

Autodesk: Thinking Differently

CIMdata Commentary

Key takeaways:

- *Autodesk's culture enables a level of risk taking and rapid innovation that is fairly exceptional in the PLM space.*
- *Autodesk emphasized that their solutions were "powerful, collaborative, accessible," and that mobile, cloud, and social computing were core to their strategy. Based on the numbers reported by Autodesk, their strategy has shown solid adoption rates, and they believe financial returns will follow.*
- *This is no longer "your father's Autodesk." Their push to the cloud with a broad and deepening set of PLM-enabling capabilities is impressive. Their movement has the potential of changing the game significantly by radically connecting people anywhere, anytime.*

On November 27-29, 2012, Autodesk hosted over 9,000 of their closest friends in Las Vegas for their 20th Autodesk University (AU). While initially held just in the United States, AU now has global reach, with separate events in 2012 held in Japan, Russia, Brazil, Germany, and China. According to Autodesk, over 70,000 of their 240,000 AU Community members participated in at least some activities, with over 53,000 virtual attendees taking advantage of Autodesk-produced content, including over 1,000 online classes. The Las Vegas event had representatives from 99 countries, including 85 journalists and analysts from 13 countries. The blizzard of numbers continued throughout the week, with user numbers, uploads, downloads, and various metrics coming fast and furious during both the general sessions and the special sessions with Autodesk executives that were targeted to the journalists and analysts in attendance.

Last fall Autodesk trumpeted their formal entry into the broader PLM space with the introduction of Autodesk PLM 360, a cloud-based offering that came to market with over 140 templates and applications. Since then, Autodesk has also announced other offerings that leverage the same platform, including Autodesk Simulation 360. With their "one year on" update, Autodesk claimed that over 350 companies are evaluating or using Autodesk PLM 360 in production, with over 8,000 users employing over 40,000 workspaces, and managing over 2.2 million items. Autodesk also reported that their partnership with Jitterbit will support connecting PLM 360 to 250+ enterprise systems (using the Autodesk PLM 360 Connect solution), including solutions from SAP and Salesforce.com. Previous CIMdata-facilitated calls with Autodesk PLM 360 customers revealed varying levels of adoption, but Autodesk seems happy with their progress so far. To date, most sales have been by their direct sales teams, and they are running a referral program with their channel. They are also busy enabling the channel through training and by developing the appropriate business systems to support expanded sales.

Autodesk is also taking steps to enhance their platform, as illustrated in the session on integrating their Inforbix acquisition into Autodesk PLM 360, which makes sense given their target market of small and medium-sized enterprises. Inforbix focuses on helping companies leverage their IP no matter where in the (extended) enterprise it resides, and adding this within Autodesk PLM 360 is a powerful combination. During a Q&A session Carl Bass,

Autodesk's CEO, said that in 2013 they will additionally offer more integration into Autodesk PLM 360, of the Qontext social computing solution that Autodesk acquired in October. Collectively, these developments will help Autodesk deliver on their "mobile, cloud, and social" mantra repeated several times across the various sessions.

Autodesk shows their DNA for innovation in their mobile portfolio. A recent search on iTunes revealed nearly 30 different Autodesk-related applications, some narrowly focused and some quite ambitious. Their most popular application, SketchBook, was the passion of a few Autodesk staff members, and according to Bass, might have been killed if he had been asked ahead of time about developing the program. Now, Autodesk claims that they are known as much for SketchBook as they are for AutoCAD, their flagship product. Many of their mobile applications are starting to leverage the unique bundle of capabilities provided by smartphones and tablets, like cameras, location services, wireless/3G access, and the telephony services that were ostensibly their original *raison d'être*. While these applications can provide significant value in the PLM space, they may in fact provide more value in Autodesk's traditional Architecture, Engineering and Construction (AEC) space, where "deskless" people need to do high value-added work in remote locations. Mobile is much like Autodesk's other product areas in that they are following Thomas Edison's aphorism that you need to try to succeed, and trying (and failing) a lot is a good way to learn. Some of the financial analysts in attendance at AU were worried about monetizing these trials, but Autodesk seems to view them as the best way to try out product and business model variations, something long known by the companies who they now count as neighbors to their downtown San Francisco offices.

The biggest announcement of the event was Autodesk Fusion 360, a cloud-based computer-aided design (CAD) system that combines concept, direct, and parametric modeling, all available in a desktop browser delivered from the cloud. Autodesk claims to be leveraging IP from across their portfolio to support this product, including their Fusion beta offering, Alias, AutoCAD, Inventor, Maya, and T-Splines (a 2011 acquisition). The initial workflows look promising, with a higher level of integration between workflows across the product lifecycle than are found in some other recent approaches to this problem. Again, while this could be seen to be competitive with their existing offerings, Autodesk sees this as complementary to their portfolio, and something that could power the desktops and manufacturing floors of the "makers" highlighted in the many AU presentations. People are leveraging 3D printing, and other innovative approaches, to get complex products through prototyping and to market using virtual organizations. According to Autodesk, these makers need the flexibility in functionality, licensing model, and access provided by solutions like Autodesk Fusion 360 to make their dreams come true.

Overall, Autodesk has showed significant evolution during Carl Bass' watch. Their move to the broader PLM space with Autodesk PLM 360 was an innovative approach to expanding into the market in a way that leveraged their strengths, and provided opportunities to address their historical weaknesses related to traditionally delivered PLM solutions (like the lack of services capabilities in their channel, which Autodesk is now working hard to address). While many in the PLM market talk about the importance of cloud and mobile, it is Autodesk that appears to be leading the way with potentially game-changing offerings. Autodesk is surely thinking differently about this market (to borrow a phrase from Apple). Their broadening portfolio covers much of the traditional PLM space, and should put Autodesk at the table in larger and larger enterprise deals, one reason why CIMdata added Autodesk to our list of "PLM Mindshare Leaders" in our 2012 PLM market analysis. This is not "your father's

Autodesk,” and is now a company that the traditional PLM market leaders will increasingly have to deal with on a more even competitive footing.

About CIMdata

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