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# Market Roundup

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**IBM Sharpens Blades for SMBs**

**EMC Announces Invista Virtualization Platform**

**Google Unleashes the Beast**

**GMicrosoft and Mozilla: Browser Wars Redux**

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## IBM Sharpens Blades for SMBs

*By Jim Balderston*

IBM has announced a new blade computing offering targeted at SMBs called the IBM eServer BladeCenter Business Express, which can come preloaded with a variety of middleware and that will run either Linux or Microsoft Windows. IBM plans to deliver this product to SMBs through its business partners who build specific solutions on IBM middleware. Leasing for the products will be available through the IBM Financing Advantage Program and will start at \$120 per month for a portal server for up to twenty users or \$160 a month for a business integration server that can handle 1,000 catalogue items. List prices for other solutions will range from \$4,500 to \$9,000, with configurations determining final costs. The offerings will be available immediately through specific IBM business partners.

In our view, the pace of enterprise-class IT products migration downward into the SMB market is, if anything, quickening. We have noted before that SMBs increasingly need enterprise-class IT deployments to maintain their competitive position in value nets that are dominated by their larger customers. As a result we are seeing technology once only thought to be the stuff of Global 5000 companies making its way in SMBs with increasing frequency. The mainframe is coming to Main Street.

Blade servers are not exceptional to this increasingly hard and fast rule. While first positioned for the enterprise to give greater flexibility, consolidation opportunities, and scalability while reducing physical complexity, blade servers now offer the same to SMBs who are seeking to relieve many of the pain points that their larger cousins are experiencing and solving with blade server adaptability. When one throws in on top of the blades the ability to virtualize IT environments, the value proposition to SMBs grows even more quickly. As we have noted in the past, SMBs are scooping up virtualization capabilities not only as a means to simplify their IT environments but also to maximize asset utilization, which can drastically lower the cost of provisioning for peak usage spikes. We predict that blade servers are going to become a mainstay of the SMB marketplace, and probably much sooner than later. For SMBs, the value propositions of blade versatility will be irresistible.

## EMC Announces Invista Virtualization Platform

*By Clay Ryder*

EMC has announced EMC Invista, the company's new network storage virtualization offering. Invista enables customers to create virtual volumes in which physical storage resources can be changed rapidly and non-disruptively to support copying and migration of data across multiple tiers of heterogeneous storage arrays. The new offering is an integrated hardware and software solution that targets customers who are seeking to achieve non-disruptive enterprise operations, reduce planned downtime, and streamline storage management. Invista is based on an out-of-band model that places the virtualization intelligence in the storage network and groups distributed physical storage devices into a common logical pool from which customers can provision and manage their disparate information resources. By connecting to the existing Fibre Channel SAN fabric, Invista will seamlessly utilize storage from a variety of devices without directly connecting devices to it. This permits organizations to maintain the native performance and software functionality of their physical storage devices by

virtualizing the heterogeneous storage environment while continuing to use array-based replication or other storage software currently deployed. General availability is expected in Q3 2005 for EMC Connectrix branded switches from Brocade and Cisco with support for McDATA expected in early 2006. List price for an Invista configuration capable of virtualizing at least 64TB of storage, including all Invista hardware and software, is \$225,000. The company indicated that in the future Invista would be available for smaller environments and through EMC's Velocity channel partners.

Virtualization remains a hot topic with a potentially significant impact on all aspects of IT. Although much of the virtualization discussion has focused on servers, the reality is that most any networked resource is conceivably a candidate for virtualization. Despite much of the ink spilled on hyping virtualization as grand scientific foray, this is not an exercise in heavy metal molecular decomposition and reconstitution or another mind expanding theory of matter transportation through the cosmos. Rather this is a straightforward concept of thinking about the big picture and letting the technology take care of the implementation in a very efficient fashion. EMC has taken the view that virtualization should occur as far down into the network as possible — a position with which we agree — in the quest to take advantage of the ever increasing intelligence (and speed) of the underlying network. This also has advantages from a performance as well as a playing-nice-on-the-playground perspective. By preserving the inherent performance (value) that organizations have already deployed in multiple storage arrays, EMC is not demanding that customers write off any portion of their past investments in order to gain tangible new value. This is a pleasant surprise in the IT marketplace, where customers are more often than not forced to write off and recreate past investments simply to gain new capabilities, especially in heterogeneous environments.

Overall, we are fans of virtualization, be it server, storage, or network. One of the greatest accomplishments of virtualization is letting users gain access to underutilized resources they have already paid for but which they are not getting the benefit of. In addition, virtualization provides a soothing balm that eases the management of disparate resources under a single view while also allowing customers greater flexibility in choosing solutions. For vendors, virtualization offers a market opportunity, but also serves as a warning that only those who play nice, i.e., support standards and seek peaceful coexistence, will be well positioned to capitalize on the virtualization opportunity. From our viewpoint, it looks like EMC has embraced this reality in its Invista solution and we eagerly await the response from customers, competitors, and the industry as a whole.

## Google Unleashes the Beast

*By Joyce Tompsett Becknell*

This week Google has announced the arrival of a corporate version of its popular desktop search tool, the Google Desktop Search for Enterprise. The tool is a free downloadable application similar to the consumer version which will allow employees to search their work computers. The Enterprise version comes with security, configuration, and deployment controls and also allows full text searches of IBM's Lotus Notes messages. Searching will include desktop files, including email, files, web history, and instant messages as well as the corporate intranet and global Internet from one search box. Centralized administration and security will allow restriction of indexing of secure sites, file types, or specific domains and will support index encryption to protect the search index from unauthorized access. Software update administration will be centrally managed as well. While some Google consumer products transmit information and performance-related data from searches, the information is aggregated for usage pattern analysis. Google says this feature is not part of the enterprise product.

This is beginning to feel like déjà vu all over again. The difference is always in the nouns, if not in the verbs, the adjectives, and the adverbs. The last time the industry went through a serious scare was when credit card transactions first became possible over the Web. Many people feared it wouldn't be safe and that security would be seriously compromised. Many of these issues seem to be the same for indexing except at a corporate rather than an individual security level, which ups the ante for risk. The truth is that indexing is a useful tool. It allows us to scan across data for information that is needed. The problem is not in whether or not to index, but in understanding the implications. Google may have first-mover status with this product, but Yahoo!, Microsoft, and others are preparing their own versions of this technology. Companies can put off acquiring the technology officially, but because it is driven by users, it is unlikely they will be able to avoid it entirely and if they do not

address it proactively, they will most likely wind up reacting to situations rather than creating the infrastructure they would like. Smart IT managers should be doing research on this technology now, talking to their security vendors about how this will integrate with their products, and making plans. Preparing is much better than waiting to see what might happen later. This technology is here to stay and should be approached as such.

On the vendor front, Google and Microsoft are drawing battle lines for the next round in the war of desktop ownership. For years, Microsoft has seemed unassailable, between the web browser, Office and the operating system. But like all disruptive technologies, Google has risen up in unexpected places. There are certainly users who will choose Google because it is *not* Microsoft, and others who will choose Microsoft because it is, but many users will try a variety of these programs, settling on the combination that best fits their individual needs. This of course means that the desktop architecture, like its enterprise datacenter counterpart, will be a mix of products and vendors. We will say it once and then we'll say it a thousand times more if we have to. Users are tired of being punished for making the choices that please them and not the vendors. Users want interoperability, they want ease of use, and they want to be able to use product x from vendor a with product y from vendor b without sacrifices. We certainly look forward to competition, interesting media statements, and the usual vendor marketing and sales antics for capturing new markets. However, we would hope the products strive to help the user, which – oddly enough – will wind up benefiting everyone in the end.

## GMicrosoft and Mozilla: Browser Wars Redux

*By Joyce Tompsett Becknell*

Microsoft confirmed this week that Internet Explorer 7.0 will include tabs, which is the ability to open multiple Web pages within a single browser window. Mozilla's Firefox has had tabs all along, and the feature is one of the reasons that Firefox has been able to steal share away from IE. Previously, Microsoft had intended to launch IE 7.0 in conjunction with Longhorn, the code name for the next version of its Windows product, but Bill Gates had stated that strategy had changed and IE would be released separately, ahead of Longhorn. In a separate announcement, the MSN group at Microsoft also announced that it will add tabbed browsing capabilities in a future version of the MSN toolbar that runs inside IE.

In part II of déjà vu all over again, we seem to be revisiting the browser wars in all their glory. This time, however, the market dynamics have changed. Instead of Microsoft vs. Netscape, two software companies with competing products, we have Microsoft vs. Mozilla, which is actually another chapter in the war of the cathedral vs. the bazaar. On one level, browsers may not seem as exciting as they did in the wild and woolly 90s. Both products are free, and at the end of the day, you can accomplish the same thing with either: accessing significant parts of the network through a standard interface. But on another level, there is a serious battle for control of the desktop going on. Microsoft has been the dominant player for a long time but that ownership is now vulnerable as a wave of disruptive technology combined with an alternate philosophy of programming and computing are seriously altering the desktop landscape. Ten years ago users were much less savvy about the Internet and the network. Now high-speed access is common across many geographies, most businesses have a web address, badly thought-out home pages proliferate like bunnies, nearly every electronic device has or will soon have Web access, and blogging is the latest fashion craze. The revival of feature wars is more about catering to the needs of a demanding generation of users than it is about cool feature proliferation for engineering's and marketing's sake. Google has taken the lead with indexing and Firefox with this round of browsing. Microsoft is only just beginning to shed light on the Longhorn view of the world. We expect that this battle has only just begun and the most important battles remain to be fought.

On a technological or rather a philosophical level, there are more important differences between IE and Firefox than just their features. IE is owned and controlled by Microsoft. Microsoft is thus able to integrate the product with other Microsoft products: a significant fact in light of their desktop and server dominance throughout much of the market. As collaboration and integration between Microsoft products expands, the ability to integrate the browser becomes more important. This philosophy will have great appeal to IT managers with significant Microsoft investment seeking to take better advantage of the products they have. Firefox has a different approach and sits squarely in the open source camp. Firefox code is available to everyone and free developer tools are

provided for people to create extensions. While the browser remains fairly basic, entering the world of extensions, themes, and plug-ins allows significant customization of the product based on user wants and needs rather than on a vendor timetable. Users can add everything from silly entertainment features, to useful information updates, to changes in how they use the browser itself. For users who want to adapt the browser to their needs and aren't dependent on integration with Microsoft products, Firefox is an attractive alternative.