

MICROSOFT'S LENGTHENING SHADOW

Microsoft®



*Software giant launches two forays
in the language industry.*

Takes a bite of Lernout & Hauspie...

On September 11, Belgium-based Lernout & Hauspie Speech Products announced that Microsoft would invest US\$45 million in L&H's common stock as part of a broad strategic alliance aimed at accelerating development of the next generation of voice-enabled computing on the Microsoft Windows platform. Although Microsoft had itself set up an R&D group devoted to speech applications, this decision will presumably speed up the integration of proven speech technology into the world's most powerful PC environment. The message here is that we shall soon be talking our way through Microsoft products before any others.

For L&H, the Microsoft link was a logical extension of its recent business moves in a variety of related sectors. Basically a high-tech firm, L&H has developed powerful core technologies for speech recognition and synthesis that can be integrated or bundled into any kind of human-machine environment. In the last 12 months, however, it decided to extend its reach into the "channels" that take the technology to users: it has thrown a large chunk of its resources at buying up the skills and technologies needed to master the emerging world of Internet communications—a global marketplace that is essentially multilingual, inevitably speech-related and almost certainly accessible via Windows-type software for most of the planet's cybernauts.

This angle on the future largely explains L&H's purchase of the major Brussels-based firm Mendez Translations to form a Translations Group with a broad range of multilingual resources. This was soon followed by the acquisition of GMS (the owner and developer of the Metal automatic translation system), osten-

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...and language-tool supplier Trados

Can we expect Windows 99 to offer a translation memory functionality at the click of the mouse? It is too early to say, but in early September, Microsoft Corp. took a 20 percent stake in Trados GmbH, the prominent translation-tool supplier. This move was apparently designed to bind Trados's development track even more closely to Microsoft's own evolving localization needs. According to Microsoft's localization-tool manager Franz Rau, investing in Trados technology would "secure our ability to produce high-quality localized products in the most cost-effective manner." As part of the deal, Microsoft has also purchased a long-term support-and-development contract to service its own needs.

At Trados, Iko Knyphausen said that this strengthened relationship with Microsoft would "allow Trados to consolidate and expand its position as a worldwide leader in the translation-tools market." His colleague Jochen Hünmel said that "a strong partner is important to us at this stage of the company's development. We should be able to keep up our 100-percent growth rate of the past three years."

Microsoft to Use Trados Tools

According to a joint Microsoft/Trados statement, Microsoft's investment is a move calculated to accelerate the delivery of localized products.

Microsoft plans to use Trados software as its internal localization-memory store. This will allow Microsoft to more effectively reuse already localized text from product to product.

Trados's flagship products, MultiTerm for Windows and Translator's Workbench, provide multilingual document produc-

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sibly to gear up for Internet translation services. The announcement of Microsoft's investment in the company therefore confirms L&H's ambition to be present as a major vertical player on the whole range of new communication channels as the new millennium dawns. Or, as one analyst put it, a bit player in Microsoft's own global strategy of investing in technologies with a future.

While no announcement was made regarding specific future products, Microsoft and L&H have agreed to share technologies and expect to cooperate on future speech initiatives.

"We believe Microsoft Windows is the ideal platform for providing the benefits of speech technology to customers," said Gaston Bastiaens, president and CEO of L&H.

L&H said it will develop applications for currently available and future versions of Microsoft's speech-application programming interface (SAPI).

L&H and Microsoft also announced that Bernard Vergnes, Chairman of Microsoft Europe, will join L&H's Board of Directors.

Flanders Language Valley Fund

In conjunction with this announcement, Microsoft also said it will invest US\$3 million in the Flanders Language Valley Fund C.V.A. (FLV), a Belgium-based international technology center dedicated to supporting companies to develop speech-based technologies and applications. Patrick de Smedt, Managing Director of Microsoft Belgium, will assume a seat on the FLV Fund Board of Directors.

Microsoft will also participate in Flanders Language University, a cooperative program that harnesses linguistic initiatives and expertise from universities around the world, focused on enhancing education and training in computational linguistics.

"Microsoft's active participation in this international speech-technology knowledge center and the FLV university program affirms the FLV's leadership role in multilingual applications development," said Pol Hauspie, co-chairman of L&H. "The additional resources afforded by this investment, in terms of both funds and expertise, greatly enhance the potential for success." □

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tion capability. MultiTerm for Windows, Trados's multilingual terminology-management package, allows users to create, manage, and consult multilingual terminology databases. The Translator's Workbench provides the ability to recognize, store, and reuse strings of text. In addition, Trados software uses linguistic processing techniques to recall previously translated words and phrases. □