

EVENT FLASH

GI Joe Wants to Collaborate: DoD Adds WebEx to Its Arsenal

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IN THIS EVENT FLASH

This IDC Flash examines a recent WebEx Communications deal to provide on-demand conferencing services to the U.S. Department of Defense (DoD) and looks at why this deal is emblematic of an overall trend that collaboration product vendors should watch closely.

SITUATION OVERVIEW

Every day, government employees and IT administrators face challenges that are beyond those faced by most other organizations. Systems must serve a huge number of users across myriad geographic borders, potentially spanning decades' worth of legacy hardware, infrastructure, applications, and client systems. DoD users must easily navigate both classified (SIPRnet) and unclassified (NIPRnet) networks, each of which uses completely different sets of hardware and software, often standing side by side. With budgets tighter than ever, governments are actively seeking products that can streamline costs and provide flexibility.

Added to this are DoD's recent mandates for better battlefield data sharing and for collaboration between intelligence agencies and the advent of standardized systems such as the Joint Worldwide Intelligence Communications System (JWICS). The result is a subtle but important change in the way the Defense Information Security Agency (DISA) assesses and acquires some collaboration products, including a shift toward commercial off-the-shelf (COTS) products instead of bespoke (purpose-built) applications and the accession of some hosted services, formerly avoided by government buyers because of potential security risks.

An example of collaboration technology's being hot within DoD is the recent move by the Defense Intelligence Agency (DIA), part of DoD and served by the DISA acquisition arm, to add 7,500 Tandberg desktop videoconferencing systems, in a broad shift away from its room-based video collaboration strategy. DISA says it is using the COTS Tandberg systems, along with other COTS collaboration products (including IBM Lotus Instant Messaging, Bantu IM, and Wired Red conferencing products), to add new collaboration features to its expanding JWICS, the federal government's top-secret communications and collaboration system.

WebEx is another recent beneficiary of federal largesse, and its extensive and open-ended deal with DISA can potentially help it reach into multiple defense-related activities spanning several agencies of the DoD. The terms of the deal are vague, but essentially WebEx has won a bake-off to provide on-demand conferencing services to "improve communications and coordination between DoD's military, business, and intelligence organizations worldwide."

The DISA evaluation process is legendarily grueling, and it is telling that WebEx emerged on top after being vetted against both on-demand (hosted) and on-premises conferencing vendors. Government buyers have generally eschewed on-demand services for the simple reason that the session content resides on the vendors' networks, not on agency servers. But in a year-long DISA competition and pilot, WebEx's security, collaboration, and capacity capabilities, its integration and implementation, and its administrative reporting and control were evaluated. DISA was won over by the fact that WebEx owns its entire MediaTone network (no leased lines) and that its service network is architecturally ideal for DoD to tightly monitor, control, and report on worldwide usage across potentially several hundred sites.

What's unique about the WebEx deal? Most unusual is the fact that it is a COTS service, not purpose-built software. The shift toward COTS products comes on the heels of a few failed "collaboration systems" built by integrators — the distributed thin-client Command-and-Control Communication Systems (C2CS) built by SAIC in the late 1990s, for example, and the Defense Worksite System (DEWS) built by an internal team of DoD architects. Neither system is still in use, in part because of a failure to recognize the need to integrate with popular Microsoft collaboration products such as Exchange and Outlook bought by yet another arm of DoD. Also, neither of these software-based projects was able to scale adequately to the multiple (worldwide) sites in the specification because the AES security requirements called for expensive leased lines, which were not available in all required locations.

WebEx's success also highlights a shift away from DoD's and DISA's failed experiments in decentralization. Until recently, many midtier DoD "executives" — an Air Force base commander, for example, or the information management officer at an army fort — had wide discretion over what products to buy. The result is today's tremendously fragmented patchwork of communication and collaboration software, which neither communicates nor collaborates with the "new worldview" of interagency information sharing and global DoD resource sharing.

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WebEx is a centrally administered, always-on, managed service, and this deal speaks volumes about lessons learned in DoD. The fact that it provides DoD with "one throat to choke" quality of service, rather than having guarantees spread across several integrators, also underscores transitions at DoD and points to opportunities for small collaboration vendors without the integrator partners that have long been the only route to government buyers.

FUTURE OUTLOOK

Uncle Sam is the world's largest employer, and his millions of employees are served by portals such as Army Knowledge Online (AKO), Navy-Marine Corps Internet (NMCI), and the Air Force's Online Collaboration Center (OCC) and by communications systems such as JWICS, NIPRnet, and SIPRnet. The barriers to entry can be challenging — products usually must provide AES/BES or SSL encryption and client-side digital certificates, for instance, and they must meet Federal Information Processing Standard (FIPS) 140-2 and demonstrate Defense Collaboration Tool Suite (DCTS) certification. However, the rewards, including limited competition for broad sales and long-term contracts with a customer known as a big spender, will continue to be potentially very high.

Collaborative solution providers that have experienced the ebbs and flows in spending by commercial firms would be wise to dedicate resources to marketing and selling to the federal government generally and to DoD in particular. Even during the IT downturn of 2001–2003, U.S. federal government entities remained consistent buyers of collaboration products. Better collaboration and information sharing will be top priorities for DoD and other federal agencies, and 2005 marks an ideal time for vendors of collaboration solutions to ramp up government channels and focus on getting in on the ground floor with DoD.

WebEx's selection by DISA, as one of the first times a COTS service has been procured over on-premises software, portends a boon to vendors of collaboration products, especially smaller firms with proven solutions that in the past would have fallen below the radar screen of large integrators such as EDS and SAIC. Collaboration vendors should use WebEx's success as a guide to how high-quality offerings known in commercial markets (such as WebEx's voice, video, and data conferencing services) can be called into service by the federal government and achieve wins in a world formerly dominated by integrators, custom-built products, and software-only vendors.