



Complex Infrastructure Made Easy™

Cloud Infrastructure Leadership

Alliance of CEOs

May 20, 2011

➤ **John Keagy (CEO & Founder)**

A decorative background graphic on the right side of the slide, consisting of a grid of white lines on a green background, creating a perspective effect that recedes into the distance.

Agenda

- Brief GoGrid overview
- What is cloud computing?
 - Cloud pyramid
 - SaaS
 - PaaS
 - IaaS
- The economics of cloud computing
- Questions

10,000+ Customers Across All Verticals



Serviced by

- 150+ Domestic Employees
- 50+ International Employees

Cloud Thought Leadership

The Economist
JANUARY 1ST-7TH 2011
Economist.com

Information technology goes g...
Tanks in the c...

Computing services are both...
CLOUDS bear little resemblance to tanks, particularly when they are of the digital kind. But statistics used to count tanks in the world war may help to answer that is on the mind of many watchers: How big is the computing cloud? This is not just a question for geeks. Computing clouds—essentially digital-service factories—are the first truly global utility, accessible from all corners of the planet. They are among the world's biggest energy hogs and thus account for a lot of carbon dioxide emissions. More happily, they also...

Services generated...
Going one level deeper, there is "platform as a service" (PaaS, pronounced parse), which means an operating-system living in the cloud. Such services allow developers to write applications for the web and mobile devices. Offered by Google, Salesforce.com and Microsoft, this model...

Users pay for what they use, as with electricity. As with electricity, they can increase their usage quickly and easily. The "cloud of clouds" has three distinct layers. The outer one, called "software as a service" (SaaS, pronounced sars), includes web-based applications such as Gmail, Google's e-mail service, and Sales-



adaptable computer systems. **The market leaders are GoGrid, Rackspace and Amazon Web Services**, the computing arm of the online retailer, which made headlines

run applications and compare other computing tasks. But in a departure from most on-demand computing services, GoGrid on Wednesday will announce a service that allows companies to pay extra to rent full sets of physical hardware to run their virtual servers, instead of sharing the hardware with other customers.

PCWorld Business Center
Software & Services Office Hardware Security Servers & Storage Cell Phones & Mobile

Tweet 10 Diggs 0 Likes 0 Comments 0 Recommendations Email Print

SOFTWARE SERVICES Jan 19, 2011 12:10 pm

GoGrid Offers Hosted Private Cloud

STRUCTURE

GoGrid Fuses Cloud Capabilities to Dedicated Servers

By Derrick Harris | Jan. 19, 2011, 11:30am PST | No Comments

Tweet 23 Like 1 One person likes this.

Cloud provider GoGrid has expanded its Infrastructure-as-a-Service catalog by launching a Hosted Private Cloud that maintains all the features of GoGrid's standard multi-tenant cloud offering, but on dedicated physical servers. It's an interesting tactic for getting new customers, and it highlights the different value propositions and visions of the leading cloud providers. Unlike Amazon Web Services, which today went even further down the developer path by releasing its own PaaS offering, GoGrid is targeting more-conservative IT types who want the benefits of cloud computing but still aren't ready for the security of sharing resources.

Cloud Computing is...

OVER THE INTERNET **PROGRAMMATIC** **SHARED**
SCALABLE **USAGE BILLING** **ON-DEMAND**

“A style of computing where scalable and elastic IT-related capabilities are provided 'as a service' to customers using Internet Technologies”

- Gartner

No Hardware!

- ▶ In 2010 Gartner Predicted:

“By 2012, 20% of businesses will own no IT assets”



By 2012 20% of businesses will be 100% cloud

Audience Questions regarding IT assets:

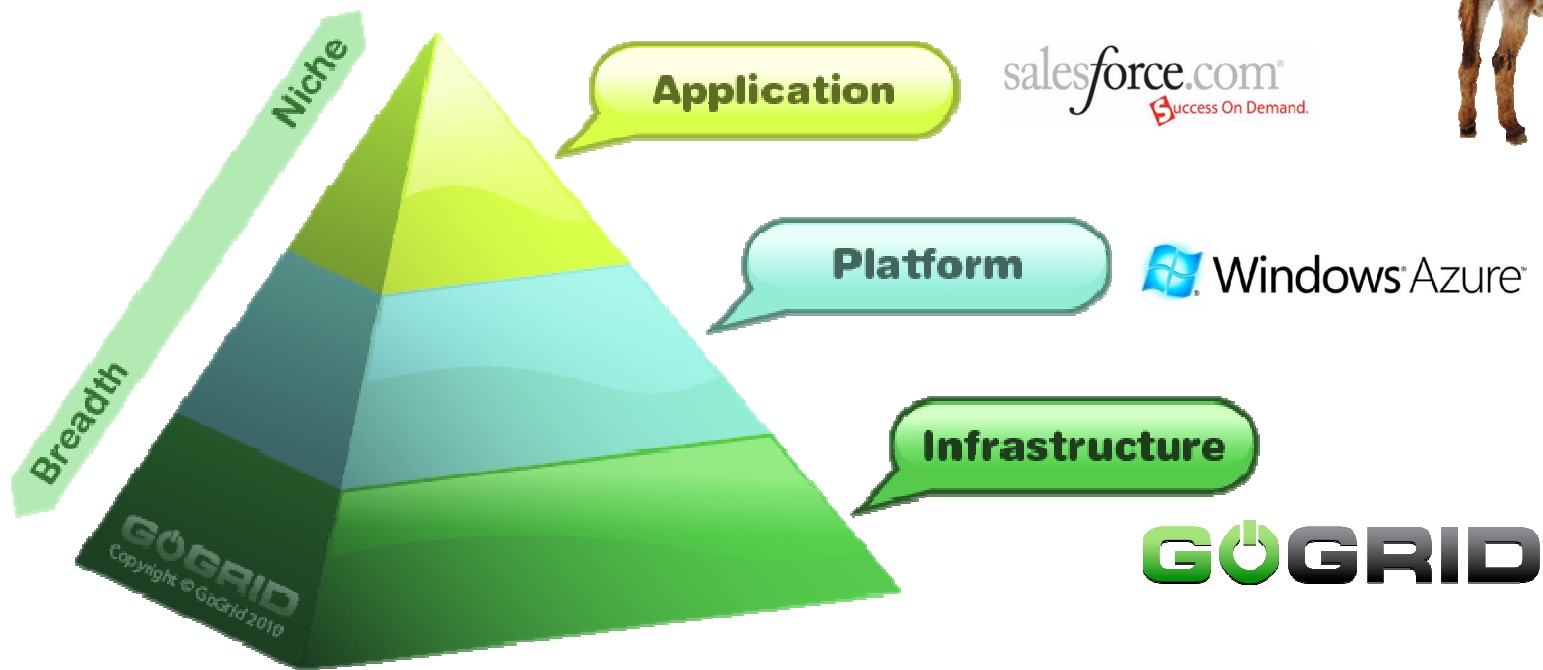
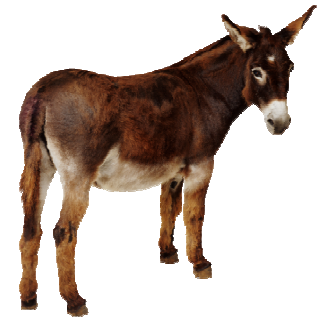
- What percentage of the audience has at least a closet-full of servers?

“Cloud Computing” Trends

- Search volume on Google for “cloud computing”

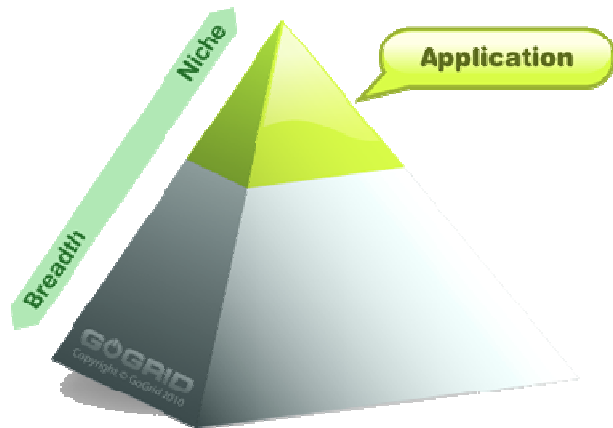
The Cloud Pyramid

➤ IaaS → PaaS → SaaS = Being an “aaS”



[HTTP://PYRAMID.GOGRID.COM](http://pyramid.gogrid.com)

Cloud Applications (SaaS)



➤ **Characteristics:**

➤ **Strengths**

- Sometimes free; easy to use; lots of different offerings; easy to access; good consumer adoption; proven business models

➤ **Weaknesses**

- You can only use the application as far as what it is designed for; no control or knowledge of underlying technology

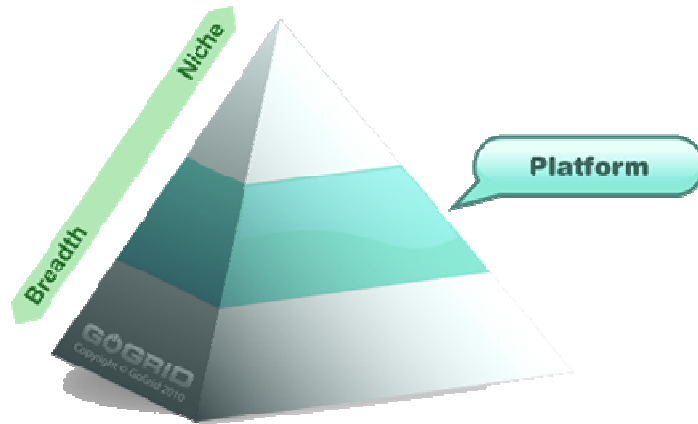
➤ **Company examples:**

- Gmail
- Salesforce

Audience Questions regarding SaaS:

- What percentage of the audience uses Salesforce.com or another “cloud-based” CRM system?
- If yes, what concerns do you have with having all of your data in the cloud?

Cloud Platforms (PaaS)



Examples of Cloud Platforms

Google App Engine

Windows Azure

force.com platform as a service

➤ **Characteristics:**

➤ **Strengths**

- Great for developers with a particular niche target, upload a tightly configured applications and it simply “runs” within the platform’s framework; more control than a Cloud Application

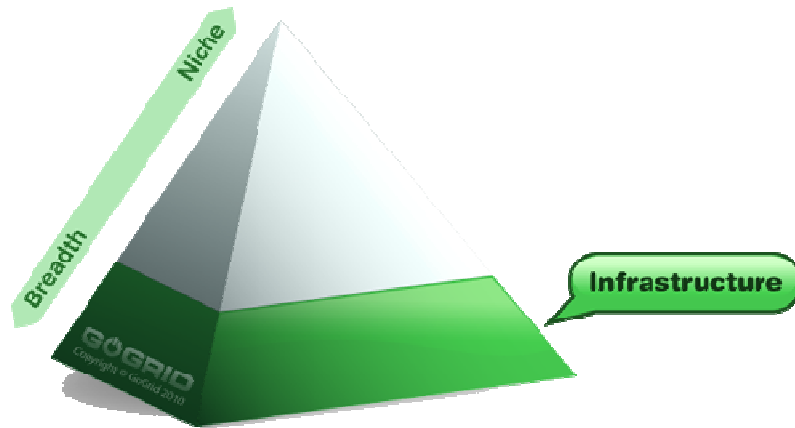
➤ **Weaknesses**

- Restricted to the platform’s ability only; hard to work “outside the box”; sometimes dependant on Cloud Infrastructure providers

➤ **Company examples:**

- Google App Engine
- Microsoft Azure
- Force.com (SalesForce)

Cloud Infrastructure (IaaS)

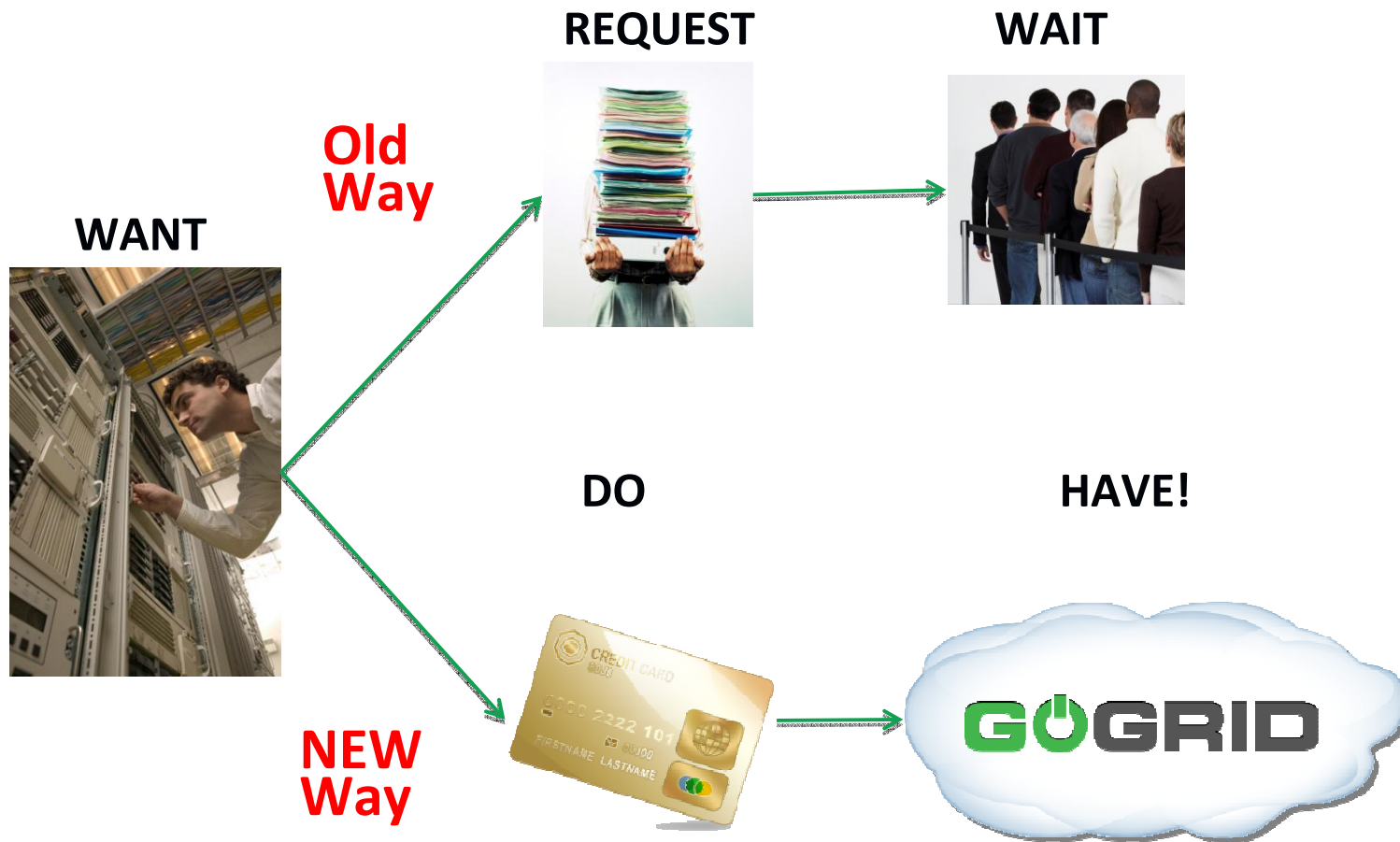


- **Characteristics:**
- **Strengths**
 - Offers full control of a company’s infrastructure; not confined to “containers” or “applications” or restrictive instances
- **Weaknesses**
 - Sometimes comes with a price premium; can be complex to build, manage and maintain (based on provider)
- **Company examples:**
 - GoGrid
 - RackspaceCloud
 - Amazon Web Services

Audience Questions regarding IaaS:

- What percentage of the audience uses GoGrid, Amazon or another public cloud?
- What do you use it for?

“Backdoor” IT Provisioning

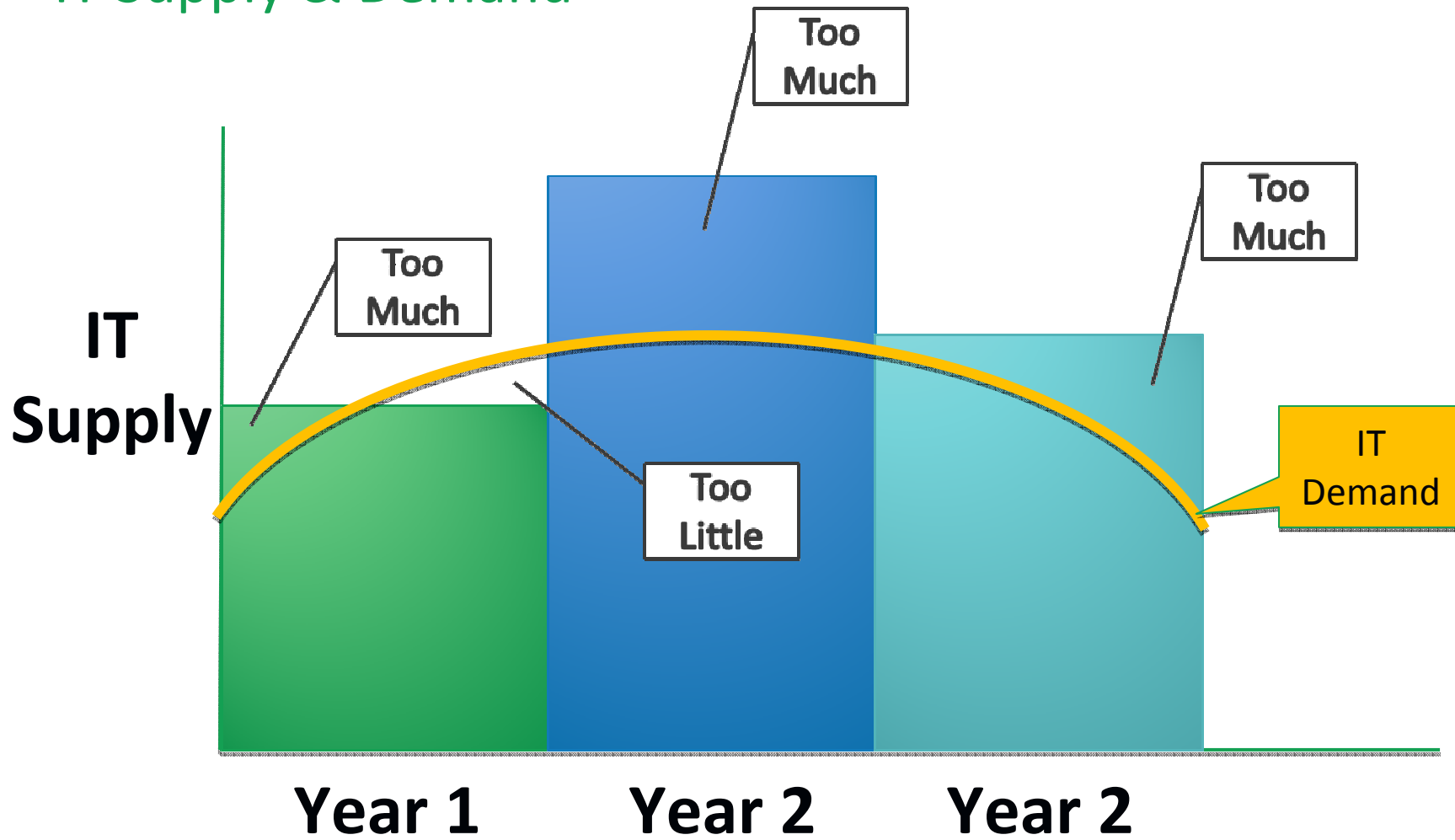


Which of these actually make cloud computing financially compelling?

- A. Super cheap power, such as hydro-electric
- B. Shipping container datacenters
- C. Massive datacenters
- D. Datacenters with super-efficient cooling
- E. VMware virtualization licenses
- F. Pay-as-you-go pricing
- G. Automation
- H. Shared platforms
- I. Commodity hardware



IT Supply & Demand



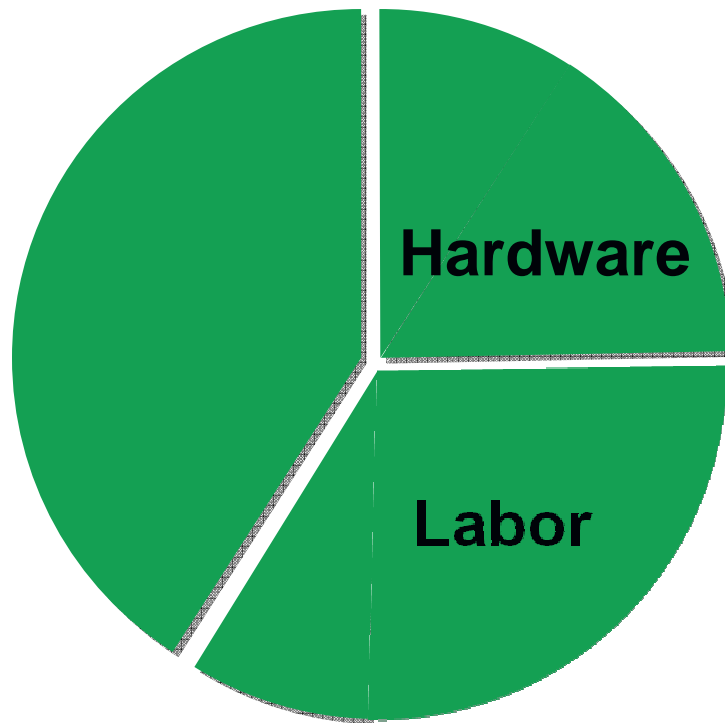
Shared Platform - Salesforce.com Cloud Economics

- Typical on-premises CRM solution 2 - 10 servers
- Salesforce.com 97,700 customers on 3,000 servers
<http://www.youtube.com/watch?v=AHJSzJf-ZIU&NR=1>
1/2 of the servers unused – Disaster Recovery

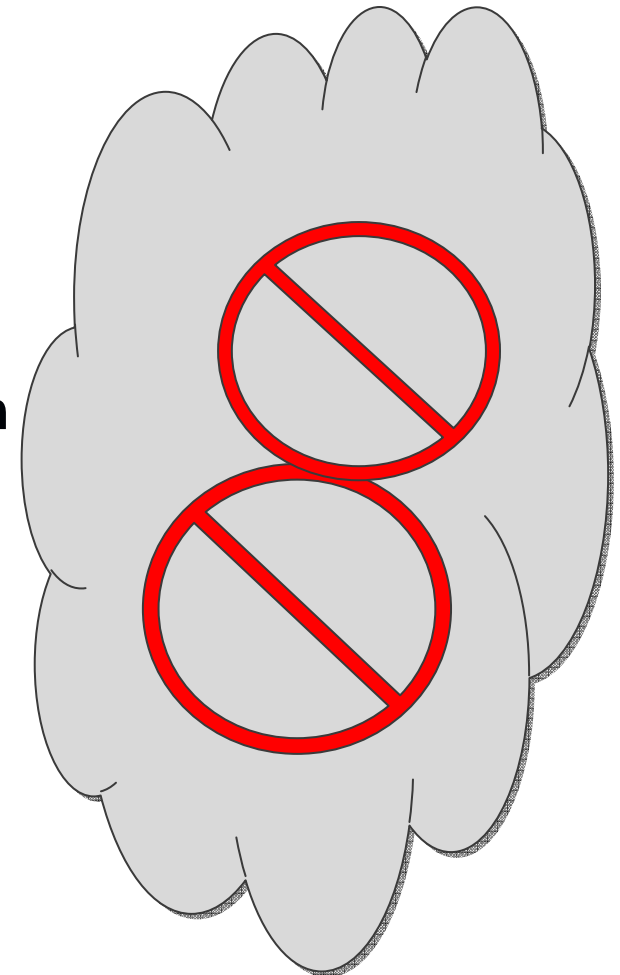
= 0.031 servers per customer
- 2 servers vs. 0.031 servers = not 10 x better... 65 x better

Automation Removes Labor & Hardware Costs

\$3.3 Trillion IT Economy



- **No over-provisioning = 3 x savings**
- **Shared platform = 3 – 5 x better utilization**
- **Far less labor**
- **More accuracy**
- **Simpler, faster**



Questions?



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