a supplement to microscope sponsored by hammer

Storage Solutions

MicroScope

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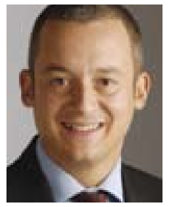
Contents

Business as usual



Maintaining a positive outlook, even in times of an uncertain economic climate, is sometimes difficult. The question of 'immunity' from the credit crunch is ubiquitous in every sector; however, the issue, it seems to me, is less 'who is immune?' and more 'who has the genuine individuality to succeed?'.

The next 12 months are predicted to be overflowing with technology transitions – each bringing with them subsequent opportunities. We are also set to see a huge increase in performance across the board, with some technologies doubling capacities. Add to this the fact that customers are becoming more discerning, and it is clear that knowledge really will be 'power'.

The storage market's answer to the increasing demands of storage requirements is, it seems, to become more bespoke. One size can by no means fit all, and specific solutions that address niche needs are likely to predominate – with particular focus on vertical markets and the consumer storage arena, as the levels of information needing to be stored soar.

As we saw at the roundtable event, the industry is developing and changing more quickly than ever. Apparent technology bottlenecks are so swiftly overcome by product evolution and innovation that they almost do not exist. In such a dynamic market, the storage arena ought to be optimistic whatever the economic climate. The main challenge, though, is to keep up with this technological pace of change – and resellers achieving this will benefit from the fact that expertise will be a key differentiator over the coming year.

Change can be unsettling, as it forces the unfamiliar to be familiar. However, as the thirst for storage continues, and shows no sign of slowing (for example, external disk storage has recently seen its biggest growth in two years), the winners in the market will be those with true clarity and identity. One thing is for certain: despite the credit crunch, for those with real focus and expertise, it is more likely to be business as usual.

James Ward, managing director, Hammer

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The future of storage for 2009

We all have high expectations of our storage solutions. This has never been as true as it has over the past 12 months, in what has been a turbulent and demanding year. As technology becomes more advanced, and simultaneously the information we generate becomes more sophisticated, storage has never needed to work harder to ensure it does not disappoint; particularly in an economy whose downturn has been widely documented.

Today's storage must be fast, quiet, reliable, efficient and have an impressive capacity to prove its worth in today's tentative and challenging market. As new technologies constantly come and go, only the most idiosyncratic and distinct will have the staying power.

It is safe to say that the volume, and calibre, of storage solutions is set to grow again in 2009 and, it is predicted, in ways we have never seen before. But in which ways, what will be the buzzwords of the forthcoming year, and which solutions will enjoy their time to shine in the channel in the next 12 to 18 months?

Virtualisation

There is beginning to be a general consensus across the industry to virtualise anything and everything. Virtualisation has easily been the area of the biggest growth over the past 12 months, and will continue to be into 2009. Its aggressiveness will accelerate even more, and will span all SME and enterprise markets, meaning that its ubiquitous nature will allow more customers to achieve more from less in their IT investment. If done properly, virtualisation is definitely advantageous for all involved; however, it is a real education process, and resellers must have the appropriate expertise in order to reap its genuine benefits.

Another advantage for industry players is that virtualisation is creating partnerships between vendors. For example, they are having to work more closely together, qualify more solutions together, and discuss how they can leverage technologies to benefit everyone. This will allow users to pick and choose which vendors' solutions best fit their business requirements, while having the peace of mind that the combination of multi-vendor solutions has been tested, certified and can be supported to a high standard.

InfiniBand

We are now seeing a bigger uptake of InfiniBand, certainly around the Oracle space, and the higher-performance market that is being adopted more now than it was 12 months previously. It is not going to be a technology that will obliterate the fibre channel and iSCSI market: rather it will complement it.

> THE DEMAND FOR DEDUPLICATION IS RESULTING FROM THE MASSIVE INCREASE IN CAPACITY. THE JURY IS STILL OUT AS TO WHAT IS GOING TO WIN FROM DEDUPLICATION, AND WHERE TO DEDUPLICATE

InfiniBand has efficient scalability of multiple systems, end-to-end data connections that are extremely reliable, and is a technology whose rise is easy to track. In 2007 SDR (single data rate) was at 10GB, in 2008 we have ▷

DDR (double data rate) at 20GB, and 2009 will bring QDR (quadruple data rate), which doubles the data rate again to 40GB. Whereas competing technologies such as ethernet can initially provide a lower cost outlay for clustering, InfiniBand is uniquely scalable due to its low latency, enabling clusters to stretch beyond previously defined scalability barriers.

Deduplication

Deduplication is by no means a one-size-fits-all technology; however, it cannot be disputed that it does have a viable place in the market. The demand for deduplication is resulting from the massive increase in capacity. The jury is still out as to what is going to win from deduplication, and where to deduplicate. There has been a lot of dispute regarding deduplication, and even vendors have varying opinions as to where you should deduplicate. There are benefits of each, which means it is still a bit of a minefield as to who is going to win out. Whether 2009 is the year when each will argue their case and a general consensus is reached, as with the growth of virtualisation, remains to be seen.

iSCSI

Virtualisation has given iSCSI a new lease of life, taking into account that two years ago, it was documented that it had hit a bottleneck. Virtualisation minimises its previous performance limits and aggregates all storage connections into one, allowing for greater choice and the performance of more connections, rather than limited to a one-to-one system.

WITH THE SPEED OF CHANGE INCREASING AT AN EVER FASTER RATE, IT HAS NEVER BEEN MORE IMPORTANT TO ENSURE THAT RESELLERS ARE GAINING AS MUCH AS POSSIBLE FROM THE BENEFITS THAT A DEDICATED STORAGE DISTRIBUTOR HAS TO OFFER

iSCSI is another solution that has enjoyed year-on-year growth, and many have been surprised at the rate of its progression over the past year. It is now, certainly in the SME space, matching fibre channel as a connectivity technology. Its key benefit is that it fits into the virtualisation story very easily, because virtualising iSCSI solutions is not at all complex.

This has so far ridden on the back of the success of virtualisation, and towards the end of 2009, it will also benefit from the fact that there will be a migration from 1GB iSCSI to 10GB, which will help it to move further up the chain from the entry-level SME space. Although already starting to appear on roadmaps, and with realisation of its importance beginning to grow, market adoption, which will occur mid to late 2009, is all this technology needs to explode into the channel.

Solid state disk

Solid state disk will be big news in 2009. It has, in the past, been a high-enterprise, high-performance, high-cost alternative – cost always being the prohibitive factor. But this is coming down dramatically, probably in the region of 40%-50% in the past 12 months. By utilising solid state disk much of the latency and performance decrease found in a normal disk solution when you go from sequential to random environment is eliminated. However, HDD and SSD technologies should and will continue to complement one another other and co-exist, because each has their own set of strengths and weaknesses.

Enterprise class SSD vendors are already beginning to release specific solutions aimed at resolving performance challenges modern applications demand, and where HDDs struggle to provide an adequate solution, such as Oracle and video streaming.

FCoE

QLogic and Emulex have already announced fibre channel over ethernet (FCoE). This is a convergence technology: putting fibre channel over ethernet consists of the same connectivity, is extremely simple, and removes the requirement for different switches for your network infrastructure. Switches and controllers are only just beginning to emerge, and 2009 spells big things for FCoE. This to a large extent, could even replace the fibre channel market – not completely, but a large majority of it over the next 18 to 24 months. Next year will be its real first uptake, although there have been some early integrators towards the end of 2008, but 2010 looks set to be the explosion year for the technology.

Green power

Green power has, and will continue to, address the whole market. Power-saving technology will dominate, and vendors will not only be working on increasing product capacities, but also seriously taking into account how to reduce power consumption. There has been a real effort so far on the part of server manufacturers and infrastructure and storage vendors, and it will continue to cut power usage, basically allowing systems to use power as it is needed, rather than supplying it upfront. This intelligence is being carried out at the controller level, processor level and drive level, as well as the storage enclosure level.

Looking ahead

As the market continues to develop, so will Hammer's dedication to storage, and to delivering the expertise and understanding that our customers require to gain the most out of their businesses. At a time when technology is as sophisticated and as refined as it has become in recent years, and with the speed of change increasing at an ever faster rate, it has never been more important to ensure that resellers are gaining as much as possible from the benefits that a dedicated storage distributor has to offer.

Providing our reseller partners with the support and tools to deliver the right advice and solutions to address their customers' requirements in an increasingly complex market, is key to both their success and our own.

Paul Hickingbotham is solutions manager at Hammer

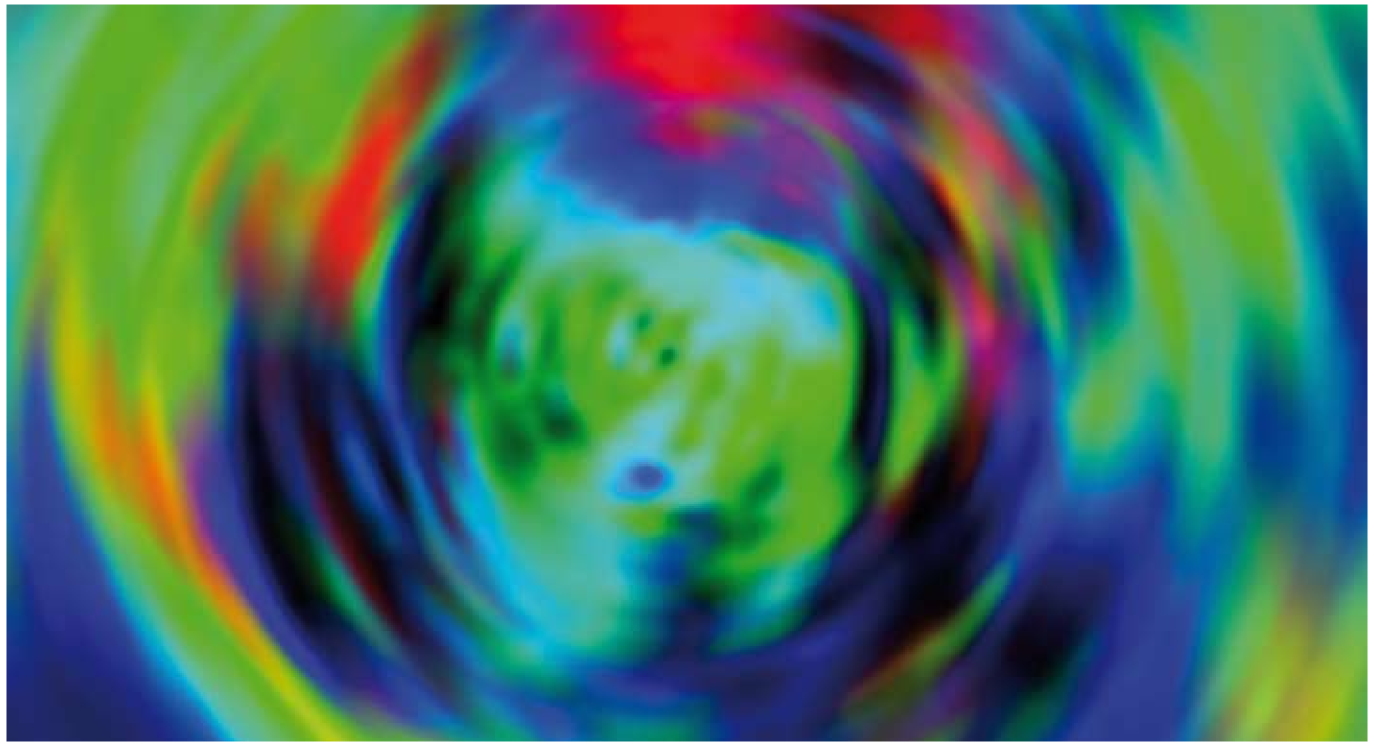


Photo: Don Hammond/Design Pics Inc/Rex Features

Storage spinning greener

As soon as Gartner identified that 2% of the world's greenhouse gases came from datacentres, astute storage suppliers have been looking to put their best green foot forward. The best environmental message to spin is to stop spinning disks.

It's inescapable: any storage with moving media needs power to move it and power to cool it. That made the tape guys happy. A tape cartridge can sit on a shelf with a big fat green grin on its face while all the neighbouring disk drives are busy spinning away. But that 2% took into account existing tape libraries and drives and no one is going to expand their tape estate by moving data from a disk estate that can subsequently be shrunk.

No, the only green storage outcome is to use less power and the choices are: move media using less power or move less media.

Disk drive manufacturers are making drives with more power-efficient motors, spin-down mode support and controller electronics. But this is not a big win. That comes from switching off motors, which can significantly reduce storage power needs.

One approach is to reduce the number of disk drives you need by radically reducing the amount of stored data – meaning deduplication – or by thin provisioning, which cuts out empty spinning drives, or by using media such as SSD, which provides the I/O and latency required to run databases and exchanges without needing a large number of disks. Another is to stop drives spinning when they hold data that is not immediately needed, meaning spin-down.

Deduplication (removing redundant byte-level data) applies to archived and backed-up disk data, mostly, although a growing number of vendors say it can be applied to primary data. But the problem is that data is constantly growing and dedupe is being used to keep track of that rather than to get rid of disk drives. Typically a dedupe box is additional to what you have already.

Thin provisioning is also being used to keep pace with things as much as to reduce the numbers of drives. When you consolidate servers and their storage you can achieve higher array utilisation by telling server apps that they have fully populated disk volumes, but in fact giving them only the amount of capacity they need for actual disk writes, plus a margin. As the actual allocation fills up, then more space can be allocated from a central pool, and further drives added to the array as that pool shrinks. It's a way of delaying disk purchases, not stopping them.

Spin-down is much more direct. Drives containing data not accessed for a period of time can be spun more slowly or stopped. However, this cannot be used by arrays in which data is striped across all the drives. You need narrow striping so that groups of drives can be powered down without affecting data access on the other drives.

Vendors such as Xyratex and Copan are already delivering systems with spin-down arrays and many more will be following suit in the coming months.

Chris Mellor is storage editor at The Register

Storage
Research analysis

Photo: Kelly Redinger/Design Pics Inc/Rex Features

Plugging the knowledge gap

Research undertaken by Hammer reveals just what resellers expect – and more importantly, need – from storage vendors and distributors

Over the past four years Hammer has commissioned research that in addition to determining trends in the market, also aims to discover exactly what resellers think of distributors and vendors.

The idea was to get a feel for those issues that are considered to be important by dealers. Far too often vendors plough their own fields without consulting partners to see if their efforts and marketing money is being spent in the right places.

It is not unusual for a dangerous knowledge gap to open up between channel teams at vendors and the priorities of resellers on the ground. Research asking dealers to express their views goes a long way towards reducing the likelihood of those problems occurring.

First, resellers were asked what they considered made a good storage vendor, with product quality and reliability coming top of their lists.

For those operating in the channel, the bias that is shown towards product quality and warranty support is understandable because ultimately it is the reseller that has to face the consequences of customer dissatisfaction with poor results.

"If you have a rock solid product that does everything it says it is going to do, the way you dress that up is less important, but if you have a flaky product and dress it up, it is never as successful," said Jason Beeson, solutions division sales director at Hammer. "Word of mouth is important. People talk and read case studies and want to know other user experiences."

Mixed messages

But part of a vendor's role is also to step in with market knowledge and fill in the gaps in the reseller's expertise.

Kevin O'Dwyer, director of north Europe sales at Seagate, believed confusion arose because of the differing messages given by vendors as well as the difficulty some customers have in understanding the exact nature of the problem they are hoping technology will fix.

One area where vendors are having to become more active, according to Paul Hickingbotham, solutions manager at Hammer, is in the number of partnerships they form with other vendors in an attempt to strengthen their solution selling credentials. "Vendors have got better with the certification process so they can rubber stamp who they work with," he said.

Linking into the themes of product reliability and market knowledge, Rick Dudson, EMEA sales director at Infortrend, agreed it was the vendor's responsibility to ensure it had a clearly defined position in the storage spectrum.

"When people are looking at our systems, they want to know the compatibility options. It is not just one item because if they don't all work together there are problems. That's where the market knowledge about what works together and where it is all going is so important," he said.

Focus on partners

One area where resellers continue to interact with vendors is partner programmes. The number of resellers who viewed partner schemes as important was encouraging for Bob Aitchison, EMEA director of channels at QLogic.

"Well over half of the resellers surveyed said partner programmes were important. We focus on those partners a lot and they are important to us," he said.

That view was backed up by Mark O'Malley, product marketing manager at Quantum. "Partner programmes are one of the ways you deliver market support and market knowledge. You deliver knowledge through webinars, e-training tools and seminars," he said.

In terms of the attitude of resellers towards distribution, the responses indicated there was continuing support for a specialist model, with good customer service, product expertise and marketing knowledge all seen as positive attributes.

"It is good news to see that customer service is valued. At Hammer we believe it is important that our customers feel they're being looked after. For us, it's more important that we sell the right product first time, rather than trying to compete on price alone. It's unprofitable to force a product to fit, since more often than not, an engineer will then be required to patch everything together," explained Beeson at Hammer.

Hickingbotham agreed, "If you are looking for good product expertise, it is good to speak to a specialist. One size fits all doesn't work with the market we are selling into. Too many people have had their fingers burnt thinking the same product will fit into different customer environments."

Distributors add value

The vendors' view of the results was that there was a key role for distribution to play in filtering the messages that vendors put into the market, as well as guiding resellers through the complexity of new products and services.

IF YOU ARE LOOKING FOR GOOD PRODUCT EXPERTISE, IT IS GOOD TO SPEAK TO A SPECIALIST. ONE SIZE FITS ALL DOESN'T WORK WITH THE MARKET WE ARE SELLING INTO

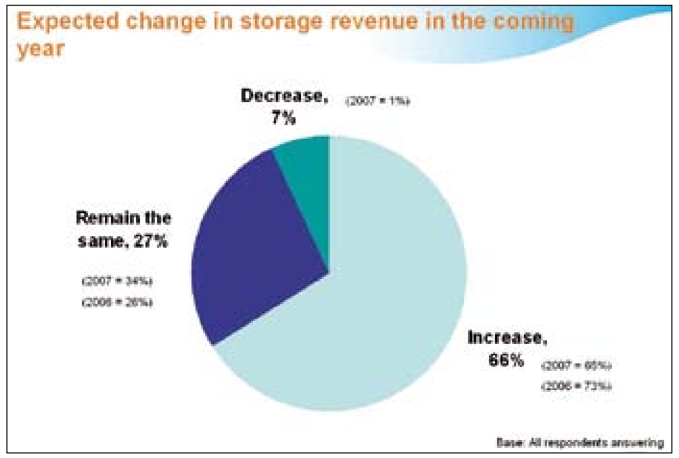
"It comes down to time and productivity. A reseller could research vendors for months, but they can turn to a specialist distributor and they will help you and sell you a good fit. There is a huge value in the VAD in our market," said Aitchison.

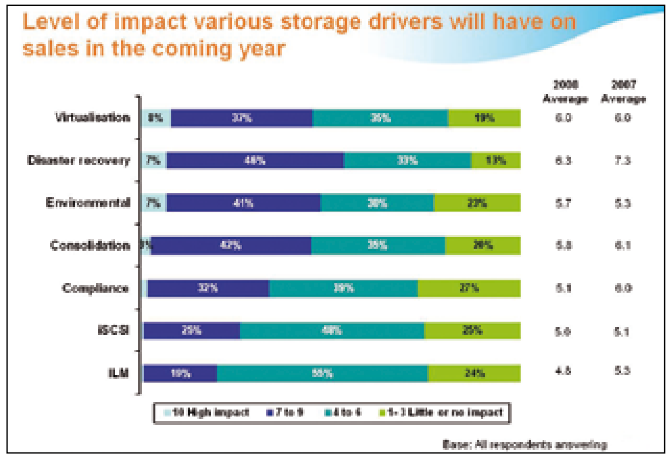
That market knowledge was seen by some as a key competitive advantage between distributors.

"Expertise is the big differentiator. It is easier to catch up on availability, but if you don't have the expertise, you can't decide tomorrow to do it because it is built over time," said O'Dwyer at Seagate.

For those selling products that fitted into an overall solution, working with a distribution partner that was able to pitch the products into the right space was of vital importance.

"It is necessary to have a knowledgeable distribution partner because I am not selling a plug-and-play device to the end user; I am selling something that goes into a full solution, so the knowledge of where to position that is crucial," said Mike Rees, channel director for sales and marketing at LSI Europe.





Will tougher times come?

Experts meet for a roundtable discussion of key issues facing the storage industry, including the state of the market as the global credit crisis bites, environmental concerns versus costs, and the continuing incidence of high-profile data security breaches

WHO'S WHO

Jason Beeson, sales director for the solutions division, Hammer

Rick Dudson, EMEA sales director, Infortrend

Tim Polland, EMEA representative, Texas Memory Systems

Kevin O'Dwyer, director, north Europe sales, Seagate

Mike Rees, channel director for sales and marketing, LSI Europe

Paul Hickingbotham, solutions manager, Hammer

Bob Aitchison, EMEA director of channels, QLogic

Nick Powling, business development manager, Hammer

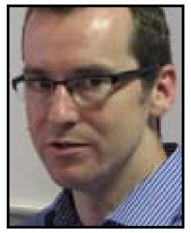
Mark O'Malley, product marketing manager, Quantum

Q. How is the current market and is it going to hold up over the next few months, despite widespread talk of the credit crunch?

Jason Beeson: From Hammer's point of view the storage market is not immune and certain sectors/players will be affected, albeit at a later date than the rest of the market. We are confident that for the whole year we will grow over last year.

WE PROBABLY HAVE MORE PROJECT BUSINESS THIS YEAR, AND IT'S QUALITY PROJECTS WITH REAL SUBSTANCE. I THINK TOUGHER TIMES WILL COME, BUT MAYBE NOT UNTIL NEXT YEAR

Rick Dudson: We see the European picture and overall it is pretty much in line with last year. We are looking at a strong third quarter because a lot of projects that could have come in earlier in the year, that have been held back due to people waiting longer to look at things, are now going ahead. The project business we have is probably more this year than it was last year, and quality projects with real substance. I think tougher times will come but maybe not until next year, and no one will be immune.



Jason Beeson, Hammer: "Vendors have gone from thinking about becoming green to offering real green products, which might get bought over and above the non-green product"

Nick Powling, Hammer: "Drives were up 20% in Europe last year and that will be maintained; the retail side is going through the roof"

Tim Polland: I would say our business is quite strong right now. Perhaps this is because of our penetration into certain sectors that are a bit more resistant to an economic downturn. When business is bad in the credit and investment industries and they are selling off stocks, that's good for us because they have to make transactions and we are a transaction-supporting technology.

If we were to look ahead three months, we would say our business was relatively strong and that's because of the sectors we are focused on.

Mike Rees: We were predicting this year to be pretty flat because there are tremendous changes in the technology that is being used. Parallel SCSI continues to die away and when you have been a major player in that you have to offset the decline in order to stay flat and then put growth back in there.

Projections indicate growth will kick in next quarter and we are on track for that growth. Storage from our view point has been unaffected until now by the changes in the economic climate, but part of that has been the dollar exchange rates offsetting the gloom in Europe. Since all our competitors are dollar based, there's never been a better time to buy storage. The UK might be starting to experience slow-down problems, but looking Euro-wide I am seeing no problems, so we remain bullish for the year.

THERE IS A BIG INFLEXION POINT GOING ON IN THE WHOLE DATA PROTECTION SPACE, WITH A SHIFT FROM TAPE TO DISK AND VIRTUAL TAPE AND DEDUPLICATION

Paul Hickingbotham: We have seen growth again this month on the past 12 months, but there has been a change. There are more projects in different markets that are strong – finance and military – that tend to be fairly immune from any credit crunch. We are finding some markets that are weaker but others that are strong and therefore they are balancing each other out. The general strength in the storage market means we are fairly confident.

Bob Aitchison: We are positive and have that moving forward. One of the biggest things in our business is that we have seen a lot more competitors being incredibly aggressive. There is less willingness to accept a certain price level for certain things and that is to do with maturing markets.

Generally speaking, we are positive for the next three to six months, but in six months' time I think we will start to see a bit of a change. We are not through this yet and I know people in other industries and some unpleasant things are happening and that is going to affect all of us. About 150,000 UK businesses will go to the wall this year and that will have an impact.

Nick Powling: From a products point of view we are optimistic. There is a shift on the types of products being sold and a lot of transition with some people going from parallel SCSI to SAS. From a driver and connectivity point of view, drives were up 20% in Europe last year and that will be maintained; the retail side is going through the roof. There is a technology shift and it's making sure we are on the forefront of those technologies.

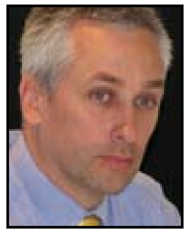
Mark O'Malley: Our channel business in Europe is stable compared with last year, but underneath that there are some shifts taking place. When you look at Quantum's business, there is significant growth in disk-based back-up and some decline in standalone tape drives, but the overall business is relatively stable.

We are currently running some research with distributors and resellers. We asked them about the credit crunch and the number one answer so far from the UK channel has been that it is business as usual and it has not yet affected them. The second response was that sales cycles were lengthening on some projects. Only in third place was that the credit crunch was having an effect.

Q. Are you selling solutions to the same problems as 12 months ago, when compliance dominated the agenda, or has that changed with more interest in the environment, for instance?

PH: The real buzz this year has been virtualisation rather than compliance. There are people mentioning green but more power than green specifically. VMware has been driving virtualisation, but from the operating system through to the interconnect and the storage, virtualisation has been king and that has had an impact. It has affected interconnect technology so iSCSI has worked well with virtualisation.

NP: Green has had an impact, with Western Digital having success with its GreenPower drives, with users looking for what the IOPS are per watt rather than historically dollars per watt. I think green will become more important in the next six months.



Paul Hickingbotham, Hammer: "The general strength in the storage market means we are fairly confident"

Mark O'Malley, Quantum: "We asked UK resellers and distributors about the credit crunch and the number one answer was that it has not yet affected them"

MR: I don't think I've seen new problems or areas emerge. It is the percentage of people and the priority they are applying, so maybe the top of the list is a different item but the top five are still the same.

JB: The issues are all the same but vendors have gone from thinking about becoming green to offering real green products, which might get bought over and above the non-green product. Everything will become more power efficient.

RD: This time last year the focus was on green with virtualisation running along behind it, but in the past six months, based upon the questions we receive and the comments we get, we are still asked a lot about virtualisation, but the green issue has consolidated. It is spoken about a lot, but there are more specific sectors of the market, where questions on "green" issues are getting more refined and specialised, for example green issues in data centres, where they are looking at the power consumption of all of the components of the solutions they plan to install. Hence one sector may appear to put more attention on "green" issues than others, but overall these are not new issues, and the majority of the projects are much more general.

IF YOU LOOK AT THE DATACENTRE WHERE IT IS ALL CENTRALISED, IT IS MORE AFFORDABLE, BUT WHEN YOU GO OUT FROM THAT IT BECOMES SOMETHING THAT GETS PUSHED TO THE BACK OF THE QUEUE

TP: In SSD I had assumed green would be a big deal and we are a green solution. But I haven't sold one system based on green. This is more of a strategic decision, which is very long term and is about how they view the datacentre and the configurations in that datacentre. It is about how they view solid state disk and the contribution ▷

Mike Rees, LSI Europe: "If you can push data on to slower storage and save power, the whole thing is part of green and it's not like you throw a switch and you are green"

Bob Aitchison, QLogic: "We have seen a lot more competitors being incredibly aggressive. There is less of a willingness to accept a certain price level for certain things and that is to do with maturing markets"

of tape and disk and that whole view is very important. Those things are bigger issues than the green but in the longer term they will look at the environmental issue.
MR: Information life cycle comes into it. If you can push data on to slower storage and save power, the whole thing is part of green and it's not like you throw a switch and you are green: it is an evolution.
NP: One size does not fit all. We have a solution to offer different market segments and different verticals, so if there is a green requirement then we have a solution for that.

THE ONE THING THAT OVERRIDES THE COST ARGUMENT IS IF YOU HAVE A BOTTLENECK IN THE SYSTEM YOU HAVE TO RESOLVE THAT. VIRTUALISATION HAS MADE IT POSSIBLE TO ADDRESS THE BOTTLENECKS IN STORAGE

MO: Green has got to make business sense. I saw a presentation from a man from BT who said that unless it is going to cut costs then they are not going to go green. Cost is always up there and will trump green.

Q. Have the recent data leaks benefited storage resellers able to talk about how best to store sensitive data?

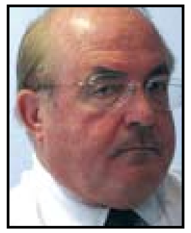
BA: There have been half a dozen major government leaks from lost laptops and data sticks and that is the weakest link. There is a lot of work to provide better security for what we are doing. Particularly in the infrastructure and fibre channel, there has been a weakness in the security protocol side. There has been a real kick on the security side from OEMs and customers. There is still a need for very high-end data security.
JB: Datacentres are taking the correct measures to make sure they are secure, that data is not held in one place and there is no disruption.
PH: If you look at the datacentre where it is all centralised, it is more affordable, but when you go out from that it becomes something that gets pushed to the back of the queue as they balance the budgets.
KO: You can bring out drives that have encryption but it is only part of the solution, That drive on its own with hardware encryption doesn't make everything secure; you need software and disciplines that are not in place today. A lot of high-profile people in the US who had lost their data had not done anything and they couldn't point to any effort they had made to make it secure.

Q. How important is enterprise compared with SME and are you looking at the consumer market with greater interest?

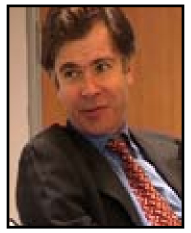
JB: Hammer has always been very strong in the SME market and in the past three or four years has grown much stronger in the enterprise market. That said, the majority of our business comes out of that middle sector, although we are now also looking at the consumer market and have recently added a dedicated consumer-focused sales team.
MO: It is interesting that EMC recently bought Imation. If you read the comments of Joe Tucci, chief executive of EMC, it is all about the consumer market becoming bigger over the next 10 years, not only in the enterprise market but across the entire storage market. So EMC is clearly positioning itself for that market.
Quantum is not doing that yet, but it is a continual debate in the corporate strategy department about where you want to be. Today we have a good mix between SME and enterprise and not in consumer, but that's not to say we won't be in the future.
KO: We have taken a similar view: we see storage in the home or consumer level eventually overtaking the amount of storage we sell into traditional markets. But we have kept that separate from the core business so as not to lose focus. We have seen in the channel that companies are trying to compete in both markets and it is best to keep them separate because the skills that are needed are slightly different.

Q. A consultancy sale seems to be the order of the day. What technologies are involved in solutions and are resellers pitching them correctly?

JB: A lot of people are going to be talking about business and the issues to do with the economy and we need to sideline that a bit and talk about the new technologies. There are huge opportunities with things such as fibre over ethernet, solid state disk and virtualisation, and those are the issues we are going to focus on and get the messages out about the benefits of moving to the new technology.
RD: The key thing is to keep the focus on what is available and what can be provided and help the customers work out where to use this technology. They might not have the budget that they had before, so they need help working ▷



Tim Polland, Texas Memory Systems: "I had assumed green would be a big deal and we are a green solution. But I haven't sold one system based on green. This is more of a strategic decision, which is very long term"



Kevin O'Dwyer, Seagate: "You lose a lot of credibility going in with fear, uncertainty and doubt. The opportunity is in delivering real consultancy advice for a solution"

out what they can achieve with the resources that they have available and then they need the support to help them do it and to provide this solution.

PH: Business solutions are really important at the moment. The one thing that overrides the cost argument is if you have a bottleneck in the system you have to resolve that. Virtualisation has made it possible to address the bottlenecks in storage and all the interconnects are very important as well as SSDs sitting alongside hard drives.

We are seeing a lot more run rate with InfiniBand, connectivity and people asking questions in the SME space about solid state disk, and with virtualisation as the platform they are alongside each other, but there is a lot of education to do on solid state disk, InfiniBand and iSCSI.

For the past couple of years we had fibre channel, SCSI attached RAID and SATA or SAS disk and capacities grew but things didn't really change. But now business solutions are starting to drive things and resellers are educated enough to realise that is happening.

KO: That is true when you have different technologies delivering different benefits. We tend to look at the storage landscape from 'technology we don't have' to the 'technology we do have' and there is no really bad story. You lose a lot of credibility going in with fear, uncertainty and doubt. The opportunity is in delivering real consultancy advice for a solution, looking at what they need and what they want and then delivering an optimised solution.

NP: I think our customers are educated enough not to believe the hype and are going to test the solutions to gauge for themselves the business benefit.

MO: There is a big inflexion point going on in the whole data protection space, with a shift from tape to disk and virtual tape and deduplication. There is a lot of confusion out there because these are relatively new approaches. This provides a real opportunity for a reseller to come in with a solution sale and say they are going to understand their problem, environment and come up with a solution that meets the customer's needs.

Data storage:

a positive outlook for the channel

It is hard keeping a positive outlook on life as banks crumble and chancellors spout miserable predictions, but those in the storage market are upbeat. According to research of the reseller market by Hammer, the vast majority expect spending to increase over the next 12 months as customers continue to deal with growing data mountains.

Even with the current turmoil in the financial markets and the collapse of several banks there is an optimism that remains in the channel because databases have to be maintained and the infrastructure around them invested in.

But with 66% of resellers expecting storage revenue to increase in the next 12 months, things seem positive.

When questions were asked about the technology that would be driving growth, the top of the list was virtualisation along with green products.

"The increase in the importance of environmental issues is not a surprise but the question is whether the buying behaviour is going to mirror the opinion expressed. People do rate it as important, but if it actually determines what they buy remains to be seen," said Kevin O'Dwyer at Seagate.

He was reflecting a wider concern among vendors that although environmental considerations were commonly voiced by customers, the drivers for sales still focused on helping to reduce costs and improve efficiency (see roundtable).

Elsewhere the impact of virtualisation has been seen with a range of technologies. Paul Hickingbotham, solutions manager at Hammer, noticed a knock-on effect in several areas. "Over the past 12 months the biggest interconnect growth we have seen has been iSCSI and that has been driven by virtualisation. So it is the virtualisation that is the important thing and iSCSI is important as the interconnect," he said.

The appearance of disaster recovery was seen by Mark O'Malley, product marketing manager at Quantum as a sign that users were still trying to cope with the demands of risk management and compliance pressures.

"It is interesting that disaster recovery continues to be up there. I have done market research in this space for 10 years and every time the number one pain point for storage is back-up and recovery and it is still there," he said. "But what's changing is how you meet those needs. If you went back 10 years it was about tape libraries and tape drives. Then disk came in and virtual tape and deduplication and the impact of virtualisation. Meeting customers needs is continually evolving but the problem is still there," he added.

Delving deeper into the research there are more signs of encouragement for those operating in the storage market. According to the research, the days of a handful of large brands dominating the market have come to an end.

With users now more aware of their options and the growth in solution selling helping to promote less known brands, the landscape has changed to the benefit of those players that are not locked in with a large single supplier.

According to resellers, the majority of users had not yet decided on product or brand at the start of the buying process. Even if they knew the technology they wanted, the question of the badge on the tin was still not fixed.

"Customers are slowly learning that the comfort and the brand is not the same as it used to be and there are alternatives to the 'A' brands that are equally well supported and equally good technology-wise. Hopefully the mentality of 'it has to be brand A or brand B' will continue to become part of history," said Jason Beeson, sales director for the solutions division at Hammer.

He added that the market had changed in the past year, which might explain why the results had increased compared with 2007.

"If you look over the past year there have been a lot of new vendors in this space that have well-rounded solutions for the enterprise, and that means they are often more cost-effective and do a better job, so the blind faith in the A brand has taken a real dent," he said.

Part of the change in buyers' attitudes was attributed to the approach that resellers were now taking with their sales pitches.

"If the reseller has done his job properly, he goes to the customer and says x, y and z will best meet your requirements. They are almost moving away from mentioning any specific brand," said Rick Dudson, EMEA sales director at Infortrend.

For those vendors trying to broaden their market reach the findings from resellers were seen as encouraging.

"It indicates an awareness of alternatives, even if it is not a full understanding of what the alternatives are," said O'Dwyer at Seagate.

Most vendors reported experiencing growth in more project-based sales rather than specific orders for certain parts, and that was seen by Hickingbotham as another reason that there had been a shift away from big brands.

"We are seeing more project-driven sales and that's because customers are seeing an alternative to brand 'A'. But also gone are the days when the non-tier one vendors would just shout speeds and feeds. Vendors have got better at marketing their technologies so customers are seeing alternative vendors as the knowledge points," he said.

Hammer first for storage

We will always need more storage. Crucial data, and the way in which it is stored, can mean make or break for any company of any size. What's more, in a rapidly moving market, resellers, more than ever, need a distributor who can offer complete understanding of technologies and market forces, including ultimate service and support, complete comprehension of legal and environmental issues, and complete expertise and dedication across the board – this is where Hammer excels.

Complete dedication

So, how does Hammer benefit channel partners and reseller customers? As the UK's number one dedicated storage distributor, Hammer will stop at nothing to ensure it adds value for each and every customer, to help them grow and maintain profitable business.

By working in more ways than ever with their vendor and reseller partners, Hammer identifies, and addresses, customer needs, bridging the gap between vendor and consumer. Tailored and off-the-shelf business solutions provide appropriate, cost-effective options for all customers, whatever their business.

Market leader

Hammer can let the facts speak for themselves. For 17 years, the distributor has been completely dedicated to, and a market leader in, the storage arena. In the past 12 months, it has remained 'Storage Distributor of the Year', has increased business partnerships and enhanced its storage portfolio, and is increasingly seen as an environmental innovator. In addition, its finance facility, Hammer Finance, supports its reseller partners in securing increased levels of business.

Its in-depth knowledge of the market, and ability to provide market-leading and cost-effective solutions, mean that even in today's economic climate, resellers can benefit from not only world-class service, but also a world-class, all-encompassing storage portfolio. Coupled with a production and proof-of-concept facility, resellers can develop solutions and provide end user demonstrations, plus benefit from free consultancy, configuration and one-year advance replacement on storage solutions.

Hammer has also recently enhanced its sales structure, as part of its value-add strategy to meeting changing customer requirements. With the addition of a consumer storage team, it has extended its offering to ensure a comprehensive and flexible storage portfolio to address the needs of all business and consumer market sectors. Hammer's partners have never been in a better position to benefit from the expertise and dedication the company has to offer.

Innovation

Hammer has established an enviable reputation as a leading innovator. Resellers benefit from its knowledge of the market, products, applications, technologies and trends, and its flexible approach ensures that each customer avails from bespoke service and expertise.

Hammer also hosts a channel-focused 'Storage Focus' event – a hugely successful opportunity for resellers and integrators to gain an unbiased view of the channel and future trends and opportunities.

Remaining consistently innovative, dedicated, understanding and flexible, Hammer now, more than ever, has the definitive answer for every storage requirement.

PRODUCTS AND SOLUTIONS

- Bespoke Storage Solutions
- Consumer Electronics
- Drives – Disk/DVD/Tape
- Enclosures & Subsystems
- FireWire & USB Peripherals
- HBAs & RAID Controllers
- Media & Digital Media
- Memory
- NAS Gateways
- Professional Services
- Servers & Components
- Solid State Disk and RAID Solutions
- Storage Networking
- Storage Software
- Tape Automation & Libraries
- UPS

TECHNOLOGIES

- Consumer Storage
- Direct Attached Storage
- Fibre Channel
- Fibre Channel over Ethernet
- InfiniBand
- Internet Protocol
- iSCSI
- MAID
- Network Attached Storage
- Serial ATA
- Serial Attached SCSI
- Solid State Disk
- Storage Area Networks

BUSINESS APPLICATIONS

- Backup & Archive
- Compliance
- Content Management
- Disaster Recovery
- High Performance Computing
- Home Office
- Information Lifecycle Management
- Network Attached Storage
- Niche Market Solutions
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- Remote Office Consolidation
- Storage Area Networks

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