Market Roundup

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Cingular + Lenovo = Such a Deal

By Clay Ryder

In a recent maneuver, Lenovo stated that it would be installing Cingular hardware into ThinkPads, enabling Cingular subscribers to access wireless data networks in fifty-two communities in the United States. Most major markets should be accessible by the end of 2006, including the more than ninety countries outside the U.S. that have data-roaming agreements with Cingular. This move is similar to an agreement that Lenovo made with Verizon Wireless earlier last September. The retail price of Cingular PC cards ranges from $24.99 to $199. As of press time, there is no separate price information available for the embedded ThinkPad technology. Cingular's recently launched BroadBand Connect download speeds will vary between 400 and 700 kbps in some areas.

Lenovo is a big supplier of laptops and Cingular is a big supplier of connectivity. Peanut Butter + Chocolate = Yum. In some respects, this is a follow-on to the Verizon and Lenovo announcement of last September whereby Cingular joins the parade that is already in progress. However, for existing Cingular mobile phone or EDGE users, this is significant. The direct embedding of the technology in the laptop means one less dongle or cable for the harried mobile worker to carry about. Although Verizon's wireless offering is higher speed, EDGE or even existing GPRS technology is adequate for many mundane mobile tasks such as retrieving email or responding to an IM. But from a convenient perspective, both Verizon's and Cingular's embedded approach is a winner in our mind. It will prove interesting to watch and see if Cingular's GSM-based and hence international-capable mobile telephony technology will have any pull on Verizon's North America-centric cell phone customers who are seeking a single wireless connectivity solution. Since a vendor can create bundled and discounted solutions, there may be play for Cingular to entice Verizon customers who travel internationally with their laptops and a separate GSM phone to switch over to a single supplier for voice and data connectivity. It may not be a big impact, but it is again a reminder that technology platforms can impact users' choices about vendors and ultimately who they spend their money with. Regardless, the fact that Cingular and Verizon are both available within the ThinkPad is to us a solid endorsement of wireless networking, and one that we hope will help further spur deployment and innovation in this market arena.

Symantec Adds IMlogic to the Stack

By Joyce Tompsett Becknell

Symantec has announced an agreement to purchase IMlogic, a provider of enterprise software for instant messaging. According to Symantec, IMlogic's technology provides solutions to control and secure public and enterprise IM networks while ensuring compliance with regulatory and corporate governance policies. IMlogic manages, secures, logs, and archives all IM traffic with certified support for public and enterprise IM networks, including AOL, MSN, Yahoo!, ICQ, IBM Lotus Instant Messaging, Microsoft Office Live Communications Server, Jabber, and others. Its integration with the IMlogic Threat Center provides real-time antivirus and anti-spam prevention for corporate IM usage. Symantec and IMlogic have partnered in the past on several fronts. Symantec Security Response has had a long-term relationship with IMlogic Threat Center to deal with IM and P2P threats on the Web. They have also partnered on solutions for protecting IM from Internet and malware threats, as well as spam delivered by IM. Once the acquisition is in place, IMlogic's threat detection and remediation for IM will be integrated into Symantec's early warning and response system and will be used to augment Symantec Security

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Response's existing capabilities. Additionally the Enterprise Vault product from Veritas, which provides email and content archiving, has been integrated with IMlogic's IM Manager since 2002 and the plans are to further integrate components of IMlogic into the Enterprise Vault archiving solution.

Symantec's purchase of Veritas revealed that it has every intention of becoming a full-service provider of enterprise security from email to data availability. One of the incomplete pieces of that vision was protection for Instant Messenger capabilities. While Symantec was partnering with IMlogic, it wasn't the same as owning and controlling the technology. They've rather neatly resolved that dilemma by purchasing the company. The fit is obvious as they've stated that they'll increase integration where the partnership once sat, and it's a win for everyone involved. Security is still as much an art as a science for vendors and user organizations alike. Companies need to walk the line between allowing the freedom of communication that IM provides, and maintaining good controls through governance and compliance. IMlogic's approach helps organizations do both. We encourage Symantec and Enterprise Vault customers who have not yet experienced the IMlogic product to familiarize themselves with it and get ready to start implementing its features in the next releases of Symantec products. IM is a technology that has become almost as necessary as email for many employees, and IT organizations must work it into their purview.

The only caveat for this deal of course is the mundane work of integration. IMlogic was doing well for a startup, with 100 employees and some big customers. It is important that the technology continue to be developed within Symantec, who is still digesting Veritas. Symantec has said that they want to continue on the path of acquisition, with several a year, and large acquisitions every eighteen months or so. Companies like Cisco and CA have taken similar paths in their corporate history and have seen both good and bad decisions made from this path. While it has benefited them in the long run, companies like HP can also attest to the pains of acquisition indigestion and the damage it can wreak for shareholders, employees, and customers. As stated above, IMlogic is a straightforward step with the integration points well known and well understood. We hope Symantec continues to grow in such a reasonable progression.

Citywide Hot Spots in the UK

By Clay Ryder

It has been reported that the United Kingdom has unveiled plans for regional WiFi networks in nine cities throughout the country. The first phase of the project, which targets a March 2006 roll out, will offer citywide WiFi hot spots in Birmingham, Cambridge, Edinburgh, Leeds, Liverpool, Manchester, Nottingham, and Oxford, as well the London boroughs of Camden, Chelsea, Kensington, and Islington. It is anticipated that additional cities will be announced later this year. Wireless service provider The Cloud is building the networks; however, any ISP that wishes to offer service will be able to do so. Customers will pay an ISP directly and the revenues will be split between the ISP, The Cloud, and the local council. The wireless coverage will radiate from equipment fitted on street lighting and street signs.

We have commented on WiFi initiatives from cities including San Francisco and Philadelphia over the past several months and in general, these initiatives involve municipalities rolling out free or low-cost wireless access for segments of the general population. Of particular note is that the focus has been on bringing connectivity on a municipally owned physical infrastructure to areas where the private sector may or may not have already done so. In contrast, Boston's Logan Airport, under action cloaked in "it's all for security" reasons, has told private WiFi providers to scram, and the local authority has set up its own, for fee of course, wireless connectivity solution. The approach being taken in the UK differs from all of these in that it represents a public-private partnership that is poised to make the best use of each participant's unique abilities. Thus, the public infrastructure of streetlights and road signage represents a sunken cost that a private vendor is leveraging with further investment in the hopes of driving several new businesses providing services to the community at large. Cities should receive a revenue stream that helps underwrite the cost of lighting and signage, without additional municipal capital outlay, while the private sector takes the risk, and rightly, the reward for investing in new services. The irony that this endeavor is taking place in a country that for much of the 20th century was viewed by many as a social welfare state does not go unnoticed.

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From our vantage point, this public-private approach makes a lot of sense. While Philadelphia may view WiFi as a social program designed to benefit economically deprived districts, we believe the UK approach is more about economic development, which in turn should help provide some additional moneys for public and private interests alike. From a simple economic perspective, to us it makes far more sense for cities to work for universal coverage, as opposed to targeting specific neighborhoods. A citywide initiative would be a much more strategic advantage whereby the city could claim universal access for any worker and/or resident at any place within the corporation limits. This could become a competitive differentiator in courting economic or residential redevelopment efforts, which should assist the city as a whole. Therefore, although we support the efforts of cities in seeking broad-based wireless access, we recognize the inherent value of the approach being undertaken by The Cloud and UK municipalities and hope that other urban centers might take note. To us, seeing a public-private partnership endeavoring to deliver hot spots throughout the city is a rather cool way to deliver some hot technology to the community at large.

Degree Controls: Speaking of Hot Spots...

By Susan Dietz

In a new approach to the old problem of heat produced by microprocessors destroying servers, the startup company Degree Controls has developed technology that uses the existing air conditioning of a server farm to cool down hot spots. Rather than using a building's system to cool the entire room to arctic tundra levels, however, the air conditioning is, through Degree Controls' technology, intelligently directed to where it is needed. The company claims that their technology will cut the cooling costs for server farms by about 30%. The price for this solution is a cool $10 to $15 per square foot.

In a time of rising energy costs, when companies claim that their data center utility bills could outstrip their data center hardware bills, any savings, however small, is welcome news. A savings of 30% would be excellent news. Presumably, Degree Controls' technology would pay for itself within a short enough period of time to intrigue the bean counters. If combined with other heat-reducing solutions, such as newer components from Intel or Sun Microsystems, whose emerging technologies do not produce as much heat, then users may be able to buy some time in tackling the formidable problem of cooling data centers. Solutions such as Degree Controls' would not only make server farms much more pleasant places to work, eliminating the need for IT people to huddle around a server warming their hands like street people around a barrel fire, but it would also cut down on the costs of operating existing hardware. This in turn could help offset funding for newer, cooler-running technologies as they come out, which of course would further reduce the overall cooling demand. While many have taken note of some rather low levels of utilization/efficiency in servers in the data center, few have addressed the inefficiency of cooling a giant room just so a few heat concentrations do not become volcanic. This is one reason we find the Degree Controls approach intriguing, if not... um... cool.

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