
Market Roundup

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Has HP Hurd the Word?

By *Jim Balderston*

HP announced this week that it has hired Mark V. Hurd, previously president and CEO of NCR, to replace dismissed HP CEO Carly Fiorina. Hurd, who has spent the last twenty-five years with NCR, had been that company's CEO in the years 2003 and 2004, during which he quadrupled the company's profits. Hurd has been described as straightforward and considerate of corporate culture issues. In choosing Hurd, HP officials said they believed the company had the correct strategic vision, but that it needed to improve on its execution of that vision.

With HP floundering in a time where other IT giants are pursuing new markets, a focus on execution could be exactly what HP needs. If Hurd is as good at building internal consensus and morale as is expected, there is hope that he can undo some of the significant damage his predecessor left behind with her departure. This may be the first and foremost task at hand for Hurd: to staunch the flow of talent departures and identify and empower those in HP that can bring the company back to something more than it has been in the past few years.

Despite HP's drift, it has been interesting to note that there have been no large, wholesale defections of customers within the enterprise ranks. While some have moved away, the fact most have remained even while HP has begun pushing more high-profile consumer products works in Hurd's favor, to a point. Large enterprise customers are a foundation for the company, but an improved revenue stream is going to have to come not only from improved sales to large enterprises but also from expanding SMB markets. While HP has remained largely stationary, its competitors have been increasingly aggressive in pursuing the SMB market, which offers both new revenue opportunities and long-term relationships. HP's channel remains largely discombobulated at this point in time, and in such a condition as to make HP's move into the SMB market a considerable challenge. Good feelings and morale are fine, but building a powerful channel ecosystem takes time and commitment. Will Hurd do what is needed to rebuild trust? Stay tuned.

EMC Targets Change Management Market with SAN Advisor

By *Rob Kidd*

This week EMC introduced SAN Advisor as part of the EMC ControlCenter family of storage management software. SAN Advisor features an automated data import engine that discovers and captures detailed SAN environment data, for use in SAN analysis, base-lining, modeling, predictive change management, and testing. SAN Advisor helps ensure peak storage infrastructure availability and performance by automatically validating SANs against rules that check configuration and device interoperability parameters through the EMC eLab Matrix. EMC eLab distributes monthly updates for the eLab Support Matrix and makes them available for automatic download to SAN Advisor users. SAN Advisor helps IT maintain complex, heterogeneous SAN through firmware and driver updates, for example. Resellers and systems integrators can also use SAN Advisor to expedite the design and implementation of customer SANs. SAN Advisor will be available in May 2005 with a starting price of \$5,000.

In the past SAN change management has relied heavily on manual procedures that are subject to human error. As SANs have become increasingly complex and heterogeneous these manually oriented approaches have become

ineffective and resulted in increased SAN downtime. In today's demand-driven business climate, high data availability is critical, as is the ability to quickly change SAN configurations to meet changing business needs. SAN Advisor, by partially automating change management, promises to help reduce SAN management costs, expedite the management process, and lower configuration errors for reduced SAN downtime. This is further supported by EMC eLab's expertise and data matrix for device interoperability and SAN design. The EMC eLab offering offers benefits for both EMC and customers. The SAN component market is in a constant state of flux with new firmware and device drivers appearing regularly. EMC eLab collects this data in a single matrix, distributed monthly, that saves customers the time and effort of aggregating it themselves. With eLab EMC has the potential of an ongoing maintenance/update revenue stream from the monthly eLab Matrix updates. EMC business partners can derive the additional advantage of being able to use SAN Advisor to help design, update, and validate SANs for their customers.

While SAN Advisor and similar change management tools offer IT an ongoing value proposition, SAN Advisor only partially automates the change management process, providing SAN component discovery and configuration validation. SAN Advisor is currently only loosely integrated with the ControlCenter console, product family, and SAN Manager product. Configuration changes and corrections usually require user intervention to effect the actual SAN configuration changes. The ControlCenter product road map calls for the tight integration of SAN Advisor with SAN Manager, which makes SAN configuration component changes automatically. Tighter integration of these two products would reduce the degree of operator intervention required in change management, but due to SAN complexity would probably not entirely eliminate it.

Microsoft Has another New IDEA

By Joyce Tompsett Becknell

Microsoft has revealed more details of its latest approach to managing identities, designed to improve the reliability and security of its software. The technology involves "info-cards" that will be built into Windows, although Microsoft has declined to confirm whether that technology will first be available in Longhorn, its next version of the Windows operating system, or will be incorporated into the current XP. Microsoft has stated that the technology will give users more control over their own personal information, as the data will reside on user systems rather than on a corporate server in cyberspace.

Identity theft is a growing concern, as are privacy rights. Past efforts by Microsoft, as well as by other well meaning vendors, have focused on creating meta-databases full of customer information. These efforts have all been strongly opposed by privacy-rights advocates — and by many nervous users — as cases of hackers breaking into and stealing digital records appear often enough to give anyone pause. What makes this technology different is that it proposes to keep the software on the client's system and presumably under the client's control. This means that users would have control over what data they share and with whom. It is a much more reasonable approach as long as the info-cards work with industry standards such as XML to insure compatibility and make the process simple for end users to maintain, update, and control. Any technology that puts control in the hands of the user in a straightforward manner will only be applauded by us.

While all this sounds like a good idea, it raises eyebrows within the community as once again Microsoft seemingly sets out to reinvent the wheel, if not the entire drive chain. The problem is that Microsoft still has a perception problem with end users regarding security. Windows products are still perceived as more vulnerable to security attacks than other operating systems regardless of their actual security, and Microsoft has a long way to go in convincing customers that it has the right software in which to deposit important data. There are also other companies who have spent a lot of time working on security, and it is interesting that once again Microsoft has chosen to go it alone on the design front when other companies are jumping onto the collaboration bandwagon as never before. And unless the ISVs have massive buy-in, this initiative too will be in danger of being left by the wayside. This is one instance where the network effect is imperative. Finally, the ongoing issues Microsoft has with the European Union are only just now getting settled. It is clear that while government can sense the conditions that raise their anti-monopoly hackles, they have absolutely no idea how to deal with software and the rate of software change. At this point, almost no one cares what media player is included with the OS, and having

fractured versions of the operating system with various features is not the optimal way to resolve these problems and simplify life for customers. The idea of built-in security will certainly make government even more nervous than a simple media player, and we'd hate to see court cases against security software.

Juniper Acquires VoIP Vendor

By Jim Balderston

Juniper Networks announced this week that it has acquired Kagoor Networks, a supplier of technology providing both security and quality assurance levels to VoIP offerings. Juniper will pay \$67.5 million in cash for Kagoor, which has offices in California and Israel. Kagoor's prime offering provides session border control (SBC), which establishes both security and quality assurance between networks. Kagoor products are deployed with more than 100 carriers worldwide and the company has strategic alliances with Lucent, Siemens, and NEC.

While Cisco remains the first violin in the networking market, Juniper is playing a very melodic second fiddle as it continues to increase its market share vis-à-vis Cisco. Juniper has also begun a wholesale assault on the enterprise market, a place where Cisco has held dominion among networking companies. This acquisition is the latest in a series of purchases by Juniper, and by far not the largest.

As VoIP and other rich media-over-IP networks continue to gain ground as both consumer and enterprise offerings, they will drive ongoing innovations as requirements for security, availability, and trans-network interoperability continue to increase. In this regard, Juniper remains well positioned to continue taking market share from Cisco, especially if it remains out on the cutting edge of technology development. Cisco certainly would not want to exchange its installed base with Juniper but the weight of servicing and maintaining that base through product upgrades and continuity may be costing Cisco enough time and energy to prevent its looking far enough forward into the future. If that is indeed the case, look for Juniper and its ongoing VoIP push to improve its position vis-à-vis Cisco in the coming years.