Market Roundup

January 12, 2007

Sun Blade Refresh Service Shines

By Tony Lock

This week saw Sun announce the Sun Refresh Service and a new Blade server module, the Sun Blade X8420. Sun Refresh Service is a subscription offering that includes the installation of a Sun Blade 8000 modular system with server modules and permits three replacements of the server modules within a forty-two month period. The subscription approach allows customers to keep their blade modules up to date as x64 processors continue to develop by supplying customers of the Refresh Service with the latest server modules as they become available. The delivery and installation of new server modules and the removal of the old modules being replaced is managed by Sun. The Sun Blade X8240 server module utilizes four-socket dual core 2.8GHz AMD Opteron 8000 series processors. In addition the server module provides extremely versatile I/O flexibility using externally accessible hot-pluggable I/O adapters. Sun Blade X8420 server modules are available immediately with an entry-level price of $13,095 per server module. The Sun Refresh Service is currently available only in the United States at variable subscription rates payable on either monthly, quarterly, or annual terms.

The release of the new server module is interesting in and of itself as it is the latest extremely powerful and very flexible server module. Indeed it currently represents the fastest blade server module available from any supplier and holds a number of leading Spec benchmark ratings. It is clear that the use of Blade systems continues to grow, and when coupled with the virtual machine systems and good Blade management tools the platform is one capable of meeting many common business needs. However, while the new Server module is an important step forward, the more interesting development is the announcement of the Refresh Service.

The announcement of the Sun Refresh Service as a subscription offering that comes complete with hardware upgrades represents a major step forward in providing simple-to-understand financial alternatives to the usual “buy and maintain” model that has been the bedrock of IT acquisition over the last forty years. With IT under continuous pressure to ensure that business users receive the service levels they need at the lowest possible cost, the buy-maintain-and-dispose model of acquiring IT infrastructure leaves much to be desired at a time when IT systems are developing so rapidly. It is readily apparent that organizations need to find alternative financial means of keeping systems up to date.

It is true that most, if not all, of the major suppliers of IT infrastructure solutions offer financial services, some of which are quite sophisticated. However most of them have done little to promote such financial solutions, leasing apart, except to the largest enterprise customers even when they have offerings for a much broader market. The fact that Sun is actively promoting Sun Refresh as a route to acquire and keep Blade server modules up to date should do much to help organizations become comfortable with new financial models for getting IT service and Sun deserves praise for taking this bold approach. It is to be hoped that this development is but the first in a line of alternative financial models covering a broad range of IT Infrastructure that IT vendors will bring to market and actively promote in the coming months and years. There is huge potential for organizations to take advantage of different ways of acquiring IT service and infrastructure but there is also a clear need for customers to understand exactly what the new models entail.

The Sageza Group, Inc.
32108 Alvarado Blvd #354
Union City, CA 94587
510·675·0700 fax 650·649·2302
London +44 (0) 20·7900·2819
Milan +39 02·9544·1646

Juniper and Tipping Point: Security Vendors Still Chasing the Microsoft Dog

By Lawrence Dietz

Leading vendors Juniper Networks and Tipping Point have both announced that they have updated their products to guard against exploitation of three Microsoft vulnerabilities. Juniper confirmed its Intrusion Detection and Protection (IDP) security systems and Integrated Security Gateway (ISG) firewall/virtual private network (VPN) systems with IDP offer protection for new Microsoft vulnerabilities (MS07-002, 003 and 004). Tipping Point coincidentally announced that their TippingPoint Intrusion Prevention Systems (IPS) provide complete protection against the critical vulnerabilities disclosed in all the bulletins announced by Microsoft today. The company stated that such vulnerabilities have been actively exploited to conduct targeted attacks during the last year. The three vulnerabilities were ranked "critical" by Microsoft and affected Microsoft Excel, Outlook, and Vector Markup Language. All of the vulnerabilities could allow remote code execution.

Attackers usually follow one of three main attack vectors: malicious code, intentional hostile acts, or vulnerability exploitation. Microsoft's products are generally conceded as key targets because of their ubiquity within most organizations. Security vendors in particular stress their ability to bolster the holes in Microsoft products to protect their clients. This approach of putting a finger in the dike after the leak sprouts is ultimately doomed. Software vendors, Microsoft among them, have observed that the time between discovery of a vulnerability and exploitation by adversaries is growing shorter. Some have taken to use the term "zero day exploit" to mean almost instant exploitation of discovered vulnerabilities.

We believe that internet security must move beyond the reactive approach. Developers of complex software have the responsibility of using their best and perhaps extraordinary efforts to ensure that their products are as vulnerability free as possible. This will include rigorous testing in a number of demanding and unstructured environments. Security vendors seeking to capitalize on the exposure must drive to a more holistic approach. This approach should include a combination of security disciplines and should gravitate to a kind of sensory or behavior architecture that determines a hostile intent from the context or the behavior exhibited by the attack. Furthermore, developers of multiple forms of security products, malicious code prevention, spam management, VPNs, IDS, IPS, etc. must accelerate their R&D and production efforts so that their products present a unified, reinforcing, and seamless defense to all potential attack vectors. We believe that simply trying to catch the Big Dog is an inefficient and risky game.

Apple iPhone: Personal Device Redux

By Joyce Tompsett Becknell

Unless you've been hiding in a cave, you've probably heard that Apple generated excitement again at Mac World by announcing the forthcoming iPhone. According to Apple, the new device combines a mobile phone, a widescreen iPod with touch controls, and an Internet communications device for email, web browsing, maps, and searching. The phone will have no buttons but will use a touch screen display instead. As a phone, the new product will use quad-band GSM (but not 3G at least in the US version), as well as Cingular's EDGE network, 802.11b/g Wi-Fi, and Bluetooth 2.0 with EDR for use with Apple's Bluetooth headset. The phone will use Apple's OS X operating system and will come in a 4GB or 8GB version, and has a camera with 2.0 megapixels.

Of course the device won't be ready for at least another six months, but that hasn't stopped anyone from getting excited about it. Apple aficionados and detractors alike have started the blog wars either on why everyone must own this device or why it will fail faster than you can say rotten Apple. What the market will really do will depend on the final product and how it's rolled out, but it does bring up the question again of personal devices and what people really want.

A lot of people really want one cool device that does everything. The problem with that is that form follows function and multiple functions don't all fit in one form. It's a bit like designing a processor. You can put more memory on it, you can put more cores on it, you can keep the temperature below the level of reactor core meltdown but you only have so much real estate to work with. It's like the old adage that everyone wants

The Sageza Group, Inc.
32108 Alvarado Blvd #354
Union City, CA 94587
510·675·0700 fax 650·649·2302
London +44 (0) 20·7900·2819
Milan +39 02·9544·1646

something cheap, fast, and feature-rich and generally you can have any two of the three at any given time. Then there are others who don't want a multifunction device any more than they want a Swiss Army Knife as their only utensil in the kitchen. Yes, they're useful, it's good if you're stranded in a forest somewhere, but it's not really the optimal everyday choice. Give us the Apple product as an iPod only and we'll be thrilled... but for goodness' sake get rid of the phone, the Internet and the camera. They're just going to eat up precious battery anyhow!

The cool thing about what Apple is doing is they're pushing the envelope on personal devices. The problem is that we don't know if it's a personal entertainment device or a portable office. Perhaps this is where the crucial divide lies. Laptops work as both because they're larger, have bigger batteries, and can handle both games and movies as well as office applications. Smaller portable devices are still fairly limited. Mobile content is an unresolved issue. With a laptop one can insert a DVD and watch a film or play a game. With a smaller device there's not enough space to download lots of video—hence Sony's PSP approach—and downloading taxes the battery. Putting that aside, the cost of downloading data on most mobile networks costs more than purchasing a house in many European countries. One of the reasons European prefer pay-as-you-go models with their phones is that it obviates the debt-inducing phone bill from unanticipated charges. It's an issue many players in the industry have to solve. And even if you can download it, where do you put it? How big a hard drive can one ultimately fit in this size device? Again it's a question of real estate.

Apple is delightful because the one thing it gets right where everyone else plays me-too-screw-up is in design. Apple makes products that you want to touch, hold, and play with. One cannot say that about many mobile phones that have hit the market in the last five years. RIM makes products that work for business people. Blackberries are used primarily by people who want email and access to business apps and they're not a primary download target for those who want to listen to MP3s. iPods are the ongoing favorite for listening to music and to a growing degree watching video, but they aren't for email or downloading business applications or data. We don't believe the two should be married in one device, but we applaud the designers for trying something new nonetheless. For now, we'll keep our business device and our entertainment device separate, thank you very much.

Pocketing the PC X Server

By Clay Ryder

StarNet Communications has announced X-Win32 Flash, a PC X server that runs from a standard USB flash drive. X-Win32 Flash allows users to install the PC X server onto a USB drive, plug it into any Windows PC, and immediately access applications on remote UNIX or Linux servers or other X-Window applications and servers. No code is installed on the PC so there is no remaining footprint once the USB drive is removed. The company also stated that use of X-Win32 Flash increases overall IT security by eliminating duplicate installations of software on unsecured computers. X-Win32 Flash is delivered via electronic download and is priced at $225 per retail license, the same as the company's flagship X-Win32. Customers can also order X-Win32 Flash pre-installed and licensed on USB drives ranging from 1GB to 4GB in capacity with prices starting at $295.

For many an IT professional, solving connectivity problems is at best just a part of the job, or at worse an unrelenting pain that defines the job itself. While the power of the ubiquitous Windows-based PC continues to grow, the reality remains that some classes of computer users avail themselves of the even greater power of UNIX, or more recently, Linux servers for compute-intensive applications such as electrical and mechanical engineering design, and telecommunications and network management, among others. In addition to these power users, there are professionals who may have occasional need to access applications that are resident on UNIX, Linux, Open-VMS, or any other X-Window supported operating system. Thus the need to provide connectivity between Windows and X-Window environments remains, and vendors such as StarNet, as well as Hummingbird, WRQ, and a few other smaller players continue to ply their connectivity solutions to a receptive marketplace.

What we find most interesting about this announcement is not that it is a PC X server, but rather the completely plug-and-play and unplug-and-walk-away nature of the solution. Sometimes being clever is discovering a completely new way to solve a problem, but at other times the epitome of being clever is finding a new way to use something old (tried, tested, and true) in a new way. By designing the PC X server for the migratory and transitory

The Sageza Group, Inc.
32108 Alvarado Blvd #354
Union City, CA 94587
510·675·0700 fax 650·649·2302
London +44 (0) 20·7900·2819
Milan +39 02·9544·1646

user, StarNet has effectively opened up all willing X-Window applications, be they UNIX-based back office applications or local applications on a Linux desktop, to any properly networked Windows PC. Rather than having to install the software on a given PC to gain access to applications that may be accessed on a very limited basis, simply plugging in a USB drive will provide the same functionality, but with the added benefit not changing the topology of the "borrowed" PC.

At the same time, for power users of X-Window applications, the USB key approach offers a rapid to deploy solution that can be upgraded as simply as swapping the USB key with a new one. An organization can maintain a pool of keys that can used and updated with out requiring costly updates to each PC, thus addressing one of IT's largest headaches with PC applications, namely maintaining consistent software versions across the organization. With the increased interest in Linux-based solutions, the number of X-Window applications becoming available on the local network is actually growing and providing cost-effective access to them is an important consideration for organizations. Even for organizations that have embraced an all-Linux strategy for the future, during the transition, the importance of PC X servers on the transitioning Windows desktops grows dramatically.

Overall, we think this a clever move by StarNet that will likely be well received by the market space that StarNet serves. Effectively, the company is freeing its customer base from management headaches of desktop by desktop application installation and upgrades for its software offering: a feat that few software vendors can claim. At a macro level, it will be interesting to see if the big boys, Hummingbird and WRQ, follow suit or if they maintain their traditional approach to X-Window connectivity. Nevertheless, we applaud StarNet's cleverness in how it seeks to bring further value to its current and future customer base.

The Sageza Group, Inc.
32108 Alvarado Blvd #354
Union City, CA 94587
510·675·0700 fax 650·649·2302
London +44 (0) 20·7900·2819
Milan +39 02·9544·1646