

# **PUND-IT RESEARCH**

## **Marketplace Update**

### **The Migration Advantage:**

### **Why and when proactive server migration is a wise strategic choice**

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# The Migration Advantage: Why and when proactive server migration is a wise strategic choice

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Migrating from one server platform to another is no easy task. In fact, many consider migrations akin to abandoning ship in shark-infested waters. But sometimes ships, and server platforms, begin to sink, or handle badly, or fail to support the people and businesses that depend on them. When that happens, migration becomes a simple matter of survival.

In Pund-IT's view, Hewlett-Packard customers have much to consider in this regard. During the past half decade HP's computing fortunes have notably declined in the enterprise server space. This would seem counterintuitive, since the company automatically gained significant market share via its 2001 acquisition of rival Compaq's Alpha and Tandem Non-Stop server lines. However, we believe that a number of critical missteps laid the foundation of HP's troubles.

For example, the company's decision to migrate its enterprise platforms to Intel's Itanium architecture might have seemed a good strategy, but numerous challenges including poor performance and notable delays inhibited the effort. In addition, HP's initial blade servers suffered from design inefficiencies that the company addressed in its next generation blades. However, the new products' lack of backward compatibility left HP's original blade customers stranded. These and other issues left some clients holding the bag, who then looked beyond the company for innovative new solutions.

## ***Server Migration Alternatives***

To which alternative server solutions did and do HP's customers migrate? The two obvious choices are IBM and Sun Microsystems, though evidence suggests the former to be their prevalent choice. There are good reasons for that preference. First, IBM's dominance in overall server sales reflects the company's leadership standing among enterprise IT customers. In addition, that position is bolstered by the depth and breadth of IBM's solution portfolio which spans products including capacious TotalStorage arrays, commodity System x x86 products, flexible BladeCenter solutions, System i business platforms, muscular System p UNIX servers, and the company's flagship System z mainframes.

In addition, IBM has been aggressive in rolling out new server solutions that leverage both emerging technologies and the company's engineering expertise to good effect. IBM's BladeCenter products are a case in point. The company's innovative blade design supports server solutions that are easier to deploy, manage, and scale, use less power, and produce less heat than competing products. By addressing and solving fundamental customer challenges, IBM's BladeCenter solutions provide distinct advantages over HP and other competitors' blade systems.

Overall, we believe three fundamental issues inspiring companies to choose IBM's System x, p, i, and z servers, BladeCenter, and TotalStorage solutions:

- **Risk Management** - For customers who need to achieve business uptime and reduced risk, IBM solutions offer advanced availability, security, and compliance features backed by

committed technical support. IBM's stable and evolutionary technology roadmap has delivered outstanding product performance, scalability, and reliability since the early 1990s.

- **Business Flexibility** - For companies that need to integrate new systems and applications into their business, IBM's flexible product portfolio enables customers to choose the right solution to match their business needs. These solutions support open standards and are optimized to work well together and with other vendors' systems.
- **IT Optimization** - For companies that need to simply access and manage resources, enhance asset utilization, or reduce operating costs, IBM provides powerful cross-platform virtualization and systems management solutions. These capabilities make system migration and consolidation extremely efficient, and can help lower datacenter TCO substantially.

### ***IBM's Migration Advantage – The Customers' POV***

To help gain insight into these points, we will consider the benefits that two companies, LightEdge Solutions and Devon Health Services, have realized from migrating to IBM Systems.

#### **LightEdge Solutions**

Based in Des Moines, Iowa, LightEdge Solutions is a provider of fully-managed network and business services, voice services and hosting for small and medium sized businesses in the Midwest and Southwest. LightEdge is dedicated to technology leadership and best-in-class service and support. The company's Service-on-Demand offering aims to provide clients fully-managed network and business application services, allowing businesses to focus on their core business, gain competitive advantage and scale for growth.

Over time, LightEdge had accumulated a widely-varied multi-vendor IT infrastructure that included HP platforms, HP legacy Compaq systems, Sun servers, and Dell systems. While some of those solutions worked well enough for individual applications, the inherent complexity of the whole made management painful and scaling difficult. LightEdge decided that working with a single vendor was critical to the company pursuing an effective growth strategy.

Three key areas the company wished to address were scalability, ease of deployment, and ease of management, all of which LightEdge identified as necessary for its future success. After spending a significant amount of time in research and testing, the company decided to work with IBM to migrate its entire IT environment to an infrastructure consisting of IBM System x servers, IBM BladeCenter systems, and IBM DS-series SAN-based storage solutions. LightEdge began by shifting some mission-critical applications and platforms to the IBM components, and is continuing additional migrations as time and business requirements allow.

Since beginning this effort, the company has realized a notable improvement in overall systems manageability, and is extremely pleased with the dense, highly-efficient IT environment provided by IBM's BladeCenter. The company's prior and current experience with Wintel servers offers a case for comparison. Previously, building a traditional WINTEL box was a process that could take LightEdge IT staff anywhere from 20 minutes with an automated imaging process to many hours to complete. Since IBM BladeCenter makes it easy to replicate an operating system environment, the company can build and deploy a Wintel blade in about 15 minutes.

LightEdge also believes it is gaining from IBM's technical leadership. According to the company, IBM is leaps and bounds ahead of HP and Dell from an engineering perspective, producing advanced products that match the needs of a technically-focused company like LightEdge. Overall, the company sees IBM as leading the market in technology, product manageability and stability, and in providing world-class support. Since LightEdge Solutions is growing rapidly, the company looks to IBM to be a continuing, active partner in its future success.

## **Devon Health Services**

Devon Health Services is a National Healthcare Cost Management company located in suburban Philadelphia. The company's goal is to assist customers in identifying and successfully combating factors responsible for rising healthcare costs. Devon Health's product portfolio includes National Preferred Provider Organization (PPO), Physician and Hospital Claims Settlement, Pharmaceutical Benefit Management, Patient Education Tools, and provider products designed to help physicians and hospitals lower costs, increase revenue, and improve safety.

In 2005, the company began a concerted effort to migrate its IT infrastructure from HP servers to IBM's BladeCenter. According to Devon Health, costs related to growth were one of the biggest factors in the decision. The company's rapid expansion threatened to exceed its complement of electrical capacity. To continue growing at pace required a \$90,000 bill for backup power, and as a company representative pointed out, there is "no ROI on a backup generator."

The fact that some critical applications had exceeded the performance of its HP servers simply speeded Devon Health's migration decision. In the end, the company evaluated offerings from IBM, HP, and Dell, and made its final decision in large part because access to IBM product and support information was so easily and readily accessible. IBM's BladeCenter provided Devon Health the means to take a fraction of its backup power investment and still achieve its needs. In essence, IBM's BladeCenter provided the company the means to consolidate its computing environment, lower its power consumption, and better manage its IT infrastructure.

Since completing the migration, Devon Health estimates that 90% of the company's business runs on IBM BladeCenter. The company realized immediate power consumption benefits, and has also enjoyed far simpler and easier systems management due to the integrated nature of IBM's solutions. In addition, Devon Health uses the BladeCenter Hosted Client solution to support its help desk processes, which resulted in immediate cost reductions and service improvements.

The success of its BladeCenter migration has resulted in Devon Health deciding to press on with Phase Two of its IT consolidation. The company chose IBM in large part due to the integration of its hardware and software platforms, and is considering a range of future options including integrating Windows and Linux solutions, and integrates its BladeCenter systems with a SAN environment. By choosing an innovative and supportive vendor like IBM, Devon Health Solutions knows that its needs will be met comprehensively whenever they arise.

## ***Mission Accomplished?***

Though LightEdge Solutions faced migration challenges, numerous benefits more than outweighed them. By choosing IBM's System x, BladeCenter, and TotalStorage solutions, LightEdge has enjoyed notable Business Flexibility and IT Optimization enhancements in its server infrastructure, as well as improved Risk Management. Overall, the company's migration to IBM has allowed LightEdge Solutions to achieve its critical scalability, ease of deployment, and ease of management goals.

Devon Health Services' migration illustrates many of the benefits inherent in IBM's BladeCenter architecture. Along with Business Flexibility and IT Optimization improvements, Devon Health has also enjoyed notable savings in power usage which will enhance its IT investment's TCO. In addition, IBM's Hosted Client solution has helped Devon health significantly boost the cost-effectiveness and quality of its help desk services.

LightEdge Solutions and Devon Health Services share many similarities but the companies are hardly carbon copies. Both decided to migrate from HP to IBM servers, but for significantly different reasons. In IBM's flexible, powerful offerings both companies found solutions that met their critical technical needs and business goals. We see LightEdge and Devon Health Services as notable server migration successes, they are not alone. Many companies have followed similar paths to IBM.

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### ***About Pund-IT, Inc.***

***Pund-IT emphasizes understanding technology and product evolution and interpreting the effects these changes will have on business customers and the greater IT marketplace. This report is the result of sponsored research developed by Pund-IT, Inc., which believes its findings are objective and represent the best analysis available at the time of publication.***