Regulation and Security Projects



2010		2011		2012		2013	
35.0	5.71%	37.0	8.11%	40.0	7.50%	43.0	Governance & Risk Management
30.0	6.67%	32.0	12.50%	36.0	11.11%	40.0	Security Auditing and other
70.0	17.14%	82.0	10.98%	91.0	9.89%	100.0	Security Projects
135.0	11.85%	151.0	10.60%	167.0	9.58%	183.0	total risk

2011

All amounts in M $ USD

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Governance, Risk, Regulation and Security Projects 2

Governance & Risk Management

does not include financial regulation (that is inside BI or core)

Malam-Team
Matrix
Comsec
Deloitte
HMS
Aman Computers
BDO
Ness
Ernst & Young
PWC
Secoz

Tulip
One1
Avnet
DynaSec
Taldor
SoftwareAg
Byon
Renaissance
Orantech
ALD
Methoda
ValuePlus

All amounts in M $ USD

We rank VENDORS by REVENUE and CLIENT MINDSHARE

Governance, Risk, Regulation and Security Projects 3

auditing/ risk assessment/ penetration tests
Comsec
Avnet
Bugsec
BDO
Ernst & Young
PWC
Citadel
Maglan
Taldor
2Bsecure
BDA
Aman Computers
ELAD

security projects
EMET
Taldor
Comda
Maglan
One1
IBM
Bynet
Ness
Comsec
2Bsecure
HILAN
Netvision
Avnet

012-Smile
Bezeq
Dor -IT
IPGroup
IPV Security
Liacom
LogOn
Securenet
SQLink
Varonis
Bugsec
Secoz

calcom
Comm IT
New Age
Oasis-Tech
Trustnet
Ernst & Young
Citadel
ACS
C4
HP
Aman Computers
BBT
Integrails
Prolink
Brillix
Checkmarx
Decimus
MultiPoint
ELAD

All amounts in M $ USD

We rank VENDORS by
REVENUE
and
CLIENT MINDSHARE

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Outsourcing Services

2010		2011		2012		2013		
60.0	5.00%	63.0	3.17%	65.0	4.62%	68.0	"off site" DC/finger services	
20.0	25.00%	25.0	28.00%	32.0	40.63%	45.0	"off site" DC/full service	
36.0	5.56%	38.0	13.16%	43.0	11.63%	48.0	call centers/help desk	
120.0	-15.00%	102.0	7.84%	110.0	4.55%	115.0	Complete outsourcing	
40.0	5.00%	42.0	9.52%	46.0	13.04%	52.0	application outsourcing	
40.0	0.00%	40.0	5.00%	42.0	7.14%	45.0	infrastructure outsourcing	total
13.0	15.38%	15.0	20.00%	18.0	16.67%	21.0		storage
12.0	8.33%	13.0	15.38%	15.0	13.33%	17.0		DBA
6.0	20.00%	7.2	18.06%	8.5	41.18%	12.0		security
28.0	14.29%	32.0	34.38%	43.0	16.28%	50.0		printing/copying/faxi
316.0	-1.90%	310.0	9.03%	338.0	10.36%	373.0	totals	

Outsourcing Services 2

"off site" data center/hosting (finger only services)

- Med1
- Bezeq Int
- One1
- Netvision
- Bezeq
- Aman Computers
- 012-Smile
- TripleC
- Bynet

"off site" data center - full service (operational/DRP)

- IBM
- HP
- Hevra Le Automazia
- Bunkersec
- Aman Computers
- Bynet

Call Centers/Help Desk **

- HP
- Hevra Le Automazia
- Calanit Carmon

is really under BPaaS

All amounts in M $ USD

We rank VENDORS by REVENUE and CLIENT MINDSHARE

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103

Outsourcing Services 3

Complete outsourcing
HP
IBM
Malam-Team
One1
Ness
Hevra Le Automazia
Bynet
Aman Computers

application outsourcing
Ness
Malam-Team
Matrix
One1
Aman Computers
Yael Software
Consist
Amdocs
SoftwareAg
Tescom

Printing outsourcing
Malam-Team
Mafil
Zilumatik
I.E.Mittwoch
Gestetner
Yazamco
HP
EMET

Infrastructure Outsourcing Services

managed services
Bezeq Int
Ness
Netvision
Yael Software
One1
EMET
ELAD
Realcommerce
Malam-Team
Matrix
Aman Computers

storage
GlassHouse
EMC
EMET
Ness
One1
Taldor

DBA
One1
Advantech
GlassHouse
Ness
Taldor
DBbest
Valinor
Veracity
ACS
Brillix
SoftwareAg
MindU

security
SQLink
EMET
Ness
Comsec
Liacom
2Bsecure
Avnet

2011

All amounts in M $ USD

We rank VENDORS by REVENUE and CLIENT MINDSHARE

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Not all clouds are the same

Business Process
as a Service
BPaaS

We have
been
doing
“clouds”
for a long
Time…..
We just
know now
It is called
CLOUD

Software
as a Service
SaaS

Platform
as a Service
PaaS

Infrastructure
as a Service
IaaS

2011

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A majority of respondents say their companies enjoy measurable business benefits from using Web 2.0.

www.mckinseyquarterly.com

■ % of respondents whose companies are achieving specified benefits from their use of Web 2.0 technologies[1]
■ Median improvement, %

Internal purposes, n = 1,598

Benefit	% of respondents	Median improvement, %
Increasing speed of access to knowledge	77	30
Reducing communication costs	60	10
Increasing speed of access to internal experts	52	30
Decreasing travel costs	44	20
Increasing employee satisfaction	41	20
Reducing operational costs	40	10
Reducing time to market for products/services	29	20
Increasing number of successful innovations for new products or services	28	20
Increasing revenue	18	15

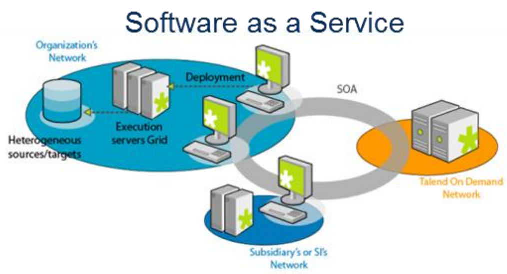
Customer-related purposes, n = 1,708

Benefit	% of respondents	Median improvement, %
Increasing effectiveness of marketing	63	
Awareness		20
Consideration		15
Conversion		10
Loyalty		10
Increasing customer satisfaction	50	18
Reducing marketing costs	45	15
Reducing support costs	35	10
Reducing travel costs	29	20
Reducing time to market for products/services	26	20
Increasing number of successful innovations for new products/services	24	15
Increasing revenue	24	10

Working with external partners/suppliers, n = 1,088

Benefit	% of respondents	Median improvement, %
Increasing speed of access to knowledge	57	20
Reducing communication costs	53	15
Increasing satisfaction of suppliers, partners, external experts	45	20
Increasing speed of access to external experts	40	25
Reducing travel costs	38	20
Reducing time to market for products/services	28	20
Reducing supply chain costs	22	10
Reducing product-development costs	22	15
Increasing number of successful innovations for new products/services	20	15
Increasing revenue	16	11

Cloud Services



U.S. General Services Administration (GSA) has announced that it will move to **Google Apps for its 17,000** employees and contractors.

2010		2011		2012		2013	
180.0	5.56%	190.0	10.53%	210.0	19.05%	250.0	BPaaS
5.0	200.00%	15.0	180.00%	42.0	42.86%	60.0	PaaS
50.0	24.00%	62.0	20.97%	75.0	16.00%	87.0	SaaS
10.0	20.00%	12.0	50.00%	18.0	22.22%	22.0	IaaS
245.0	13.88%	279.0	23.66%	345.0	21.45%	419.0	totals

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Cloud Services 2

BP as a Service BPaaS (salaries, call centers, etc)
- Malam-Team
- Taldor
- HILAN
- Ness
- Calanit Carmon
- Hevra Le Automazia
- Aman Computers
- milgam
- 012-Smile
- One1

Infrastructure as a Service IaaS
- Bynet
- TripleC
- Bezeq Int -
- Amazon -
- Ness
- Netvision
- Innocom
- One1

Platform as a Service PaaS
- Salesforce
- Microsoft

Software as a Service SaaS
- Hevra Le Automazia
- HILAN
- Malam-Team
- Comax
- Bezeq Int -
- Aman Computers
- Salesforce
- Matrix
- Bynet
- Netvision
- DynaSec
- Netwise
- Ness
- One1
- Taldor
- Broadigital
- ELAD
- Bgate
- Microsoft
- Edmiso
- Netsuite

This data does not reflect the real status and products in the market….
people buy it sell it
but they didn't know
it is called XaaS

All amounts in M $ USD

We rank VENDORS by
REVENUE
and
CLIENT MINDSHARE

2011

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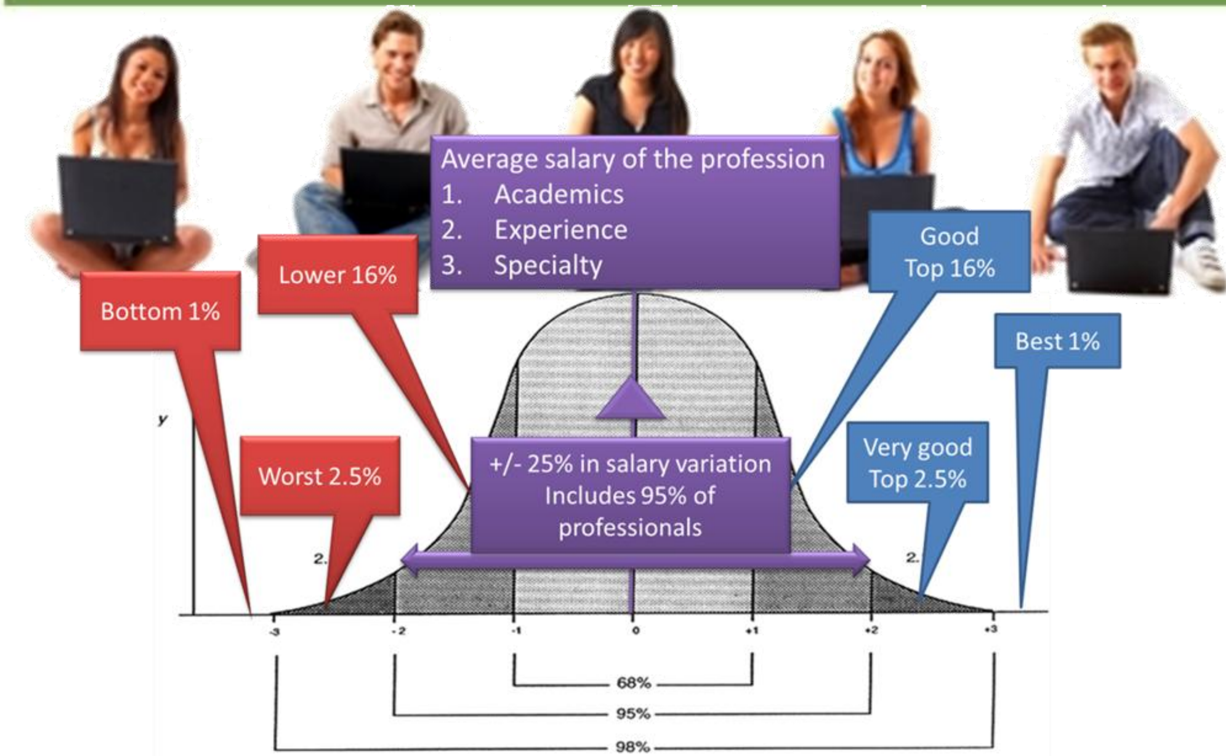
Staff Augmentation (good souls)



Every **professional** fits the Graph (left)
(several monthly surveys available):

1. *Experience*
2. *Academics*
3. *Certifications*
4. *Recommendations*
5. *IDF mgmt. experience*
6. *other*

2010		2011		2012		2013	
340.0	2.94%	350.0	2.86%	360.0	-2.78%	350.0	Staff Augmentation

All amounts in M $ USD

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Staff Augmentation (good souls) 2

Users don't understand the following formula:

Hourly Rate = Risk * specialty

There are *no "discounted" professionals*. We live in a "perfect" information (about salaries) free market.

Person willing to take *a lower salary* knows (by definition) that he has been sold where his *credentials don't fit*.

Matrix
Taldor
Yael Software
Aman Computers
SQLink
Sysnet
ELAD
Ness
HP
One1
Calanit Carmon
GlassHouse
Bezeq International

LogOn
Consist
Opisoft
SoftwareAg
Tescom
Testpro
Tnuva-Milenium
Aginix
Bynet
Top Group
Comsec
Dor -IT
HILAN
MindU

NGSoft
Netwise
SmartIT
CBIT
Comm IT
db@net
Integrity
Ardom
Data Cube
Anagal
Complete
Eternity
Highview
Securenet
Xact

Staff Augmentation (good souls) 3

- 3 types :
  - ***"shoot and forget":*** long term professionals that except for random training/ parties have no contact with the vendor. Profit here will go down drastically; very low risk of unbillable hours.
  - ***Short term professionals:*** profit will go according to the risk of unbillable hours that the vendor has.
  - ***" Freak-shore":*** using people with different believes, ways of life and physical disabilities in order to pay them less and still use them as PR : -

    -- fat moshavnik analyst should get less than an athletic one in North Tel Aviv…. Why?

Thank you

Dr. Jimmy Schwarzkopf