



Software's future is in components, SAP chief says

Thursday, March 27, 2002, 7:07 PM ET

SAN FRANCISCO - Software vendors must become more like automobile or airplane manufacturers -- or perish, the chief executive and co-founder of SAP AG, Germany's software behemoth, told his industry peers and rivals at a major software meeting here on Wednesday.

"This industry will not survive in the next 20 years with applications built by a few big companies," Hasso Plattner, the CEO of SAP AG, told software developers at the JavaOne conference in San Francisco.

"Software has become so big that no company can do everything alone anymore," said Plattner, who co-founded Walldorf, Germany-based SAP about 30 years ago.

The company, which had \$6.4 billion in sales last year, is one of the world's largest business-automation software vendors.

"We cannot, as our friend Oracle preaches, put everything back into one bottle, one system," Plattner said, referring to Oracle Corp.'s efforts to provide its customers with everything from databases to software that manages such things as accounting, sales and purchasing.

Plattner said the industry must adopt standards that would enable a variety of different software vendors to provide the parts needed to quickly build a sophisticated software system, much in the way a car is built with parts from different manufacturers.

SAP and Oracle are among the companies backing the adoption of Java -- a software programming language developed by Sun Microsystems Inc. -- as a standard because it can run on almost any computer system.

Software titan Microsoft Corp. is moving in its own direction with .NET, a strategy to tie all its software to the Internet and roll out Web-based services that connect computer systems.

Such connectivity is becoming increasingly important as software makers attempt to help their customers tie together systems and extract valuable information from the heaps of data stored within those systems.

"I was not able to convince (Microsoft Corp. executives) Bill Gates and Steve Ballmer to join this club," Plattner said.