



Tier1Research

Cloud enabler you should know: Hexagrid

Enterprise and Mass-Market Hosting

by Jason Verge , March 5, 2010

A few interesting cloud enablers are coming across T1R's radar, the latest being Hexagrid Computing. Regional colocation and datacenter providers looking to move into enterprise cloud services have presented an ample customer opportunity for providers of cloud enablement and management platforms. This is the market Hexagrid is looking to tap. Since the technology (or more accurately, the business model) of the cloud is still nascent, innovation has been fast and furious at the platform level.

Hexagrid's offering

In the interest of brevity, the two major pieces are VxDatacenter and VxPortal. There are other parts, but those two items comprise the management platform and console.

* VxDatacenter provides the management piece atop a datacenter provider's infrastructure. It's designed to support the management from birth to billing for thousands of servers and petabytes of data. VxDatacenter handles workload management and scheduling. Fault detection dynamically migrates virtual machines from failed hardware to live infrastructure. Routing and network management is handled within the cloud.

* The portal part, VxPortal, gets co-branded between provider and Hexagrid. The portal provides the face to the provider infrastructure and VxDatacenter management. It's a unified console to manage all aspects of enterprise cloud, including provisioning and management of multiple enterprise cloud deployments. Additionally, it's used to extend portal access, manage multiple tenants, provide role-based access control, manage backup and recovery, provide health and system monitoring, and customer account management.

* ServeNet is unifying middleware that transforms managed cloud appliances into virtual private datacenters.

Onramps vs. enablers

These management platforms that have been cropping up are often built atop a preexisting cloud offering; something we like to call cloud onramps. Cloud enablers, however, help datacenter providers bring a cloud product to market – it's building the cloud from scratch. It's a slight semantic variation, but the opportunity and target market for both approaches are vastly different. Cloud onramps deal primarily with the end-user enterprise (though they do partner with infrastructure providers on the hosting side) while cloud enablers deal with datacenter and hosting providers looking to make a cloud. Hexagrid falls into the latter category, helping datacenter and colocation providers looking to entice the enterprise space with clouds of their own get up and running.

Strong regional providers are Hexagrid's sweet spot; does that mean Hexagrid is their sweet spot?

A clearer distinction between mass-market and enterprise-ready clouds means that getting into cloud shouldn't be scoffed at, because the aggressive pricing on the part of mass-market giants like AWS doesn't directly compete. The sweet spot for Hexagrid is regional-based providers, and convincing them that in this incarnation, a cloud product line isn't as dependent on scale to bring in the revenue as much as the mass-market clouds are.

In addition to potential disinterest toward the cloud in general on the part of infrastructure providers, another threat to Hexagrid is a more in-house approach to cloud initiatives. Simplifying management and quicker time to market is often touted as the major benefit to going the cloud enabler route. A somewhat hidden benefit against a more in-house approach is that resources aren't strapped during development and management and there's no confusion on the customer's part as to what a datacenter provider's core competency is. That's what makes it a good fit for strong regional providers. Regional providers have something good going with traditional-style customers, so spending significant energy on something that eschews that model is too risky a proposition, lest it alienate their bread-and-butter clientele. The contract between regional provider and customer is more personal than with regionally dispersed providers. Their business relationship is more akin to a marriage, and the spouse will get suspicious if you're spending too much time focusing on that sexy cloud neighbor. The key is bringing it in without giving the impression that you're neglecting your core.

T1R take

The distinction between mass-market cloud and enterprise-appropriate cloud is getting clearer, both in terms of provider positioning and end-user perception. This means that datacenter and colocation providers aren't necessarily forced to compete with the likes of AWS – and the price points that come with it – if they roll out cloud services. Rather, it brings in the intriguing advantages of the cloud into an infrastructure environment enterprises are more comfortable with—and more apt to adopt. It's the Grey Poupon to AWS' French's mustard. We're going to steal a page from Malcolm Gladwell's pop culture research and say that regional clouds will have as much of an impact as Grey Poupon did on the mustard industry. It opened up the floor for hundreds of variations of mustard that didn't have to rely on commoditized pricing, and proved there was room and demand in the market for both.

A generous revenue-sharing model for Hexagrid's co-branded management platform that seems to tilt in favor toward the datacenter and colocation provider means that Hexagrid should be on the short list of those evaluating cloud enablement platforms. While it's an option that needs to be examined on a case-by-case basis, Hexagrid is particularly worth a look on the part of strong regional providers that want a cloudy offering, but don't want to reinvent the wheel too much and risk alienating the current, traditional customer base.