

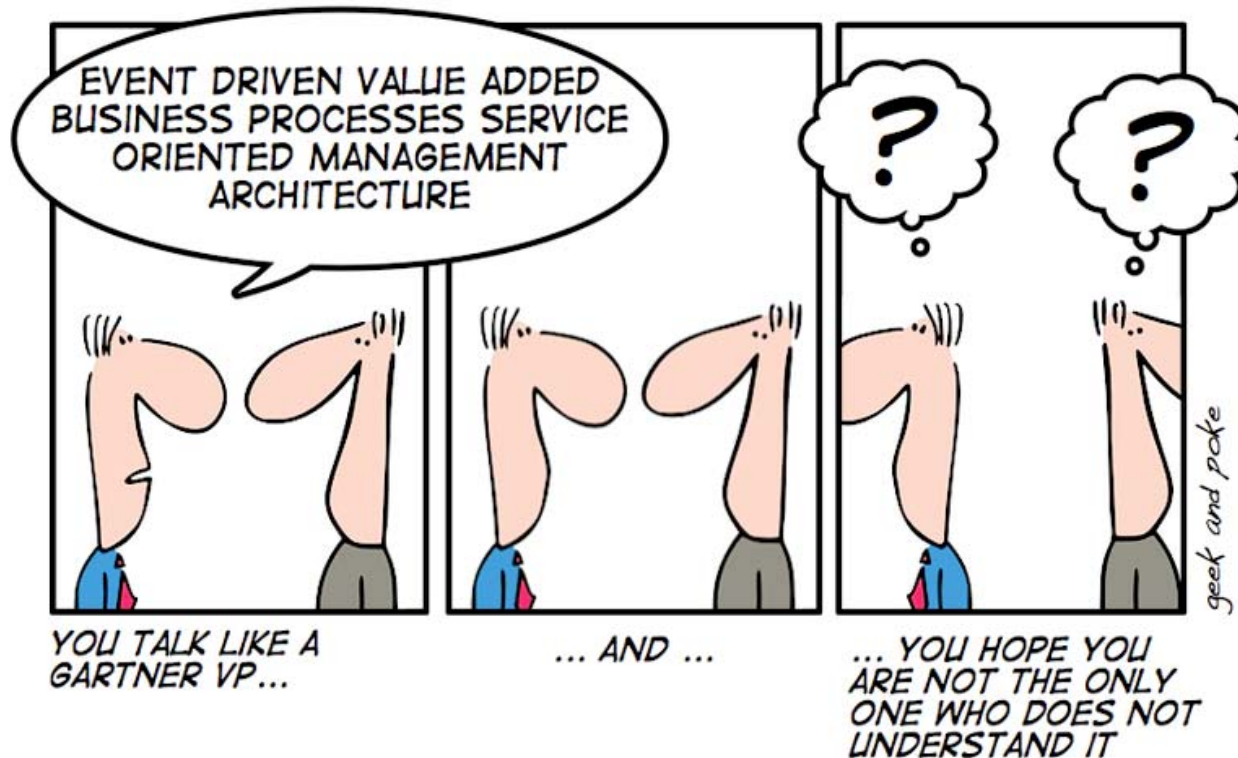


State of the Cloud

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Transformation in the Enterprise Space

HOW DO YOU KNOW YOU'RE A CIO?



The Enterprise Market Mindset

Enterprise concerns:

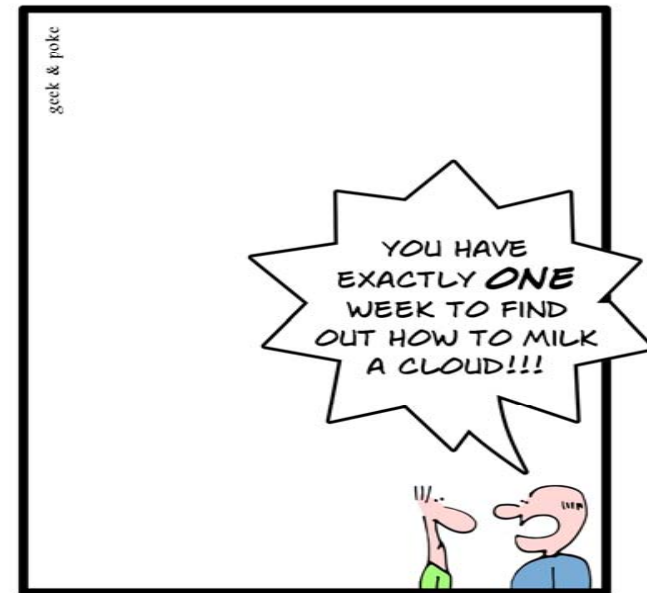
1. End user productivity
2. Innovation
3. Reengineering
4. Cutting costs
5. Globalization
6. Improved products and services
7. Security and risk management
8. Managing customer relationships
9. Acquiring customers
10. Compliance issues



The Enterprise market mindset

- What Tech Exec's worry about:
 - Job security and career paths
 - Managing vendor relationships
 - Licensing
 - Google envy
 - My Bonus!
 - Server Hugging
 - The difficulty of Cultural change
 - Transforming IT from a cost center

DISRUPTIVE TECHNOLOGIES



*CHAPTER 1:-
SOMEWHERE IN A HEADQUARTER IN
REDMOND THEY HAVEN'T GOT A REALLY
GOOD IDEA HOW TO TRANSFORM A CASH
COW INTO A CASH CLOUD*

How are these concerns being addressed?

Traditional way:

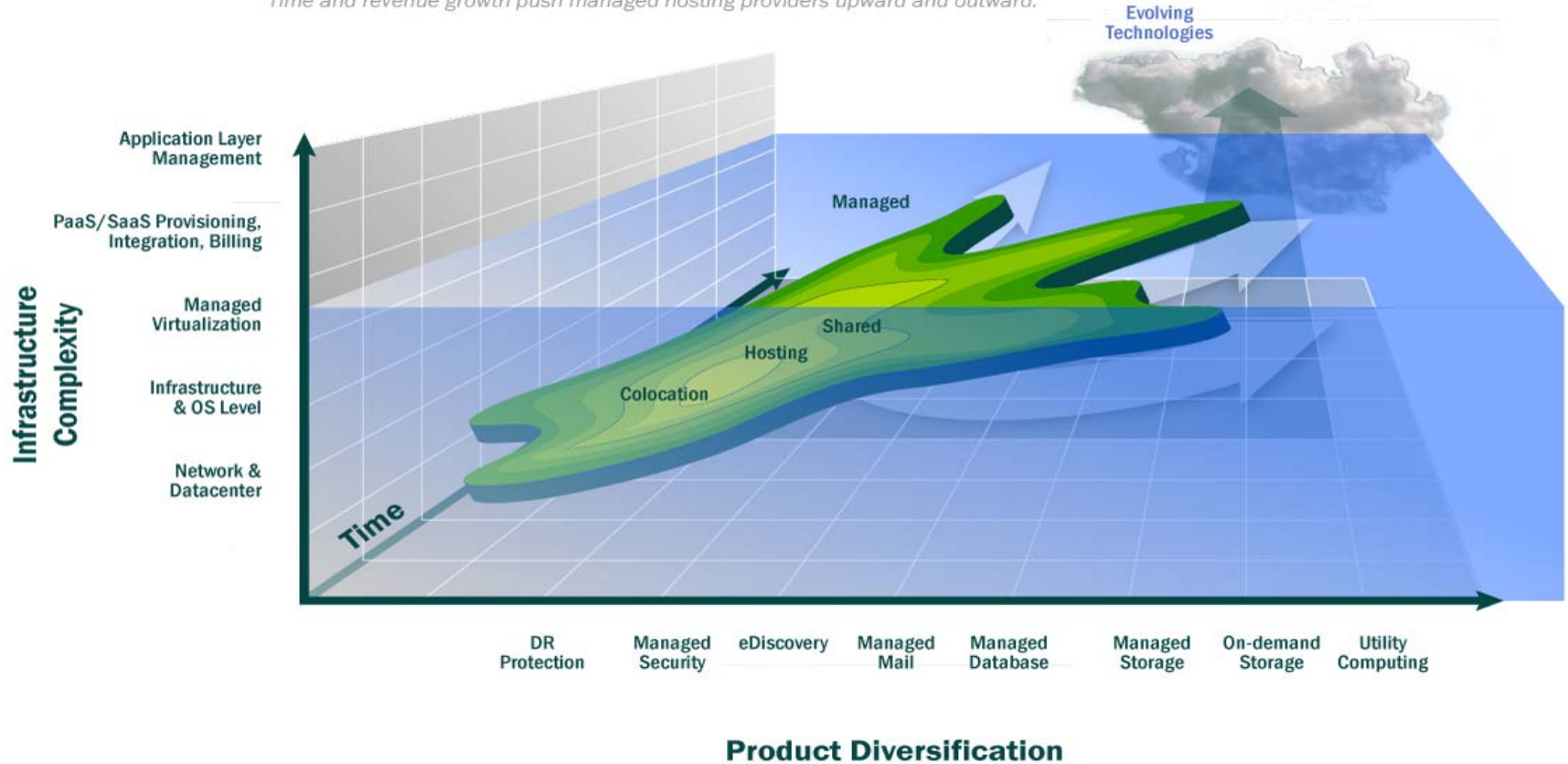
- Reduce headcount; virtualize everything; renegotiate contracts; consider outsourcing; find financially stable vendors; issue RFP's

Modern thinking:

- Seek solutions for apps and not just infrastructure (i.e. ERP, CRM, Web Services, DB mngt, Batch processing and decide where it best belongs
- Be driven by Business needs (including compliance) ahead of IT technology solutions
- Risk sharing (no contractual obligations/lock-in)
- Outsource commoditized and inefficient apps at least

The IT Outsourcing Evolution

Time and revenue growth push managed hosting providers upward and outward.



What first changed with the Cloud

Managed Hosting Applications

Email & Messaging
VoIP PBX Systems
Corporate Web Sites
Backoffice Systems
Databases
In-house ERP/CRM

Static and
Continuous

Cloud Computing Applications

Burst Web Operations
Batch/Grid Processing
Backup and Storage
Test/Development/QA
Disaster Recovery
Software-as-a-Service

Dynamic and
Bursty

The Cloud Today

✓ Private on Premise-Clouds

- BP, Bechtel, Dow Chemical, Betfair

✓ IaaS Public Clouds

- AWS, Rackspace, Terremark, OpSource, Verizon Bus.

✓ PaaS Public Clouds

- Microsoft Azure, Salesforce's Force.com, Facebook

? SaaS and Web 2.0

- Salesforce's CRM, Intuit, NetSuite, Google apps, Zoho

X Lip-Service Clouds

- Telecom Networks, Datacenters, any IT environments

Cloud Use-Case

- Internal/Private Cloud:
 - Bechtel - CIO Geir Ramleth
 - Google, Amazon and YouTube envy
 - 30K users: 20K employees
 - Reduced from 35K to 1K square foot DC
 - Project Services Network: internal SaaS
- Public IaaS Cloud:
 - Intuit conducts spike testing on EC2
 - 19 million users of TurboTax in 2009 tested to 200%

Cloud Use-Case

- **Public PaaS: Google AppEngine**
 - BrickSimple Dec 08 launched Xbox Live Friends
 - 2 million downloads - 1 million in first month
 - Went from \$100/day to \$15/day on average
- **Private PaaS: Force.com**
 - Seer by Galorath & BAE pitch accident investigation solution to FAA
 - Overall project cost 40% less on force.com
 - Vetrizzo - ERP linked to Intuit, Google, CRM

Next Gen Cloud Trends

- Private clouds and New SLAs'
 - Rackspace, Force.com, Terremark, BT, Colt, Verizon
- Cloud Assurance and Security
 - HA, IPVPN, Identity Management, Access Controls
- Cloud assessment Services - Smartsourcing
- Automated workflow and orchestration technologies
- Hybrid Solutions, Federation and Migration
 - Colocation, Physical Dedicated, Virtual, Cloud, CDN
- Unified Computing and monitoring
 - Acadia, HP, Novell, IBM, Microsoft, Nimsoft, BMC

How does the Cloud Help You?

- Introduces new Options and efficiencies
 - On-premise and off-premise Clouds
 - Public vs. Private Clouds
 - Smartsourcing - Hybrid Solutions are vogue
 - Benchmarks' your cost/operational efficiencies
- Cloud Services offer new features
 - Business Intelligence and Chargeback capabilities
 - Sold in with a la carte managed services
 - Security, uptime, availability and redundancy
 - Agility/Flexibility/Productivity over Cost
 - Monitoring of SLAs, performance and reporting

What you need from your Cloud

1. Security (assurance, DR, compliance)
2. Migration strategy
3. SLAs driven by business needs
4. Granular Monitoring
5. Technical Support
6. Flexibility of Cost/Pricing and lock-in
7. Consistency in technology
8. Open Source or brand name technologies
9. Agility and scalability
10. New features and Tools

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June 2nd, 2010 <http://dtsummit.com/na/east/2010>

June 15th, 2010 <http://www.hostingtransformation.com/eu/2010>