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Worldwide Channel Survey: Data Center Availability Is Primary Concern to Meet Demand for Virtualization and Software-Defined Networking

Fabrics Gain Recognition as the Foundation for Data Center Evolution, but Reactive Approach to Network Investment Risks Business Growth and Stability

SAN JOSE, CA -- (Marketwired) -- 12/05/13 -- As customers look to adopt virtualization, embrace software-defined networking (SDN) and meet the needs of more demanding users, new research from [Brocade](#) (NASDAQ: BRCD) among channel resellers across the globe has revealed that "*data center availability*" is their customers' biggest concern (40 percent of respondents). Moreover, the survey indicated that this concern is limiting innovation and the adoption of next-generation applications and services. This poses an immediate opportunity for the channel to seize a competitive advantage by becoming strategic advisors to global enterprises and helping them understand how fabric-based data center environments deliver tomorrow's networks today.

The research -- conducted among 350 global resellers and systems integrators with the support of Avnet, TD Azlan, TechData, Arrow ECS, edsLAN, immix group, Mindware and Westcon -- found that 60 percent of end users view fabrics as the future of networks. However, willingness to invest in data center networks remains a key stumbling block to enterprises' ability to deploy the on-demand, highly flexible and robust infrastructure they need. Almost a third of the channel stated that their customers only invested in networks to support the deployment of a specific new application or service, and more than one in 10 admitted that investment was made only when the network was already failing.

Jason Nolet, vice president Data Center Solutions at Brocade said, "There is a growing recognition that fabrics are the future of data center networking. However, many enterprises are still relying on legacy environments that are no longer fit for purpose, especially as they look to leverage the benefits of software-defined networking -- and this presents the channel with a terrific opportunity. Channel partners that can help customers take the journey to fabrics will succeed in the new networking landscape."

Key survey findings include:

- The five top drivers of network investment are:
 1. The desire to adopt virtualization (41 percent)
 2. Demand for faster access to data and applications (41 percent)
 3. Demand for greater bandwidth (32 percent)
 4. The need to support increasing data volumes (25 percent)
 5. The need to support mobility (24 percent)
- More than 60 percent of the channel believe it will be "*standard*" or "*very common*" for fabric networks to be deployed in data centers by 2020.
- A quarter of the channel believe SDN will be a significant trend by 2020, but currently a third admit to knowing little about SDN.
- 62 percent of the channel believe budget constraints are having a "*significant impact*" on customers' ability to invest in technology, with 63 percent seeing vendor financing as "*vital*" or "*more important*" over the next few years.
- However, flexibility, not cost savings, is the main reason customers adopt the cloud (cited by almost a third of respondents), followed by fast adoption of applications according to 18 percent.
- The channel cite "*competition from vendors*," and "*lack of experienced sales people*" as well as "*low awareness of services value*" as the top three challenges they face in building their services revenues.
- 62 percent of respondents who have engaged with public sector customers expect investment from this vertical to "*increase*" or "*significantly increase*" by 2020.

"Our findings clearly illustrate that there is an immediate need for partners to engage customers now, and help them on their journey to a fabric-based data center infrastructure," commented Bill Lipsin, vice president of Global Channel Sales and Marketing at Brocade. "In addition to a world-class solutions portfolio, the [Brocade Alliance Partner Program](#) and [Capital Solutions](#) offerings are uniquely positioned to help our partners stand out in what is a highly competitive market, and deliver customers a strategically differentiated offering."

"Brocade's survey identified specific needs and challenges faced by partners in the ever-changing world of information technology," said Scott Look, Vice President and General Manager, Connected and Secured Solutions, Avnet Technology

Solutions. "Avnet Technology Solutions is uniquely positioned to support Brocade's partner community to overcome those obstacles with the powerful combination of Avnet's strategic solutions selling approach and our well-aligned partnership with Brocade."

"In partnership with Brocade, Tech Data was honored to participate in the development of the report," said Ken Griffin, VP of Product Marketing, Tech Data. "Tech Data and Brocade share a focus on adding value through customized education, training and marketing to meet the needs of solution providers in the channel. With the changing landscape in technology, channel partners are tasked with providing complete solutions around cloud, mobility, the Internet of Things and more -- from the data center to the living room. Through our partnership with Brocade, Tech Data is committed to delivering value through the channel enablement of our Brocade partners."

A report based on the findings, a presentation of the data, and a graphic showing the key findings is available here: <http://bit.ly/1cjByQC>

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