IBM Newsroom

IBM Aims to Capture Growing Market Opportunity for Data Observability with Databand.ai Acquisition

Acquisition helps enterprises catch "bad data" at the source

Extends IBM's leadership in observability to the full stack of capabilities for IT -- across infrastructure, applications, data and machine learning



ARMONK, N.Y., July 6, 2022 /PRNewswire/ -- IBM (NYSE: IBM) today announced it has acquired Databand.ai, a leading provider of data observability software that helps organizations fix issues with their data, including errors, pipeline failures and poor quality — before it impacts their bottom-line. Today's news further strengthens IBM's software portfolio across data, AI and automation to address the full spectrum of observability and helps businesses ensure that trustworthy data is being put into the right hands of the right users at the right time.

Databand.ai is IBM's fifth acquisition in 2022 as the company continues to bolster its hybrid cloud and AI skills and capabilities. IBM has acquired more than 25 companies since Arvind Krishna became CEO in April 2020.

As the volume of data continues to grow at an unprecedented pace, organizations are struggling to manage the health and quality of their data sets, which is necessary to make better business decisions and gain a competitive advantage. A rapidly growing market opportunity, data observability is quickly emerging as a key solution for helping data teams and engineers better understand the health of data in their system and automatically identify, troubleshoot and resolve issues, like anomalies, breaking data changes or pipeline failures, in near real-time. According to Gartner, every year poor data quality costs organizations an average $12.9 million. To help mitigate this challenge, the data observability market is poised for strong growth.[1]

Data observability takes traditional data operations to the next level by using historical trends to compute statistics about data workloads and data pipelines directly at the source, determining if they are working, and pinpointing where any problems may exist. When combined with a full stack observability strategy, it can help IT teams quickly surface and resolve issues from infrastructure and applications to data and machine learning systems.

Databand.ai's open and extendable approach allows data engineering teams to easily integrate and gain observability into their data infrastructure. This acquisition will unlock more resources for Databand.ai to expand its observability capabilities for broader integrations across more of the open source and commercial solutions that power the modern data stack. Enterprises will also have full flexibility in how to run Databand.ai, whether as-a-Service (SaaS) or a self-hosted software subscription.

The acquisition of Databand.ai builds on IBM's research and development investments as well as strategic acquisitions in AI and automation. By using Databand.ai with IBM Observability by Instana APM and IBM Watson Studio, IBM is well-positioned to address the full spectrum of observability across IT operations.

For example, Databand.ai capabilities can alert data teams and engineers when the data they are using to fuel an analytics system is incomplete or missing. In common cases where data originates from an enterprise application, Instana can then help users quickly explain exactly where the missing data originated from and why an application service is failing. Together, Databand.ai and IBM Instana provide a more complete and explainable view of the entire application infrastructure and data platform system, which can help organizations prevent lost revenue and reputation.

"Our clients are data-driven enterprises who rely on high-quality, trustworthy data to power their mission-critical processes. When they don't have access to the data they need in any given moment, their business can grind to a halt," said Daniel Hernandez, General Manager for Data and AI, IBM. "With the addition of Databand.ai, IBM offers the most comprehensive set of observability capabilities for IT across applications, data and machine learning, and is continuing to provide our clients and partners with the technology they need to deliver trustworthy data and AI at scale."

Data observability solutions are also a key part of an organization's broader data strategy and architecture. The acquisition of Databand.ai further extends IBM's existing data fabric solution by helping ensure that the most accurate and trustworthy data is being put into the right hands at the right time – no matter where it resides.

"You can't protect what you can't see, and when the data platform is ineffective, everyone is impacted – including customers," said Josh Benamram, Co-Founder and CEO, Databand.ai. "That's why global brands such as FanDuel, Agoda and Trax Retail already rely on Databand.ai to remove bad data surprises by detecting and resolving them before they create costly business impacts. Joining IBM will help us scale our software and significantly accelerate our ability to meet the evolving needs of enterprise clients."

Headquartered in Tel Aviv, Israel, Databand.ai employees will join IBM Data and AI, further building on IBM's growing portfolio of Data and AI products, including its IBM Watson capabilities and IBM Cloud Pak for Data. Financial details of the deal were not disclosed. The acquisition closed on June 27, 2022.

To learn more about Databand.ai and how this acquisition enhances IBM's data fabric solution and builds on its full stack of observability software, you can read our blog about the news or visit here: https://www.ibm.com/analytics/data-fabric.

About Databand.ai

Databand.ai is a product-driven technology company that provides a proactive data observability platform, which empowers data engineering teams to deliver reliable and trustworthy data. Databand.ai removes bad

data surprises such as data incompleteness, anomalies, and breaking data changes by detecting and resolving issues before they create costly business impacts. Databand.ai's proactive approach ties into all stages of your data pipelines, beginning with your source data, through ingestion, transformation, and data access. Databand.ai serves organizations throughout the globe, including some of the world's largest companies in entertainment, technology, and communications. Our focus is on enabling customers to extract the maximum value from their strategic data investments. Databand.ai is backed by leading VCs Accel, Blumberg Capital, Lerer Hippeau, Differential Ventures, Ubiquity Ventures, Bessemer Venture Partners, Hyperwise, and F2. To learn more, visit www.databand.ai.

About IBM

IBM is a leading global hybrid cloud and AI, and business services provider, helping clients in more than 175 countries capitalize on insights from their data, streamline business processes, reduce costs and gain the competitive edge in their industries. Nearly 3,800 government and corporate entities in critical infrastructure areas such as financial services, telecommunications and healthcare rely on IBM's hybrid cloud platform and Red Hat OpenShift to affect their digital transformations quickly, efficiently, and securely. IBM's breakthrough innovations in AI, quantum computing, industry-specific cloud solutions and business services deliver open and flexible options to our clients. All of this is backed by IBM's legendary commitment to trust, transparency, responsibility, inclusivity, and service. For more information, visit www.ibm.com.

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[1] [1] Source: Smarter with Gartner, "How to Improve Your Data Quality," Manasi Sakpal, [July 14, 2021]

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