Market Roundup

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EMC Continues Push into SMB Market

By Jim Balderston

EMC has announced Making Storage Simple, a new initiative aimed at SMBs and designed to help these companies purchase the appropriate storage technology for their needs. The initiative includes a number of pre-packaged systems as well as a Web site that will allow EMC resellers to help potential customers by entering information about their present storage systems and their projected needs. A wizard will then suggest the most appropriate system configuration. EMC hopes resellers will be able to drive more sales of the company's Express line of products, including Express Solutions for Networked Storage, Express Solutions for Backup and Recovery, Express Solutions for Archiving, and Express Solutions for Business Protection.

We have long argued that IT vendors with histories of enterprise-class product lines are extremely well positioned to go after the SMB market. The reasons here are clear and irresistible. First, SMBs do most of their business with larger companies as their customers. Those customers are increasingly demanding that suppliers comply with their IT infrastructure thresholds as a condition of doing business. Wal-Mart's requirement that its suppliers implement RFID solutions as a prerequisite for doing business with Wal-Mart is just the latest example of such demands. As a result, SMBs are increasingly becoming extensions of larger enterprise value chains. As the demand for greater integration grows, SMBs need more IT products with some level of enterprise-class pedigree. Additionally, SMBs are creating, storing, managing, securing, and exposing data at rates seen in large enterprises only a decade or less ago. Clearly the training wheels are coming off SMBs' bikes.

EMC therefore has a very strong story to tell SMBs concerning storage. Its Express offerings offer just what the name implies: easier, faster, simpler. The company is also making a smart move by bolstering its resellers' ability to move product. After all, it is these resellers that own the relationship and expertise within the SMB customer niches. At this point, there will no doubt be those who say they have seen this exact strategy being used by another larger-enterprise IT vendor, namely IBM. While at this point IBM has made a greater commitment to its partner ecosystem for its products across the board, any cries of "copycat" are misguided. IBM's success in reaching down into the SMB market is a lesson that large-enterprise vendors ignore at their own peril. EMC is demonstrating that it recognizes a smart strategy and is implementing it in its own way. There is also no real beef in our mind with EMC following along in IBM's wake by creating its own "Express" line of offerings. "Easier, faster, simpler" are things that SMBs want to hear and see delivered. If the Express moniker becomes some sort of industry standard jargon for SMB-specific products, we suspect that all vendors offering "express" products to SMBs will benefit as a result of a common touchstone of communication, thereby enlarging the SMB market pie for everyone. That sounds smart to us.

StorageTek Appraisal Service: Good for StorageTek, Good for Business

By Rob Kidd

This week StorageTek announced the company's latest service offering, the Storage Appraisal service program, to help business get a clear view of its overall storage infrastructure. Storage infrastructure appraisal determines storage resource usage patterns for better management as a first step in ILM implementation. StorageTek

conducts a targeted, onsite storage infrastructure appraisal, analyzing backup and recovery operations, file-level storage resource management, database resource management, file system resource management, switch port utilization, data duplication, throughput, and other storage functions. The Storage Appraisal program provides information analysis based on data types and aging patterns, enabling data storage optimization based on data value to the business throughout the information lifecycle. The appraisal also identifies resource underutilization and optimization opportunities, business continuity exposure, and compliance lapses. Information is gathered by data collection tools and interviews with key staff and then analyzed and consolidated, and findings are presented to the business, so going forward, storage infrastructure management policy and other decisions are fact-based. No pricing information was announced.

This service announcement and strategy plays to StorageTek's strength: 2,300 service professionals in over fifty countries supporting a large customer base. This is an effective channel to sell the Appraisal Service. StorageTek has built strong momentum and credibility in the service arena and has positioned the company as an ILM master, and now with Storage Appraisal has an ideal lead in an ILM sale. For many, ILM is intangible and has a big price tag. Storage Appraisal can help reveal exposures in the quest of making ILM benefits quantifiable and tangible. StorageTek also provides Remote Managed Storage services for multi-vendor environments and Storage Appraisal is a good lead to sell managed services, particularly for smaller enterprises that may not have the resources to do ILM internally. Professional services have been a good business for StorageTek, helping offset recent declines in StorageTek's technology products revenues. In our opinion the Appraisal Service may help add new vigor to StorageTek's maturing service business and give the company time to revitalize its technology products offerings.

However, StorageTek faces increasingly complex and sophisticated competition in enterprises from vendors such as EMC, IBM, and others. Storage vendors are seeking to expand offerings beyond traditional disk and tape to include data security, continuity, archive for compliance, and other areas. Further, pressure is being exerted on traditional storage vendors from outsiders like Cisco. In this increasingly competitive environment we feel that StorageTek needs to review new opportunities in addition to the large enterprise. Smaller enterprises with tightly constrained resources and increased competitive and regulatory pressure might welcome StorageTek's appraisal service and could be good candidates for the company's Remote Managed Services offerings. In the SMB market, StorageTek faces competition from IBM, EMC, and others, but appraisal and managed services may give the company an opportunity to gain a foothold that can be used to leverage future technology and service sales.

Cisco Weaves New Intelligent Fabric Applications

By *Joyce Tompsett Becknell*

At CeBIT this week Cisco launched new solutions designed to be used by ISVs and focused on network-based storage virtualization. Through updates to the software for their MDS 9000 series platforms, Cisco is providing a framework for implementing SAN storage applications such as network-based volume management, remote replication, and continuous data protection. Using open standards such as the Fabric Application Interface Standard (FAIS), Cisco has updated its Storage Services Module, a Fibre Channel line card that operates on the Cisco MDS 9500 Series director products and the MDS 9200 Series fabric switches, and the MDS 9000 SAN-OS. Cisco products will support both network-hosted storage application, which it defines as storage software operating directly within the Storage Services Module, and network-assisted storage applications, which are third-party applications deployed directly to the MDS 9000 series SANs. These applications must be SANTap enabled. SANTap is a Cisco protocol for the SANTap service that connects the third-party appliance to the Storage Services Module. With the announcement, Cisco listed several partners for both application classes. Cisco announced that EMC and Veritas will be among the first companies to offer applications built onto the Storage Services Module. EMC will provide a storage virtualization solution that takes advantage of intelligent SAN switches. IBM has stated that it sees the new offering as a way to provide customers with greater integration of IBM's capabilities into the intelligent fabric. For network-assisted storage applications, Cisco has announced a group of vendors who will support the SANTap service in their appliances. These include Alacritus Software, Cloverleaf Communications, FalconStor Software, Kashya, Topio, BT Retail, and XIOTech Corporation.

Cisco also announced products for network-accelerated storage applications, which address backup efficiencies and SAN extension solutions for disaster recovery and business continuity. To address backup efficiencies, Cisco has Network-Accelerated Serverless Backup, which uses Extended Copy technique to transfer data movement from backup servers to the Storage Services Module, allowing larger backups of data in shorter backup windows. Computer Associates, Commvault, and Veritas are anticipated to be in the first group of backup software vendors to support the product. For SAN extensions, Cisco is offering the Fibre Channel Write Acceleration, which uses Cisco-developed intelligence to reduce latency and improve performance for synchronous data replication between two Fibre Channel-linked SANs over various transport technologies. Customers will be able to extend native Fibre Channel connectivity over greater distances.

The problem for storage virtualization is that automation needs to occur across technologies and vendors. Most vendors have done a good job with the first stages of virtualizing within their own product families, and many vendors have begun partnering with each other to the next level. The main issue is that customers have to make a lot of decisions about who they're going to rely upon as their main vendor for virtualization and hope that they will play nice with all the other vendors in that customer's IT department. The wonderful thing about Cisco is that everyone has a network, and everyone uses it for data transport. By offloading various tasks to the network switch, vendors can focus on software capabilities rather than on network issues. By making the announcement with a list of forthcoming vendors, many of them heavy-hitters in their respective markets, Cisco is adding credibility to their oft-toted claims of integration and network-level service value. At the same time, there are few other products that offer these sorts of capabilities. As an example, IBM's mainframe and high-end storage families use their GDPS product to provide conceptually similar continuous backup capabilities among other benefits, but that does not extend to all products across the systems families. Perhaps for low-end products, the Cisco solution becomes a cost advantage.

The greatest challenge for Cisco and for these types of products in general lies in education of the sales teams, channel partners, and customers on the opportunities these products afford. Virtualization is essentially about automation, regardless of some vendors' semantic struggles. But it is automation that happens at many layers involving diverse technologies and affects customers and their applications at various points. The greatest challenge to end users remains in correctly diagnosing the problems and clearly articulating the various solutions available to them at their desired cost points. If Cisco and its partners can deliver that message cleanly and consistently then these products should result in a win for everyone and help drive sales of vendors' advanced solutions. Simplification is a good thing in the data center.

More Virus Threats to Cell Phones

By Jim Balderston

A new virus specifically targeted at cell phones has been discovered. The virus, known as CommWarrior, is spread through Multimedia Messaging Service (MMS) and is written to run on the Symbian Series 60 cell phone operating system. The virus is spread when a user sends an MMS message that includes images, audio, or video. The virus also can spread through Bluetooth wireless connections, a capacity found in earlier cell phone viruses. The Cabir worm virus has also been detected as a means for placing malicious code on cell phones. Antivirus experts say that the CodeWarrior virus appears to have originated in Russia and that for the time being it has not spread widely.

The CodeWarrior virus elevates the threats posed to cell phones as it extends the reach of potential infection far beyond the Bluetooth virus variants, which need proximity to the next infection target to propagate. MMS viruses, however, have no such limitations, and given the fact that CodeWarrior apparently can send messages automatically, its ability to spread itself through social engineering guises makes it potentially much more dangerous that previous cell phone infections. More such threats are a certainty in the future, as cell phone capabilities grow, and especially as they morph into pocket-sized computers, they become larger and larger targets for such activity.

The emerging virus threat to cell phones will have impacts far beyond individual devices. Considering that many users today – and many more tomorrow – use these increasingly sophisticated devices as their desktop-away-from-desk, these devices pose a growing threat to the enterprise networks they access. The impacts of these threats will also extend out into carrier networks, which in our view will have the ultimate responsibility for preventing large-scale viral outbreaks. Installing and updating antivirus software on a cell phone is in our view a far-fetched notion. Instead, we see the demand to contain such threats to be most rightfully and effectively placed on the network providers, who will have to make their services more intelligent and proactive in corralling hostile code as it first enters the network. To avoid such a responsibility may be seen as a smart cost containment move by some service providers but instead will proffer a competitive advantage opportunity to those providers that begin taking steps to protect their customers. Service providers may initially balk at being cast as exterminators, but when large scale viral outbreaks provide the incentive for millions of users to switch services, we suspect they will reconsider.

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