

Magic Quadrant for Managed File Transfer

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The perfect storm of compliance, risk, governance and performance has caused the vendors in the managed file transfer space to segment and specialize. Still, there are enough commonalities to make “apples to apples” comparisons.

WHAT YOU NEED TO KNOW

Companies should consider managed file transfer (MFT) suite vendors that meet their tactical and strategic needs. It's all too easy to act reactively and deploy technology that only supports one protocol or security standard; it's much more prudent to deploy a product that can be easily expanded and upgraded to handle multiple protocols and multiple standards in a well-managed way that's fully auditable.

MAGIC QUADRANT Market Overview

Numerous factors cause companies to re-examine how they manage the movement of information from system to system, partner to partner and person to person. FTP alone is not a viable option to give you the insight, security, performance and, ultimately, the risk mitigation necessary to responsibly conduct business. Fortunately, there is a set of vendors that offers the technologies, services and disciplines to help you manage all aspects of the transfer of information. Collectively, Gartner tracks 20 vendors in this space offering MFT functionality in multiple deployment models, including services, appliances and traditional software. Additionally, all the vendors represent various spectrums of the MFT suite market, including multienterprise collaboration, internal integration and support for common collaboration mechanisms, including e-mail.

Market Definition/Description

As defined in previous research, MFT suites are usually comprised of four discrete functionalities that can be deployed separately but are usually deployed as a suite:

- Server – Technologies that include the ability to manage all aspects of the file transfer support multiple communications, security protocols and mechanisms, workflow, provisioning, some transformation, application programming interfaces (APIs) and adapters, and streaming input/output.
- Client – A subset of some of the technologies above, but mainly used for tight integration with a server product. Clients are used by applications (via programmatic means) and by humans for collaboration, such as large file transfers using established e-mail systems.
- Proxy – Technologies used to abstract other elements of the infrastructure, such as a proxy deployed in a “demilitarized zone,” used to conceal the true IP addresses and ports of a sender and recipient.

- Plug-in – Technologies that interoperate or integrate with applications, enabling them to natively communicate with servers.

Gartner estimates that the market for MFT suites and services is approximately \$450 million and is growing at a rate of 21% to 26% year over year. Fortunately for many of these vendors, while the overall market for MFT solutions grows at a healthy rate, the overall pool of enterprises needing MFT solutions grows even faster. “While the big fish in the pond becomes bigger, the pond itself is growing even faster.” For the most part, the largest and most common competitors are homegrown FTP solutions, which are technically free, but, as many of our clients realize, are neither well managed, secured nor without maintenance headaches.

Inclusion and Exclusion Criteria

The criteria for inclusion is marketing, selling and deploying a solution for purely MFT. Additionally, the solution should not be just a feature, but rather a distinct product with a corresponding stock-keeping unit number, audience and revenue that can be easily broken out in the vendor's financials. Although there are exceptions, the vendors in this Magic Quadrant have a minimum of \$4 million in annual revenue.

Evaluation Criteria

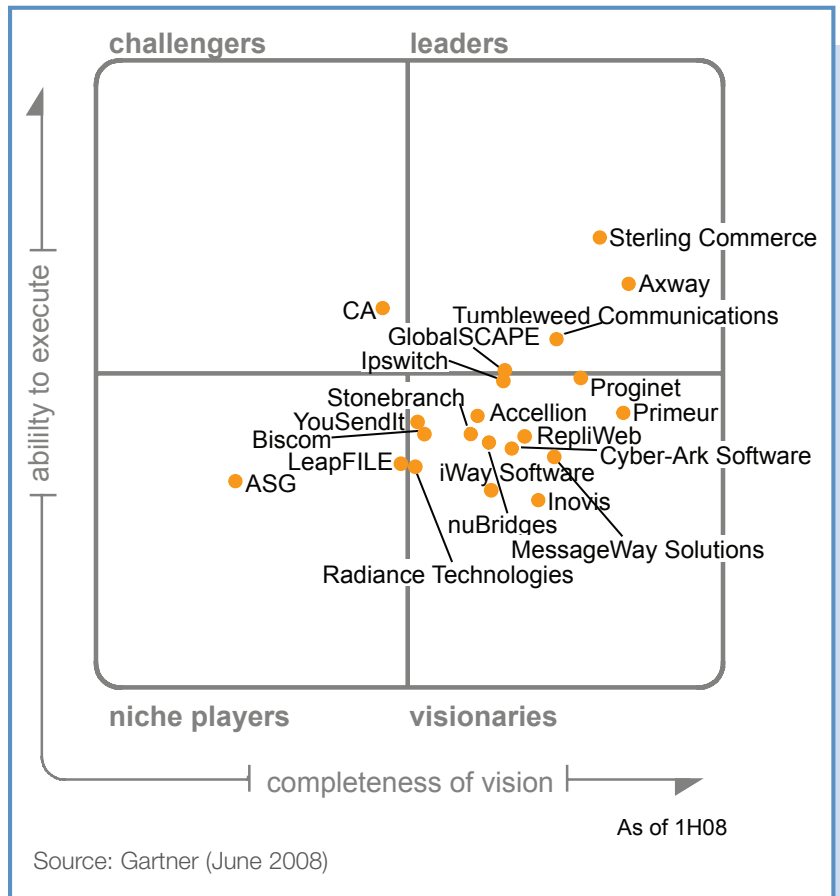
Ability to Execute

Gartner analysts evaluate technology providers on the quality and efficacy of the processes, systems, methods or procedures that enable IT provider performance to be competitive, efficient and effective, and to positively affect revenue, retention and reputation. Ultimately, technology providers are judged on their ability and success in capitalizing on their vision.

Completeness of Vision

Gartner evaluates technology providers on their ability to convincingly articulate their current and future market direction, innovation, customer needs, competitive forces and how well they map to the Gartner position. Ultimately, technology providers are rated on their understanding of how market forces can be exploited to create opportunities for the provider.

Figure 1. Magic Quadrant for Managed File Transfer



Leaders

Leaders are most likely to have high revenue and commitment to the market, high market share and installed bases, and products that are of interest to a large audience. Additionally, leaders have presented domain expertise and compelling messages that have penetrated the market (intentionally or unintentionally).

Challengers

Challengers have focused significant resources in this market, but they have a narrower understanding of the market and a less-impressive product strategy, or they've deliberately chosen to limit the scope of their product lines. For example, vendors that service

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Table 1. Ability to Execute Evaluation Criteria

| Evaluation Criteria | Weighting |
|--|-----------|
| Product/Service | high |
| Overall Viability (Business Unit, Financial, Strategy, Organization) | high |
| Sales Execution/Pricing | high |
| Market Responsiveness and Track Record | standard |
| Marketing Execution | standard |
| Customer Experience | high |
| Operations | standard |
| Source: Gartner | |

Table 2. Completeness of Vision Evaluation Criteria

| Evaluation Criteria | Weighting |
|-----------------------------|-----------|
| Market Understanding | high |
| Marketing Strategy | high |
| Sales Strategy | high |
| Offering (Product) Strategy | high |
| Business Model | standard |
| Vertical/Industry Strategy | standard |
| Innovation | standard |
| Geographic Strategy | standard |
| Source: Gartner | |

the small or midsize business space primarily provide support for one or two protocols, such as FTP, and security mechanisms, such as “pretty good privacy” (PGP).

Visionaries

Visionaries understand the market and customer requirements well, but have fewer assets available or committed to the pursuit of this particular market than leaders. Specific to the MFT suite market, visionaries offer the functionality requirements often requested by Type A (early technology adopters) companies, such as a service-oriented architecture (SOA) with interoperable interfaces, business process management (BPM) and an integrated service environment for design and modeling. However, many visionaries compete in multiple markets, trying to balance and juggle resources and marketing messages.

Niche Players

Niche players are limited to a particular geographical or industry segment, or have a smaller range of features or resources that, when taken together, preclude them from competing across the board in many major segments of this market. We expect that various vendors that specialize in content and extraction, transformation and loading will enter this quadrant and quickly move into the Challengers' quadrant.

Vendor Strengths and Cautions

Accellion Strengths

- E-mail attachment offloading is noninvasive, enabling employees easy use of the MFT solution in conjunction with established e-mail environments.
- Appliance and virtual appliances are simple to install and configure, without the need for professional services.

Cautions

- Accellion primarily is seen as just an e-mail-attachment-offloading vendor. Gartner rarely sees Accellion in RFPs and requests for information (RFIs) for holistic MFT suite deployments.
- Some prospects that are unaware of the virtualization options offered by Accellion erroneously dismiss the solution as expensive to upgrade and scale. Accellion needs to ensure that the variety of deployment options for scalability and upgrades are well-known and understood to mitigate these assumptions.

ASG

Strengths

- ASG's MFT suite is integrated with the large portfolio (more than 80 applications) of ASG, including system management and monitoring solutions.
- It also is integrated with ASG's repository for asset and life cycle management.

Cautions

- Although ASG's MFT suite is valuable, particularly in monitoring and management scenarios, ASG is infrequently considered for enterprise MFT due to lack of messaging and marketing outside its customer base.
- ASG has not proactively addressed the assumption in the market that its MFT solutions can only be deployed within an established ASG environment.

Axway

Strengths

- Axway's interoperable service-centric suite includes MFT, business-to-business (B2B) gateway and integration technologies, enabling users to extend their MFT to their partners.
- Complex event-processing functionality, including business activity monitoring, enables users to deploy prepackaged processes, such as Controlled Substance Ordering System (CSOS), e-pedigree and claims processing.

Cautions

- Despite the continued strength of the "retired" Cyclone Commerce brand, Axway brand awareness is still lacking in North America.
- Tactical solutions, such as single-connection PGP/FTP, are perceived as too expensive and too complex for many prospects.

Biscom

Strengths

- Strong content management and filtering technologies are included in Biscom's MFT suite.
- Biscom's MFT suite supports the transmission any type of document, including fax, PDF and unstructured.

Cautions

- Although Biscom is gaining visibility in the MFT suite market, most of its revenue is based on fax servers and fax software.
- Biscom's suite lacks support for common communication and security protocols, such as Applicability Statement 2 (AS2).

CA

Strengths

- CA has a large installed base of mainframe, legacy and distributed system users.
- CA provides support for peer-to-peer and client/server, and support for legacy protocols and communication mechanisms, including Systems Network Architecture, TCP/IP (including IPv6) and X.25.

Cautions

- Although CA's technology has evolved to support modern architectures (by including modern protocols and security mechanisms), companies that are modernizing their infrastructures frequently consider CA's MFT suite as a candidate for modernization.

- CA's messaging and marketing mostly revolves around its enterprise system management strategy, resulting in CA not being considered for non-CA environment application-to-application, B2B and ad hoc MFT deployments.

Cyber-Ark Software

Strengths

- Cyber-Ark uses vaulting technologies, enabling collaborative activities, such as file check-in, check-out and management.
- Workflow and process can be administered centrally to multiple vaults, and vaults can be assigned to people, applications and external entities.

Cautions

- Strong security messaging and marketing overshadow management messaging.
- Although a viable option, vaulting is an uncommon approach to MFT.

GlobalSCAPE

Strengths

- GlobalSCAPE offers quick deployment options and an easy-to-use graphical user interface, AS2 and Web service-based interface.
- The client software installed base is more than one million users.

Cautions

- No Unix support quickly eliminates GlobalSCAPE from some RFPs and RFIs.
- GlobalSCAPE has limited, but growing deployments using common application integration technologies and methodologies (that is, BPM, workflow and transformation).

iWay Software

Strengths

- iWay's integration middleware (mostly adapters) is embedded in many enterprises, giving users a platform for expansion.
- iWay has partnerships, resellers and OEM agreements with integration platform providers that typically lack MFT functionality.

Cautions

- iWay's MFT technologies require an established or new installation of iWay's Service Manager.
- Its MFT suite offering is new and mostly unknown.

Inovis

Strengths

- A combination of an MFT suite, a B2B gateway and a service offering enables users to extend MFT functionality to business partners, regardless of size or maturity.
- The recent acquisition of BetweenMarkets enables preprocessing validation of messages and files.

Cautions

- Inovis' MFT suite offering is brand new and mostly unknown.
- Although the technology for MFT was built into past versions of BizManager, Inovis failed to recognize the need and opportunity for MFT functionality, even from its established customers.

Ipswitch Strengths

- Ipswitch's 18-year history as a pioneer in client file transfer software, coupled with its recent acquisition of Standard Networks, results in a global-class suite of MFT server and client solutions.
- Core server and workflow automation products support all security communications protocols that are simple to deploy and maintain.

Cautions

- Ipswitch is sometimes recognized as being a supplier of client technology only (more than 40 million client customers). However, this is rapidly changing as enterprises become aware of the MOVEit solution.
- The Windows-only platform may limit exposure and consideration for enterprise projects.

LeapFILE Strengths

- LeapFILE offers fully hosted MFT suite functionality, with centralized monitoring and management in a software-as-a-service model (MFTaaS).
- LeapFILE's focus on ad hoc file transfer (the most common type of file transfer) reduces the burden on e-mail systems and other collaborative infrastructures.

Cautions

- LeapFILE is part of a growing set of vendors that uses the cloud as a platform and delivery mechanism, so they don't completely map to Gartner's MFT taxonomy. Most companies cannot and will not embrace MFTaaS because of a lack of understanding.
- Even in an MFTaaS scenario, there will be the need to provide the means for integration (that is, prepackaged adapters and interfaces) with established infrastructure and middleware. LeapFILE will need to provide this.

MessageWay Solutions Strengths

- MessageWay Solutions has an interoperable, service-centric MFT suite, with support for large bulk transformation and the most-common B2B security and communication protocols.
- Its MFT suite can be extended into MQSeries, secure shell environments and Connect:Direct.

Cautions

- MessageWay has a limited market presence due to limited resources (the result of a completed divestiture from Bell Canada).
- It's a smaller company than its competitors, with fewer than 100 clients and fewer than 30 employees, which raises concerns of viability from some prospects.

nuBridges Strengths

- The company's integrated B2B gateway and MFT suite enable nuBridges to offer common security and communications protocols, trading partner management and packaged integrated processes, such as Payment Card Industry Data Security Standard compliance and CSOS.
- nuBridges has a strong management team, with executives from Descartes Systems Group, iSoft, Sterling Commerce, Trailblazer Systems and Harbinger Commerce (now Inovis).

Cautions

- Although nuBridges has made impressive acquisitions of technologies that work well interenterprise (Trailblazer Systems and iSoft), nuBridges hasn't leveraged the opportunities within the enterprise (new marketing that targets B2B and MFT debuted in June 2008).
- Better known for its B2B capabilities, nuBridges is seldom seen in MFT-specific RFPs and RFIs.

Primeur Strengths

- Primeur's MFT suite is based on an interoperable SOA that can be deployed in conjunction with integration brokers, enterprise service buses (ESBs) and application servers.
- Integrated BPM functionality enables MFT suite users model, simulate and execute MFT processes across heterogeneous environments.

Cautions

- Although Primeur has enjoyed a successful partnership with IBM's WebSphere, it is often seen as an IBM-only solution.
- Primeur's visibility outside Europe, the Middle East and Africa is limited, even with the visibility that the IBM partnership gives it.

Proginet Strengths

- Proginet supports numerous platforms and operating systems, and its MFT suite offers B2B gateway-like functionality that includes transformation, multiple adapters and partnerships with business intelligence vendors, which enables deep analysis of event logs for auditing and reporting.
- Proginet is expanding its partner, reseller and OEM ecosystem to include ESB vendors, to provide end users with MFT functionality that can be centrally managed and monitored from the ESB.

Cautions

- Despite having an innovative MFT suite, Proginet has historically not invested in its marketing and messaging. This continues to be a challenge to promote its technologies.
- Size and viability remain concerns for many prospects.

Radiance Technologies

Strengths

- Radiance Technologies offers appliance-based solutions for MFT that can be quickly deployed and upgraded as needs become more strategic.
- The company has a strong media and print focus, with multiple digital rights management partners for value-added services.

Cautions

- As appliance solutions grow in the market, Radiance needs to expand its reach by marketing and messaging its extended functionality (that is, BPM and workflow), enabling Radiance to expand into other industries and market segments.
- Radiance continues to be seen as a niche vendor that only supports the media industry.

RepliWeb

Strengths

- RepliWeb offers support for ad hoc person-to-person file transfer that's fully managed and auditable.
- A Web service API enables interoperability with third-party applications and middleware. It also enables integration with portal technologies.

Cautions

- The B-Hub product set was known, and when it was rebranded as RepliWeb, many customers and prospects did not make the "connection" between the two.
- RepliWeb has a limited partner ecosystem, limiting its sales and marketing reach.

Sterling Commerce

Strengths

- Sterling Commerce has an extensive history with MFT, with deployments in most Fortune 500, financial and manufacturing institutions.
- Combined MFT, B2B gateway and integration suite technologies enable customers to extend their MFTs across the enterprise to external partners.

Cautions

- There are continued issues with customers regarding perceived excessive licensing and maintenance fees for Connect:Direct.
- Migration from legacy technologies into the more-modern Gentran Integration Suite with Advanced File Transfer lacks clarity.

Stonebranch

Strengths

- Stonebranch offers a variety of products that can be used separately or as a suite to address many aspects of MFT.
- Stonebranch's expertise in job scheduling gives it the opportunity to sell and upsell deeper inside an organization to system administrators and architects.

Cautions

- Lack of marketing and messaging to security and integration specialists leaves Stonebranch out of many MFT opportunities.
- Stonebranch's focus on internal file and data movement may be seen as a weakness in multienterprise collaborative scenarios.

Tumbleweed Communications

Strengths

- Extensive security, content filtering and e-mail expertise are included in Tumbleweed Communications' MFT suite.
- Deployment options include software or hardware appliance, appealing to multiple constituents, including integration experts and security analysts.

Cautions

- Tumbleweed suffers from its continued perception as just an e-mail gateway and security-only vendor.
- Although being addressed in its next-generation platform, the lack of interoperable, service-centric technologies makes it complex to integrate with middleware and systems.

YouSendIt

Strengths

- A growing list of enterprise subscribers supports YouSendIt's business model of providing ad hoc solutions to MFT.
- The user base of 7 million subscribers gives YouSendIt an enormous opportunity to convert enterprise subscribers.

Cautions

- YouSendIt is part of a growing set of vendors that uses the cloud as a platform and delivery mechanism, so it doesn't completely map to Gartner's MFT taxonomy. Most companies cannot and will not embrace MFTaaS because of a lack of understanding.
- Even in an MFTaaS scenario, there will be the need to provide the means for integration (that is, prepackaged adapters and interfaces) with established infrastructure and middleware. YouSendIt will need to provide this.

Vendors Added or Dropped

We review and adjust our inclusion criteria for Magic Quadrants and MarketScopes as markets change. As a result of these adjustments, the mix of vendors in any Magic Quadrant or MarketScope may change over time. A vendor appearing in a Magic Quadrant or MarketScope one year and not the next does not necessarily indicate that we have changed our opinion of that vendor. This may be a reflection of a change in the market and, therefore, changed evaluation criteria, or a change of focus by a vendor.

Evaluation Criteria Definitions

Ability to Execute

Product/Service: Core goods and services offered by the vendor that compete in/serve the defined market. This includes current product/service capabilities, quality, feature sets and skills, whether offered natively or through OEM agreements/partnerships as defined in the market definition and detailed in the subcriteria.

Overall Viability (Business Unit, Financial, Strategy, Organization): Viability includes an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood that the individual business unit will continue investing in the product, will continue offering the product and will advance the state of the art within the organization's portfolio of products.

Sales Execution/Pricing: The vendor's capabilities in all presales activities and the structure that supports them. This includes deal management, pricing and negotiation, presales support and the overall effectiveness of the sales channel.

Market Responsiveness and Track Record: Ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the vendor's history of responsiveness.

Marketing Execution: The clarity, quality, creativity and efficacy of programs designed to deliver the organization's message to influence the market, promote the brand and business, increase awareness of the products, and establish a positive identification with the product/brand and organization in the minds of buyers. This "mind share" can be driven by a combination of publicity, promotional initiatives, thought leadership, word-of-mouth and sales activities.

Customer Experience: Relationships, products and services/programs that enable clients to be successful with the products evaluated. Specifically, this includes the ways customers receive technical support or account support. This can also include ancillary tools, customer support programs (and the quality thereof), availability of user groups, service-level agreements and so on.

Operations: The ability of the organization to meet its goals and commitments. Factors include the quality of the organizational structure, including skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis.

Completeness of Vision

Market Understanding: Ability of the vendor to understand buyers' wants and needs and to translate those into products and services. Vendors that show the highest degree of vision listen to and understand buyers' wants and needs, and can shape or enhance those with their added vision.

Marketing Strategy: A clear, differentiated set of messages consistently communicated throughout the organization and externalized through the Web site, advertising, customer programs and positioning statements.

Sales Strategy: The strategy for selling products that uses the appropriate network of direct and indirect sales, marketing, service and communication affiliates that extend the scope and depth of market reach, skills, expertise, technologies, services and the customer base.

Offering (Product) Strategy: The vendor's approach to product development and delivery that emphasizes differentiation, functionality, methodology and feature sets as they map to current and future requirements.

Business Model: The soundness and logic of the vendor's underlying business proposition.

Vertical/Industry Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of individual market segments, including vertical markets.

Innovation: Direct, related, complementary and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or pre-emptive purposes.

Geographic Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the "home" or native geography, either directly or through partners, channels and subsidiaries as appropriate for that geography and market.