

IT product company makes best of cut in IT spends

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Tough times are pushing companies to be more prudent in their IT expenditure and they now want more bang for their buck. This could prove to be the silver lining for Indian IT companies.

"India is no longer a taboo brand. 'Made in India' IT products are finding more takers now," said Sandeep Kumar, MD, ProductDossier, an IT product company. ProductDossier is a project, process and product life cycle management (PLM) company or 3 PLM company. The PLM market is dominated by large global IT companies such

as Siemens, Oracle, Dassault Systemes, PTC and SAP.

According to Kumar, there is no pure play product company out of India in this space, making them the first such company in the country. Geometric Ltd has a 30% stake in 3DPLM Solutions, a JV formed with Dassault Systemes. "But Geometric is also into software services and is not a pure play product company," said Kumar. ProductDossier was identified as the only Asian company amongst top 50 global PLM companies and as an innovative emerging company by Nasscom.

Oracle had identified PLM as one of the fastest growing enterprise application segments and estimated licence expenditure

to reach \$7.3 billion in 2009 and was projected to be the third largest segment in enterprise applications. With PLM evolving into an enterprise-wide cross-functional discipline, it has led to big software companies buying PLM product companies; Oracle acquired Agile PLM and Siemens acquired UGS PLM Software.

While these big companies have a stranglehold in the PLM market in India, new market realities are forcing customers to look for alternatives. "This is a good time for us as until now cost was not a factor. But now companies are consciously looking for value, speed of their RoI and size of their initial investment. Today I am glad we

kept our product focus," said Kumar.

Companies also want a rollout in 4-8 weeks with prices ranging between Rs 10 lakh to Rs 50 lakh and Kumar claimed his company was 50% cheaper than the competition. The company promises a 100% RoI within six to eight months.

The company's flagship product, TouchBase, is being used by over 35 clients including Onida, TACO, Eicher, Videcon, Piaggio, GE, Fidelity Investments, Amar Raja, Raytheon, BP and Bilcare. The product's implementation at L&T Engineering at Faridabad has been the largest so far with 400 users. "We are now talking to other L&T units," Kumar said.