

**IT Market Insights:** The pace of acquisitions in the Information Technology sector continues to accelerate as suppliers jockey for strategic advantage. Artificial Intelligence and Cybersecurity are driving the majority of these moves, reshaping vendor landscapes and product roadmaps. In this newsletter, we highlight key players and the bold steps they've taken to stay ahead.

October 2025

## Strategic Acquisitions

The third quarter of 2025 saw a wave of high-impact acquisitions across AI, cybersecurity, and HCM.

### AI & Enterprise Experience

- **Workday acquired Sana** (Sept 16, 2025, \$1.1B)  
Workday is betting big on agentic AI. By acquiring Sana, known for its conversational AI tools like Sana Learn and Sana Agents, Workday aims to become the “front door for work,” integrating AI-native interfaces across HR, finance, and enterprise knowledge.
- **Alation acquired Numbers Station** (Q3 2025, undisclosed)  
This move deepens Alation’s AI-powered data intelligence. Numbers Station’s generative AI tools enhance data cataloging, governance, and enterprise search.
- **Datadog acquired Metaplane** (Q3 2025, undisclosed)  
Datadog strengthens its observability stack with Metaplane’s ML-driven data quality monitoring and anomaly detection, a key play for reliability in AI-era telemetry.

### Cybersecurity Consolidation

- **Google acquired Wiz** (July 2025, \$32B)  
One of the largest cybersecurity deals ever. Wiz’s cloud-native security platform boosts Google Cloud’s zero-trust and agent-based security capabilities, positioning it as a serious enterprise contender.
- **Proofpoint acquired Hornetsecurity** (Q3 2025, ~\$1B)  
This acquisition expands Proofpoint’s Microsoft 365 security suite, adding email protection, compliance, and backup tools tailored for hybrid enterprises.
- **Zscaler acquired Red Canary** (Q3 2025, undisclosed)  
Red Canary’s MDR (Managed Detection and Response) capabilities enhance Zscaler’s Zero Trust Exchange, improving threat detection and response across distributed environments.

### HCM & Vertical SaaS

- **Thoma Bravo acquired Dayforce** (Aug 2025, \$12.3B)  
A take-private move to scale innovation in HCM. Dayforce’s payroll and workforce management tools align with Thoma Bravo’s strategy to consolidate vertical SaaS platforms.

## Market Insights

In Q3 2025, Microsoft and Oracle announced layoffs even as they reported record-breaking revenues. The contrast highlights a shift in enterprise tech: prioritizing strategic focus and margin over headcount.

### Microsoft

- Posted **over \$260 billion in revenue**, driven by Azure and Copilot adoption across Microsoft 365 and Dynamics.
- Cut an estimated **1,000–1,500 roles**, primarily in Azure, HoloLens, and customer success.

### Oracle

- Surpassed **\$20 billion in cloud revenue**, fueled by OCI and Autonomous Database growth.
- Announced plans for **up to 10,000 layoffs**, targeting legacy applications and overlapping functions.

## Fiscal Year Ends

Supplier	Fiscal Year End
Hewlett Packard	October 31, 2025
Micro Focus	October 31, 2025
Broadcom (including CA and Symantec)	October 31, 2025
Adobe Inc.	November 29, 2025
McAfee	December 31, 2025
ServiceNow	December 31, 2025
UKG	December 31, 2025
SAP	December 31, 2025
IBM	December 31, 2025
Google	December 31, 2025
AWS	December 31, 2025
Citrix	December 31, 2025
OneStream	December 31, 2025

At **Gray Wolf Financial**, we understand the intricate dynamics of vendor pressures and client processes, we serve as the bridge that fosters stronger, more collaborative relationships. By enhancing vendor-client interactions, we pave the way for better partnerships, which then helps to assure more optimal outcomes for all parties involved.

