Viva Bob!

"ERP is dead" said in March 1999 William Stuek, chairman and CEO of Chicago-based System Software Associates (SSA), a pre-eminent world wide supplier of manufacturing software. Of course, we applauded, being among those who refuse to believe that one supplier could supply everything to any given client for all the internal needs of the corporation with acceptable average quality. We are with BOB, B-O-B, Best-of-Breed.

In the following months, two things happened. The year 2000 frenzy had come and gone. No more panic buying at any cost with cocktail gossip-based selection processes.

And the Internet. ERP's already too wide horizons of "all internal needs" suddenly exploded to include the "external" needs. B2B. B2C. All over the world somebody made a mass-replace of ERP (Enterprise Resource Planning) with CRM (Customer Relationship Management) in press releases. The panic was, and is, on. Read the attached Information Week article on the SAP/Clarify deal, particularly the last two lines.

What does all this mean for BOB by D.L.G.L? Very good news. Pension and TCS were not even on any ERP Vendor's radar; even in the worst hours of its enthusiasm, ERP stayed away. Payroll was low on the totem pole, with all its customization requirements. And Human Resources had little market potential compared to Financials and Manufacturing. And now the whole ERP totem pole just disappeared in the e-commerce quicksands. Viva Internet!

And all this stuff is brutal. Market bullies always hit in ascending order of size of the prey. The little guy, Baan, has lost 96% of its value. Its operations will survive because they are purifying their act and returning to being a B-O-B manufacturing software vendor. But the shareholders, of which the undersigned (I hate to admit), may change identities in a bankruptcy process.

Baan's small size does not necessarily mean that it will be the hardest hit when all is said and done; just the earliest. Its small size may in fact be an asset in a turn-around effort, especially that it has at least admitted to the problem, and early on.

PeopleSoft is trading 75% down from its peak. God knows what they are up to. Looks like spreading thinner ever again in emulation and pursuit of SAP, which is down 40%. Lawson is high-tailing it to the hills of ASP.

Here's how all this good news translates in real life for D.L.G.L. Presently, we are invited by a Canadian corporation with more than 40,000 employees, a big one, to compete for their business. Nothing special so far, except that neither SAP, PeopleSoft, JD Edwards or any of the other King Kongs of ERP are invited.

Just BOBs, just like us. When that happens and the competitors are judged on content, track record in delivery and real total cost of usage, all of a sudden D.L.G.L. is the Kong. And we don't have to waste our breath justifying whether there is life space for us in the future.

The table is set.

P.S.: You can find in the Opinion section of our Web site (www.*dlgl.com*) a D.L.G.L. document dated 1996 which predicted all of this under the title "Total Integration: Has the Dream Come True?"

Extract from V.I.P.net, Summer 2000.