

Data Center Summit

Andreas M Antonopoulos
andreas@nemertes.com

www.nemertes.com

888-241-2685

INTEROP[®]
MAKES YOU
SMART

Agenda

- Introductions: About Nemertes
- Research Process
- Transformation and Major Themes
- Challenges
- The “Business Service Center”
- Summary and Conclusions

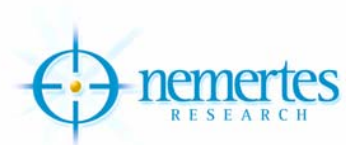


© Copyright 2006 Nemertes Research

INTEROP

Introductions

- About Nemertes
 - Research advisory firm focused on analyzing business value of emerging technologies
 - Key differentiator: Real-world, real-time benchmarks of 1000s of leading-edge enterprise organizations
 - Factual data captured from real enterprises
 - No “guru on a hill”!



© Copyright 2006 Nemertes Research

INTEROP

Research Process

- 82 executives from 65 companies
- More than 150 hours of interviews
- Participants:
 - Revenue of \$5 billion
 - IT budget \$145 million
 - 24,000 employees, 385 locations
 - 8 data centers
- See our website to participate

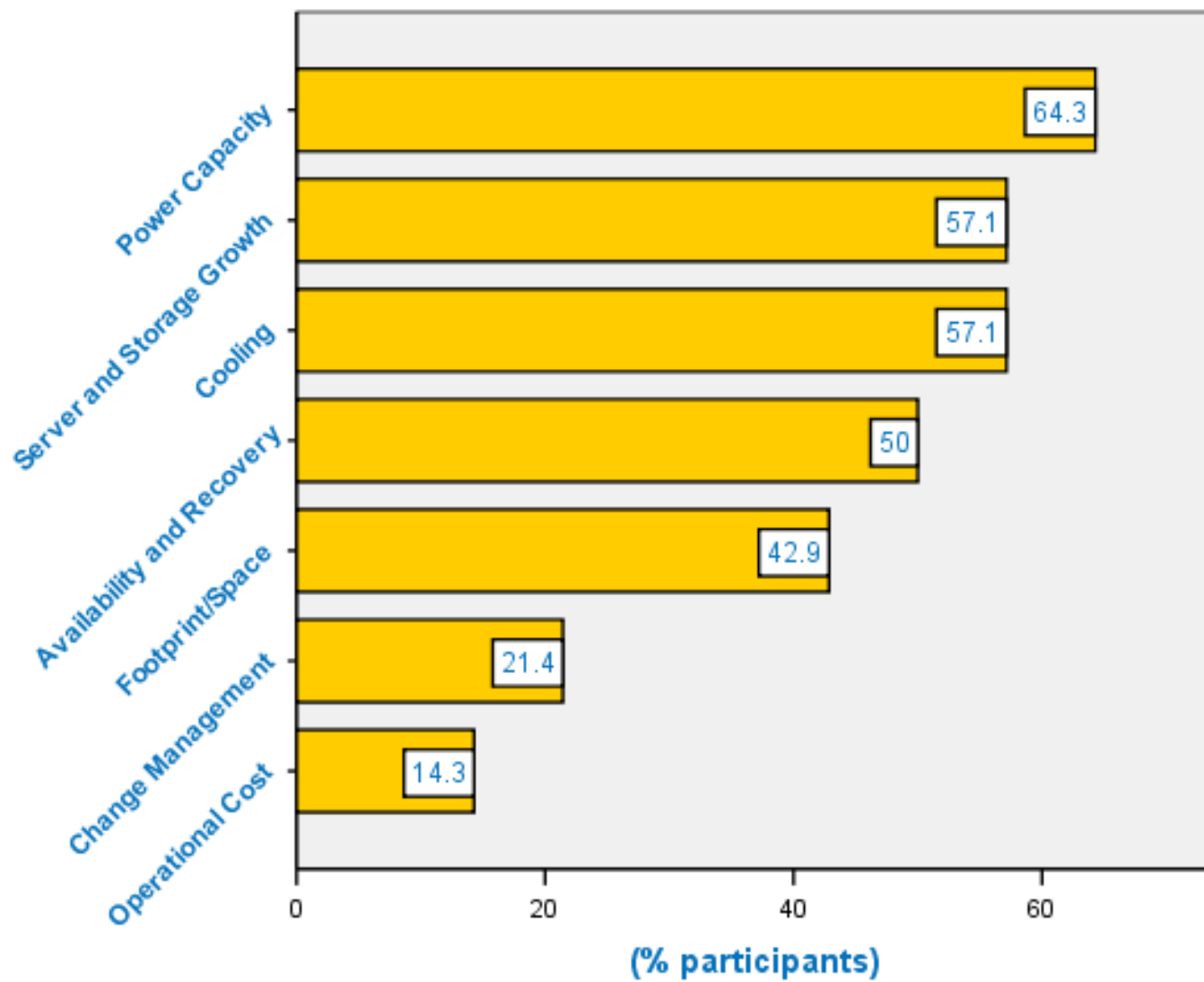
Transformation

- Data centers have been changing
- New requirements and growth
- Compliance drives centralization of resources
- More “dense” platforms such as blades
- More reliance on the WAN

Four major themes

- Consolidation
- Extreme Growth
- Extreme Availability
- Operational Efficiency

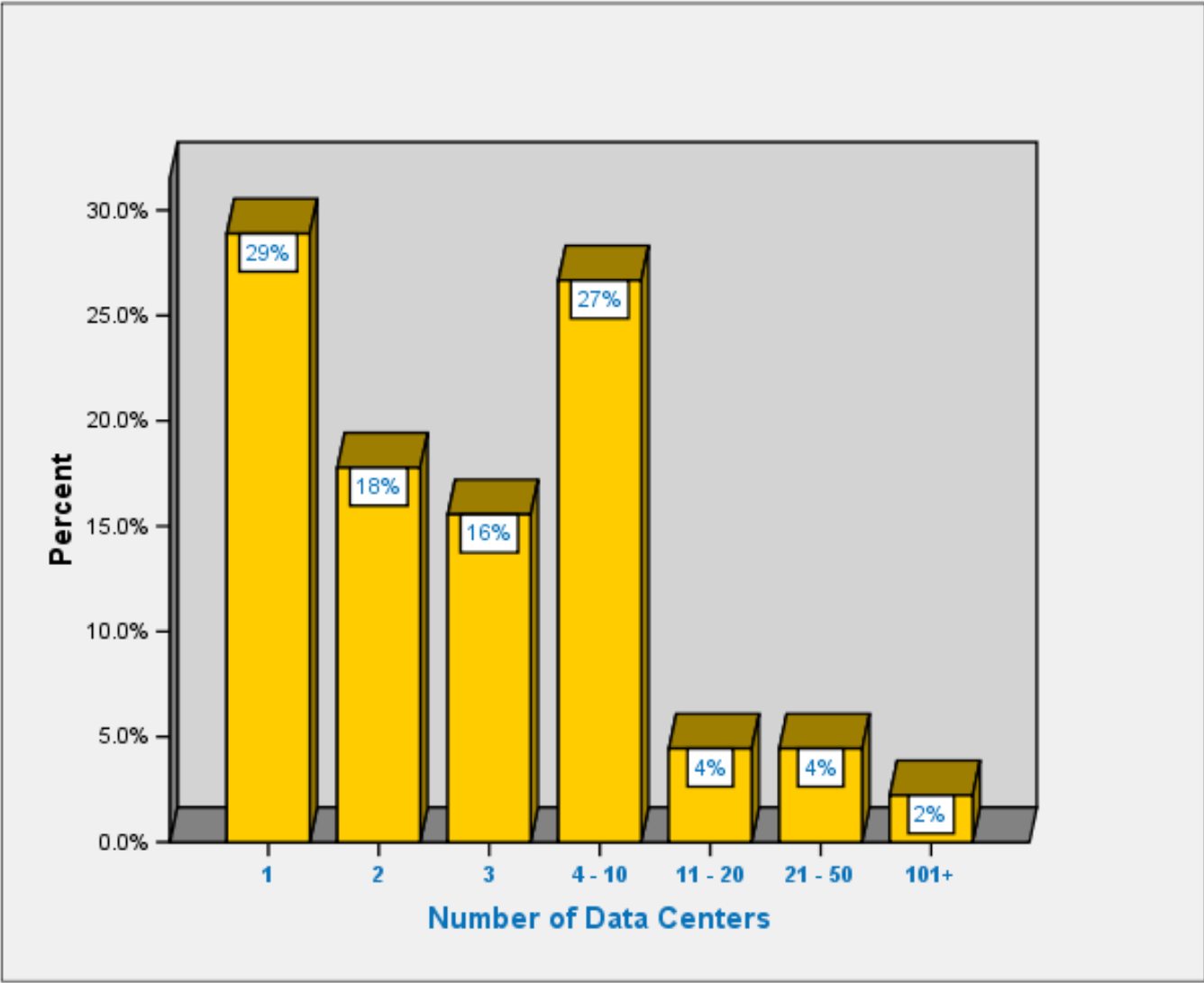
Top Data Center Challenges



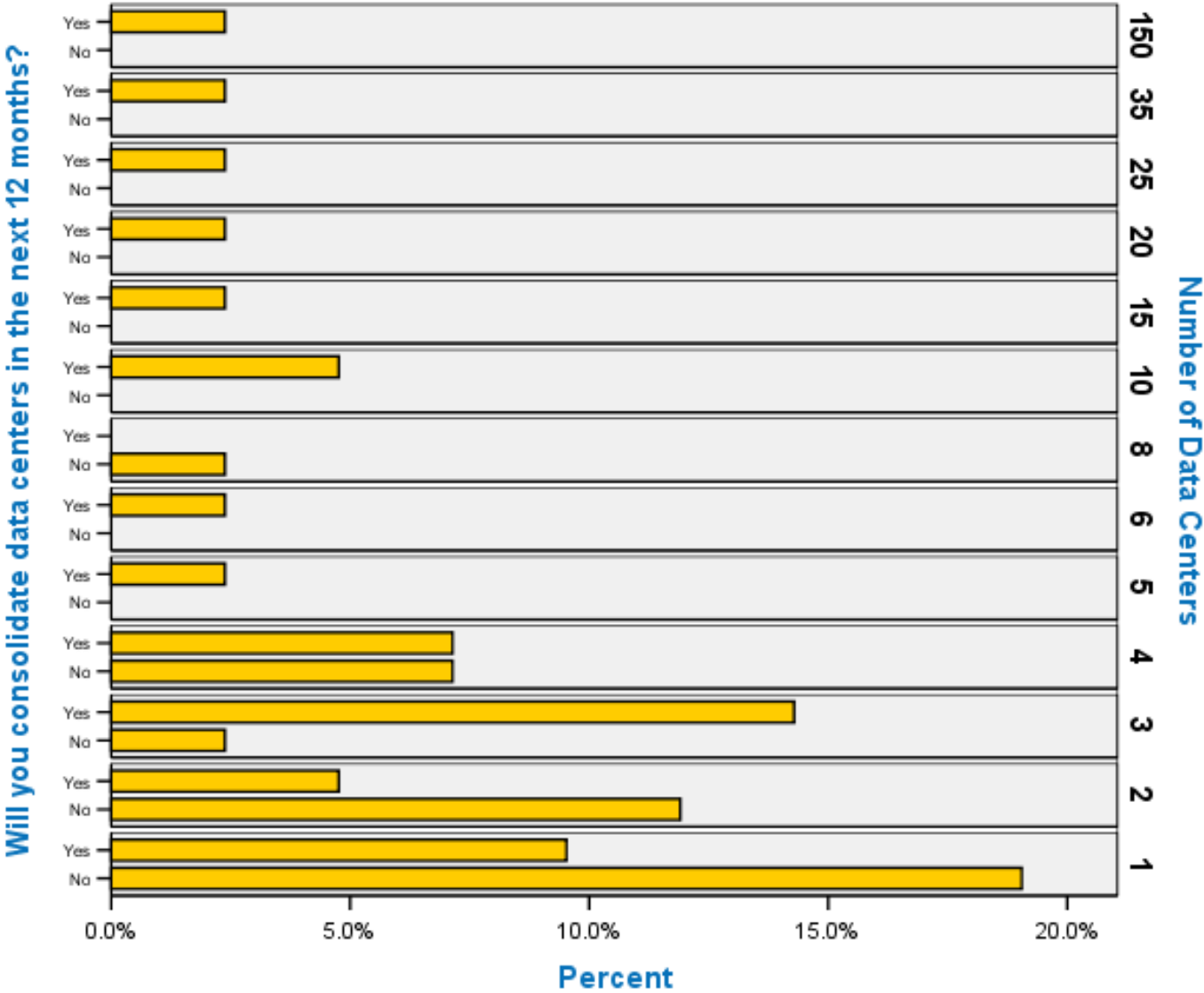
Challenges

- Consolidation and growth create facilities problems
 - Power
 - Cooling
- Resources centralized while employees de-centralized
 - 89% of employees do not work at headquarters

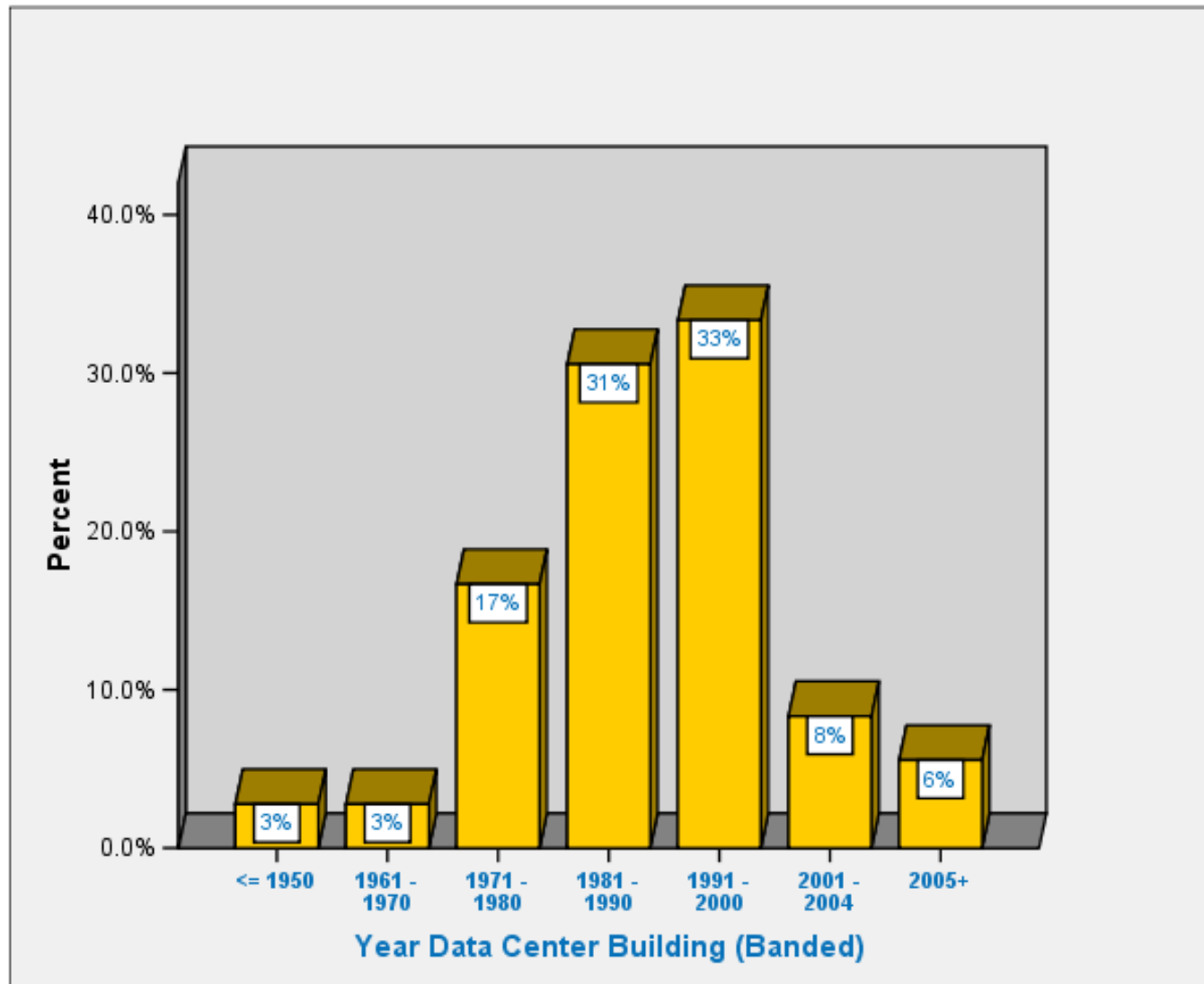
How many data centers do you have?



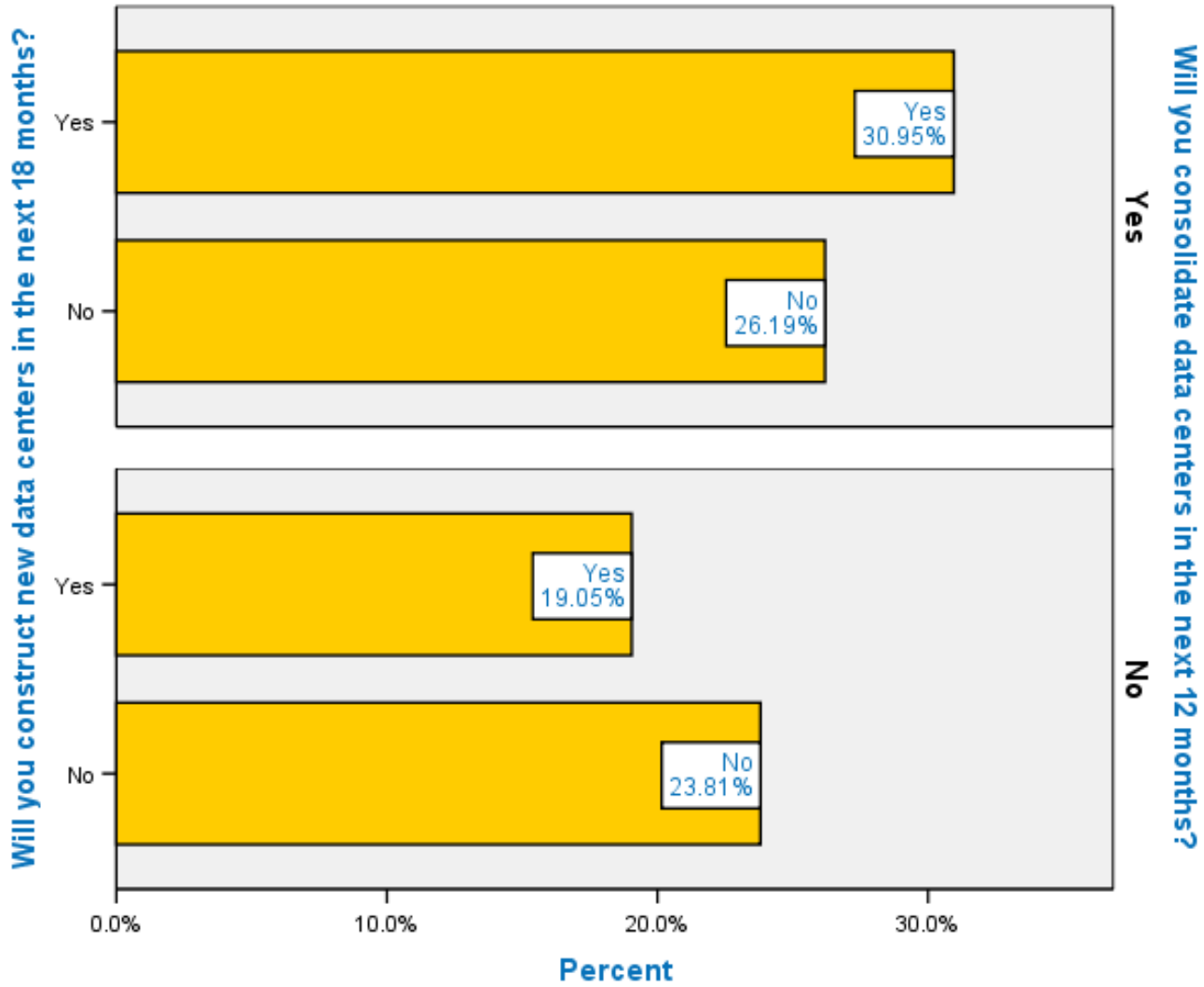
Data Center consolidation in the next 12 months (by Number of Data Centers)



When were your data centers built?



Data Center construction (by future consolidation response)



Challenges

- Servers and storage still growing rapidly
- Servers growing 11% per year
- Storage growing at a median of 22% and in some cases more than 200%
- More applications, more data mining, RFID, medical images, and compliance driving growth.

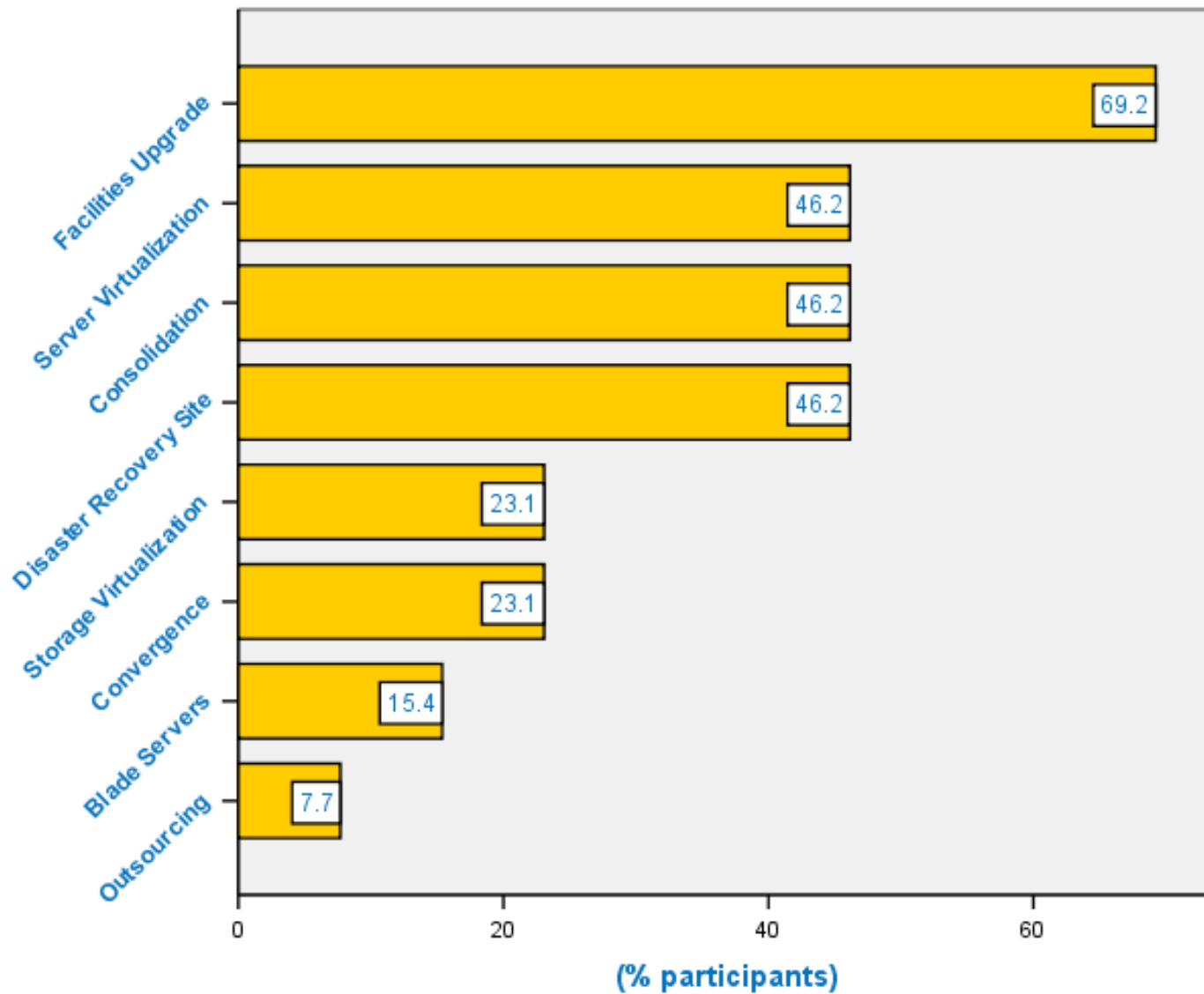
Challenges

- Availability demands have finally peaked.
- Unfortunately, the peak is at 100% !
- The 24/7 enterprise has truly arrived
- High availability is expensive, extreme availability even more so
- IT is becoming more complex as a result

Challenges

- As demands have increased, budgets have not kept pace
- Virtualization is used to reduce equipment purchases and save money
- Automation is seen as a way to reduce operational expenses
- Virtualization + Automation = Savings

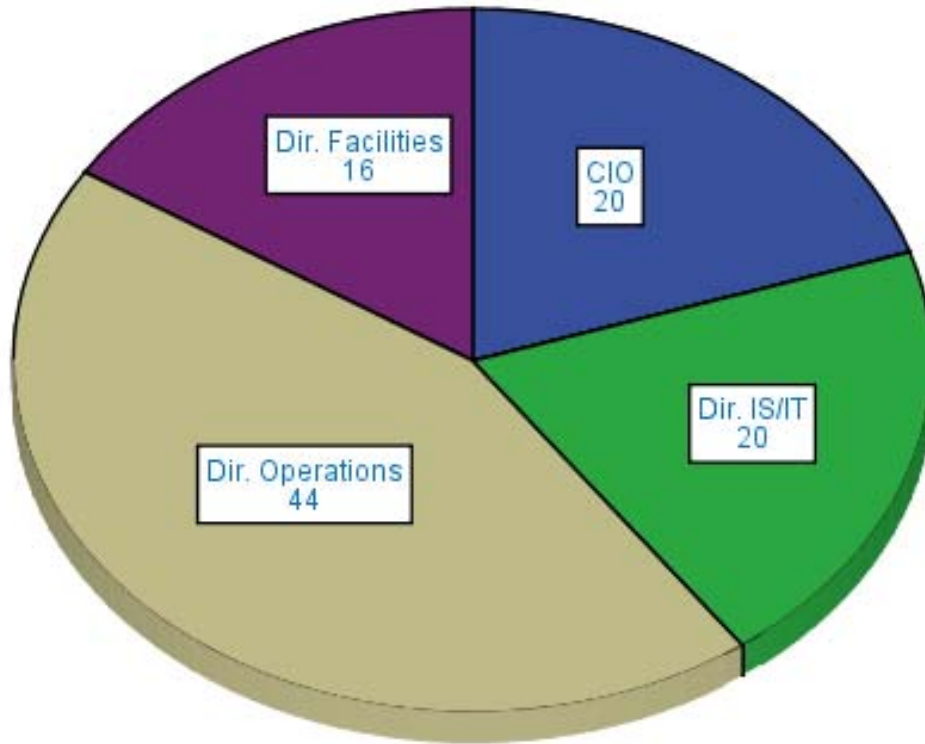
Top Funded Initiatives



Two views of the data center

- The “Container”
- The “Business Services Center”
- Gradually moving to a “services” view of the data center
- Focusing on SLAs and alignment of business needs and IT services

Who Manages the Data Center?



Who manages the Data Center?

- CIO
- Dir. IS/IT
- Dir. Operations
- Dir. Facilities

Who should manage?

- The “Business Service Center”
- Facilities manager: Too low level
- CIO: Too high level
- Increasingly: Operations and IT
- Operations group modeled increasingly like a service provider

Summary and Conclusions

- Data centers are changing
- Increased demands, more applications, compliance
- Four themes: Consolidation, growth, availability, efficiency
- Powerful new technologies: Virtualization, Management Automation, Faster more versatile networks
- Remote/mobile workers put pressure on the WAN
- Data Center / Branch Office big focus for 2008



© Copyright 2006 Nemertes Research

INTEROP