

Parallels APAC Summit

Profit from the Cloud™



# Hosting is Dead; Long Live Hosting

Lance Crosby, CEO SoftLayer Technologies

# History of Hosting

- c. 1995 – Shared Hosting
- c. 1998 – VPS Hosting
- c. 2000 – Dedicated Hosting
- c. 2002 – Managed Hosting
- c. 2005 – Virtualized Hosting
- Current – Cloud Hosting



# Cloud Hosting

- **Cloud is NOT a technology - Cloud is a marketing term**
- Cloud is – On-demand delivery with consumptive billing
- On-Demand?
  - Weeks
  - Hours
  - Minutes
  - Real-time
- Consumptive Billing?
  - Years
  - Hours
  - Minutes
  - Seconds



# So Cloud is.....

- The single greatest ecosystem in the world. A combination of
  - Shared Hosting
  - VPS Hosting
  - Dedicated Hosting
  - Managed Hosting
  - Virtualized Hosting



# Cloud Fundamentals

- On-Demand
- Consumptive Billing
- Automated
- Scalable
- Real time – no down time
- Flexible
- API Driven
- Global

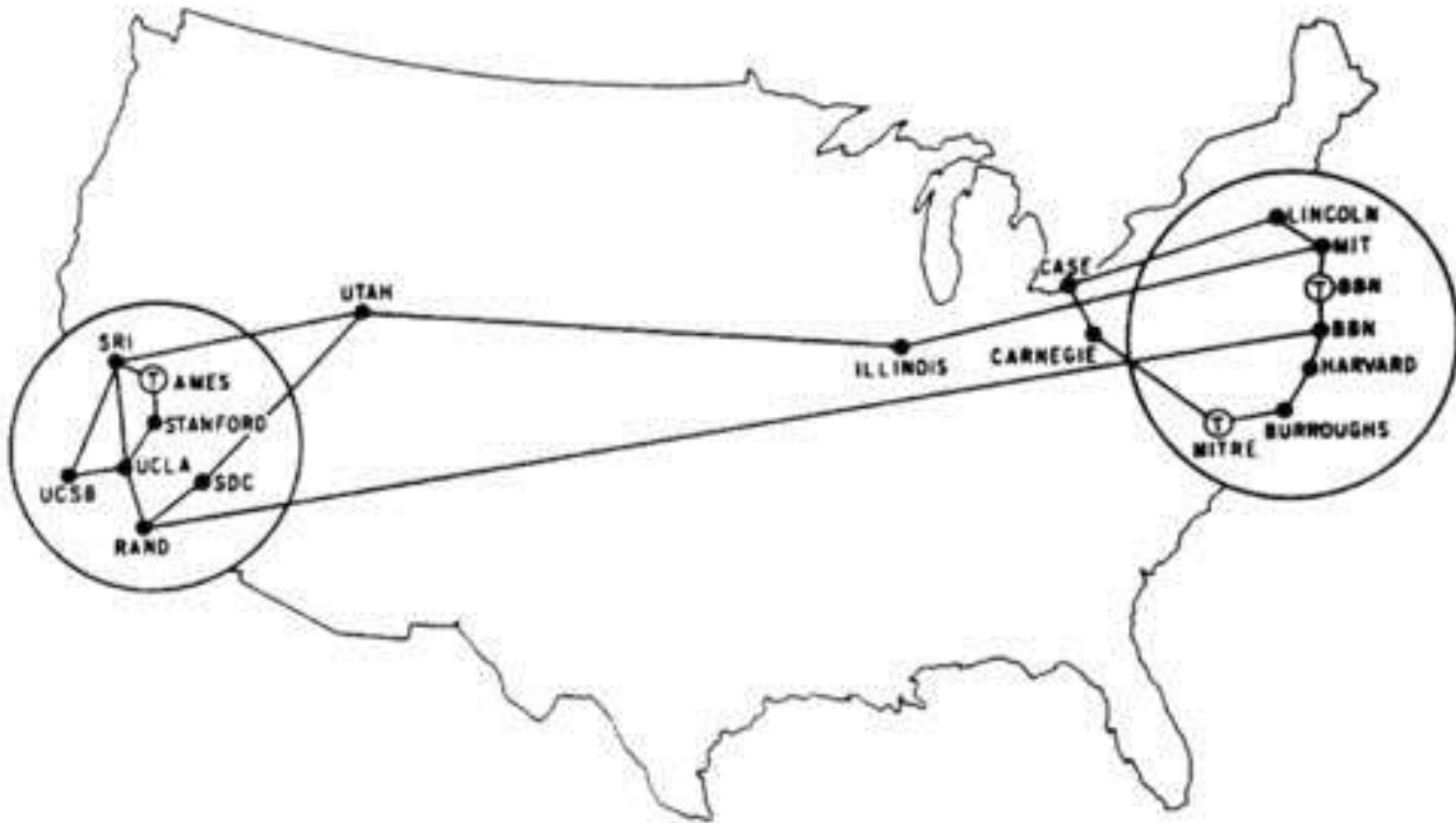


# Future of Hosting / Cloud

- Hosting MUST shift and adapt to the customer needs and demands
- Existing technologies will continue to be the foundation
- New technologies will emerge and be adapted quickly
- Successful Businesses (end users) will use a hybrid of technologies
- Successful Hosts – shift from simple hosting to being the fundamental platform
- What technology wins? - all of them

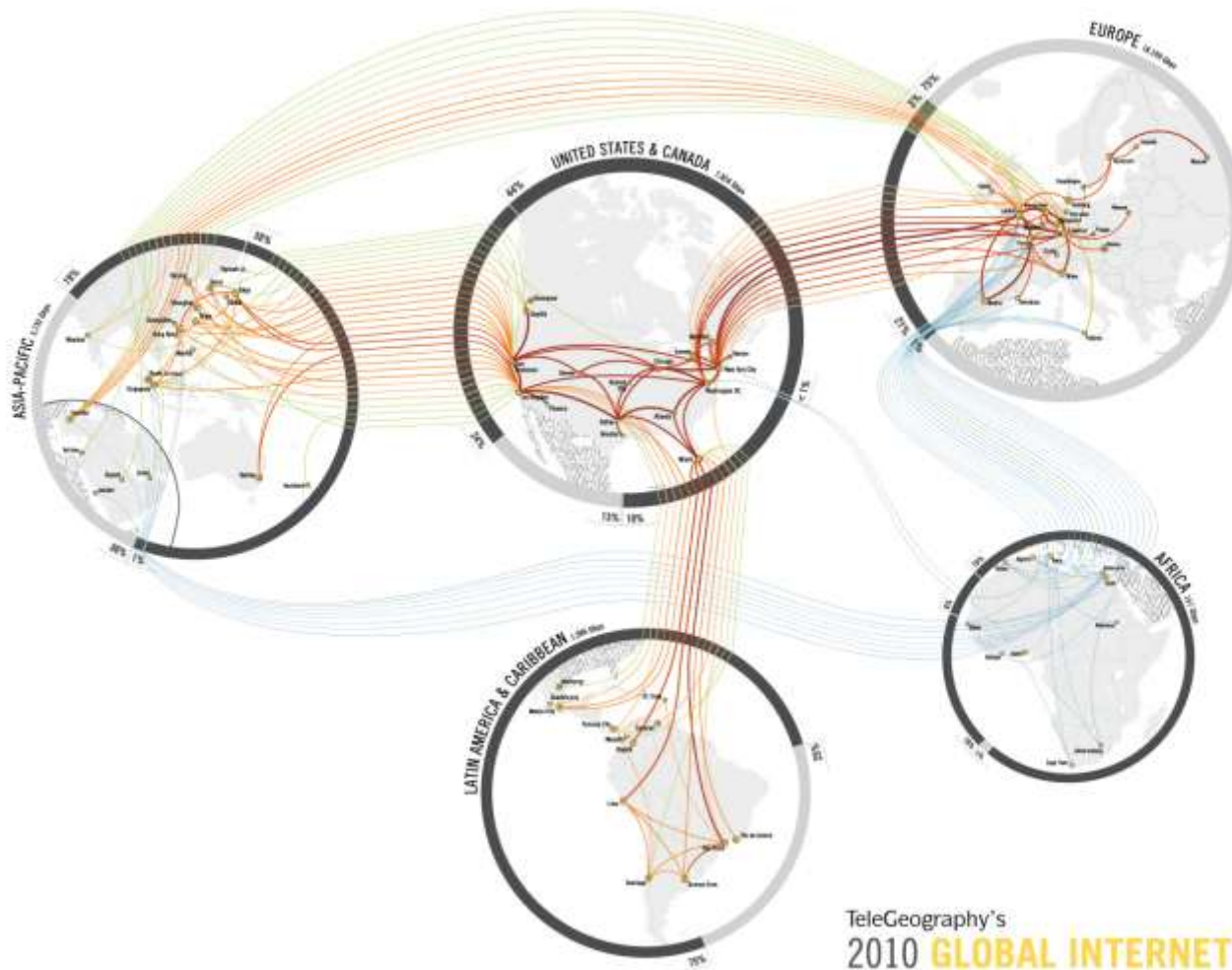


# The Internet Then...



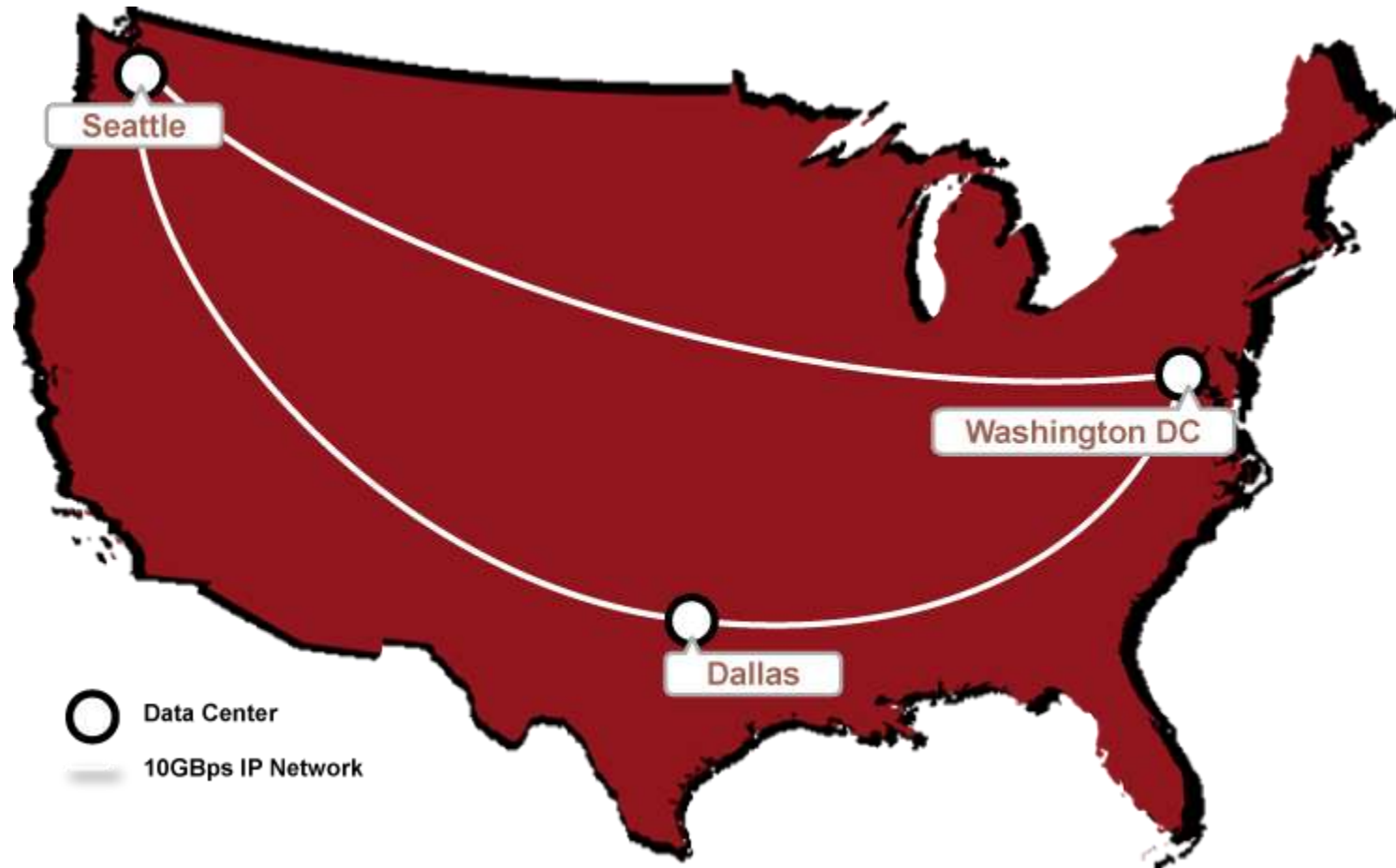
Source: <http://www.life.com/image/first/in-gallery/48681/click-a-brief-history-of-computing#index/2>

# The Internet Now.....





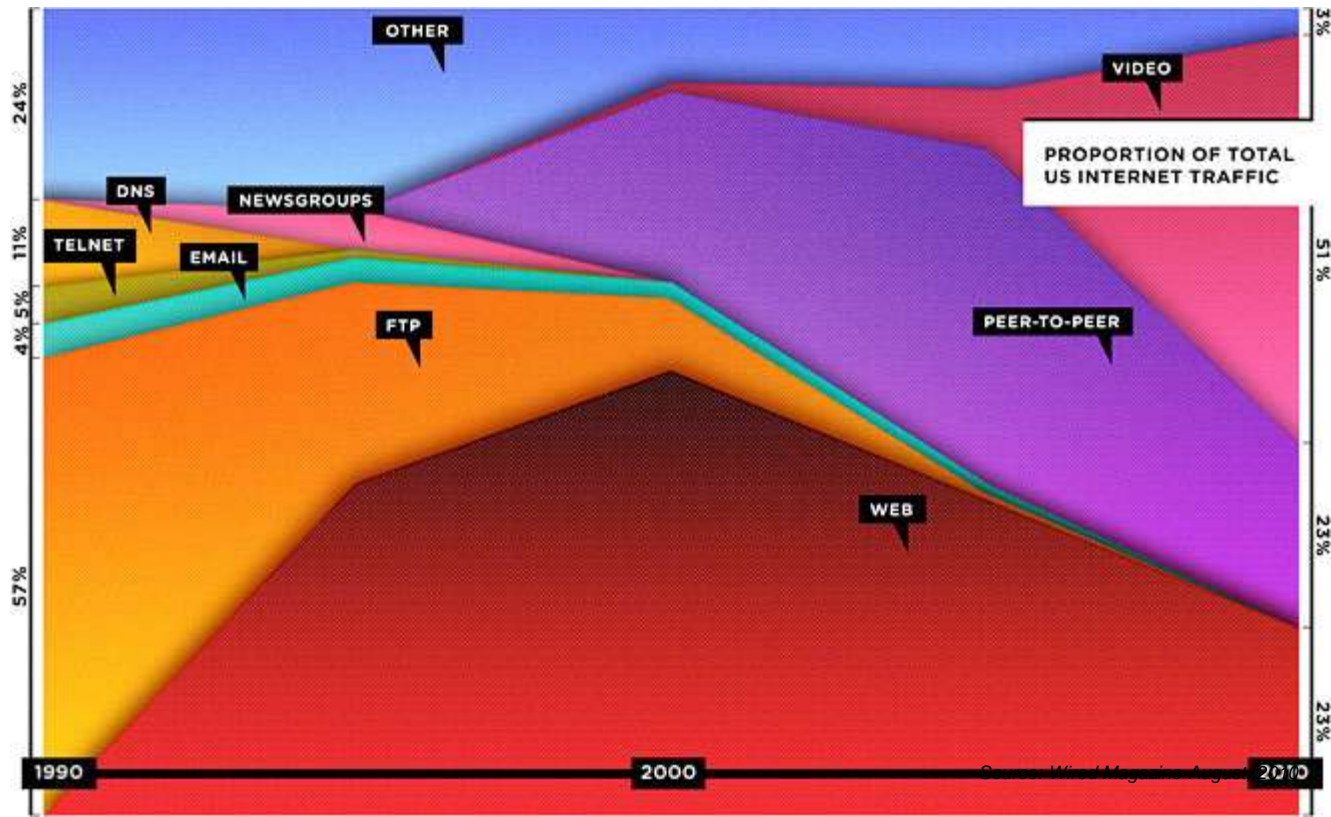
# SoftLayer Then (circa 2009)



# SoftLayer Now (2011)

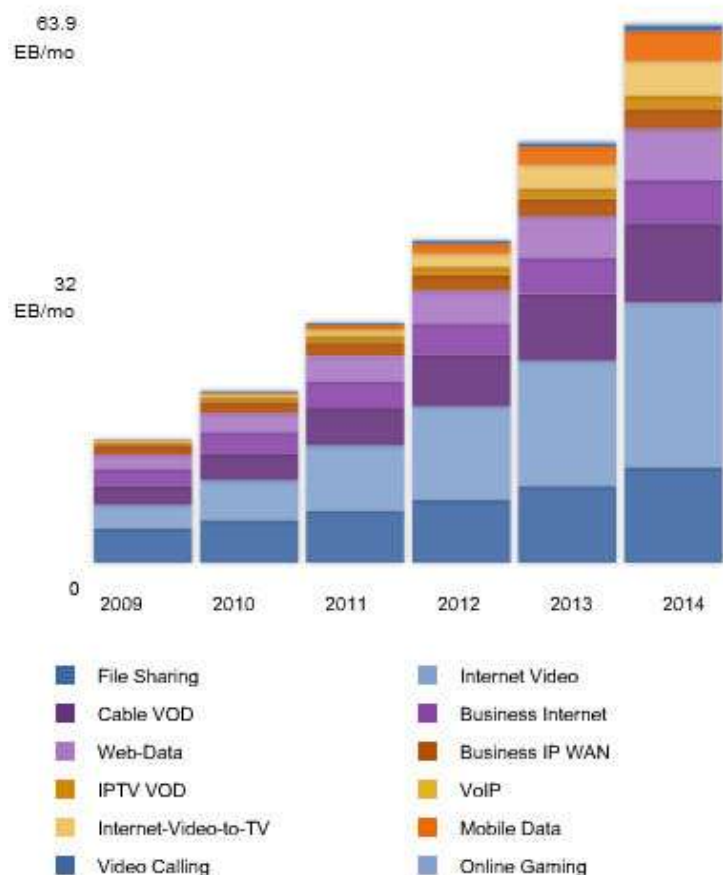


# How We Use the Internet is Changing



Source: Wired Magazine, September 2010

# Usage Continues to Grow at Great Pace



\*Cisco VNI June 2010

Global IP traffic grew 45% in 2009 to reach an annual run rate of 176 exabytes per year or 15 exabytes per month.

The average monthly traffic in 2014 will be equivalent to 32 million people streaming Avatar in 3D continuously for a month.

Mobile data traffic will double every year through 2014, increasing by 39 times between 2009 and 2014.

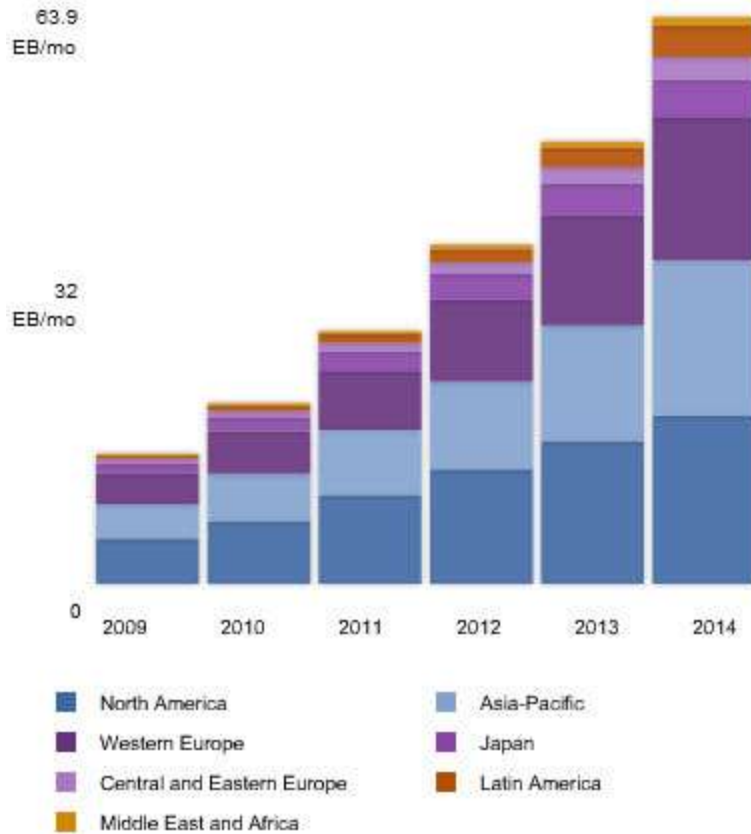
Video on demand traffic will double every two and a half years through to 2014. Internet video alone will account for 57% of all consumer traffic in 2014.

Global IP traffic will quadruple from 2009 to 2014 at a CAGR of 34%.

1 exabyte = 1 billion gigabytes



# Without Respect for Geography



\*Cisco VNI June 2010

IP traffic in the Middle East and Africa will reach 1 exabyte per month at a CAGR of 35%.

IP traffic in Latin America will reach 3.5 exabytes per month by 2014 at a CAGR of 51%.

IP traffic in Central and Eastern Europe will reach 2.5 exabytes per month by 2014 at a CAGR of 38%.

IP traffic in Japan will reach 4 exabytes per month by 2014 at a CAGR of 32%.

IP traffic in Western Europe will reach 16 exabytes per month by 2014 at a CAGR of 36%.

IP traffic in APAC will reach 17 exabytes per month by 2014 at a CAGR of 35%.

IP traffic in North America will reach 19 exabytes per month by 2014 at a CAGR of 19%.

1 exabyte = 1 billion gigabytes



# International Statistics

	Country	Pop (M)	GDP (\$B)	GDP/Capita (\$)	Internet Penetration	Mobile Devices (M)
Europe	UK	62	\$2,175	\$35k	83%	75.8
	Spain	46	\$1,460	\$32k	63%	50.9
	France	63	\$2,649	\$42k	69%	58.9
	Germany	82	\$3,330	\$41k	79%	107.0
East. Europe	Poland	38	\$430	\$11k	58%	44.9
	Russia	142	\$1,232	\$9k	43%	213.9
Asia/Oceania	India	1,155	\$1,310	\$1k	7%	706.7
	China	1,332	\$4,985	\$4k	32%	833.1
	Singapore	5	\$182	\$37k	78%	4.8
	Malaysia	28	\$193	\$7k	65%	30.4
	Japan	128	\$5,069	\$40k	78%	107.5
	Australia	22	\$849	\$39k	80%	19.8
	S. America	Brazil	194	\$1,573	\$8k	38%
Chile		17	\$164	\$10k	50%	19.4
Argentina		40	\$307	\$8k	64%	50.4

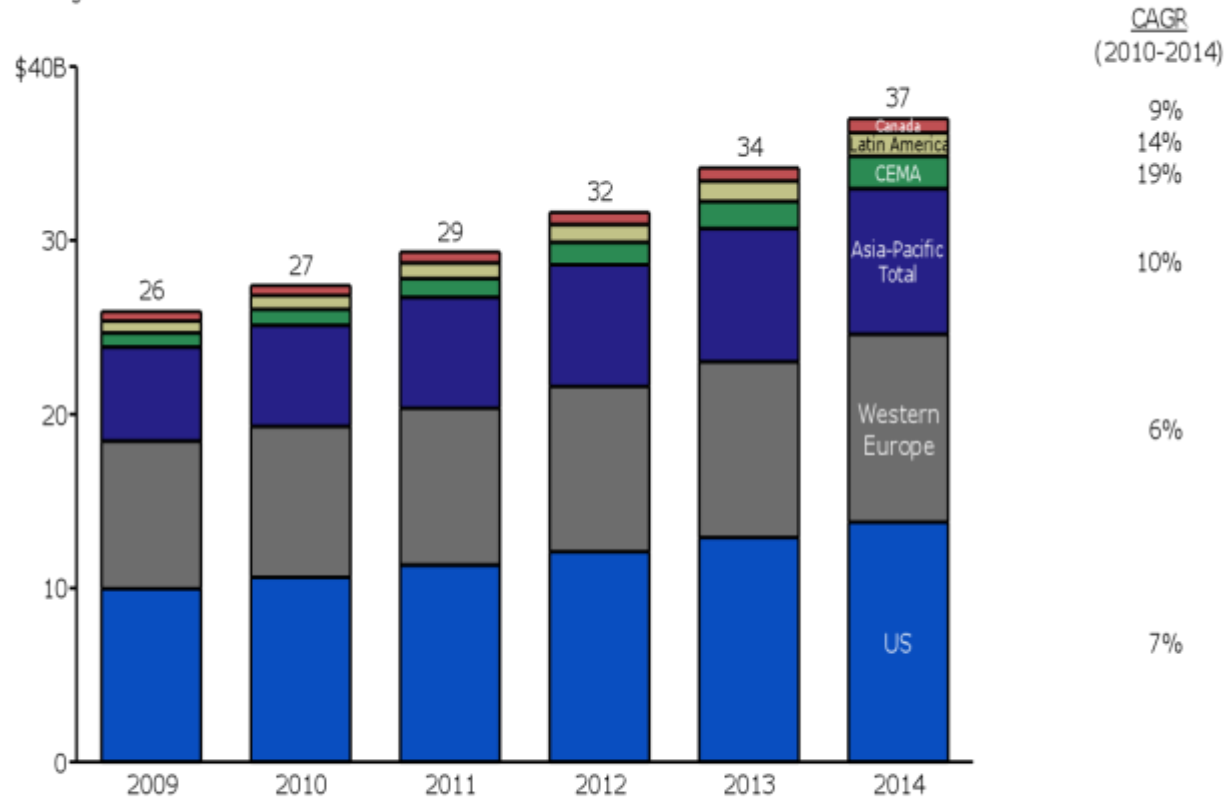
Source: World Bank, various others





# The Opportunity Ahead is Immense

Worldwide hosting infrastructure revenue



Source: IDC (2011)



# What Does 2012 Hold for SoftLayer?

- Accelerate new product launches
- Innovate or die!
- Automate, automate, automate
- Expand our controls (API, mobile apps, control panel)
- Network, network, network





CLOUD



Hosting is dead; long live Hosting...



# Who is SoftLayer?

- SoftLayer is the world's largest privately held hybrid hosting company
- SoftLayer and The Planet merged in the second half of 2010
- 320+ million in revenue, 130+ million in EBITDA
- More than 100,000 physical servers with capacity for 150,000 servers
- More than 23,000 customers in 140 countries
- Data centers in 5 US cities, Singapore and Amsterdam on an 16-node global MPLS redundant network
- Everything we sell is Cloud – dedicated, virtualized, cloud, ancillary services
- SoftLayer is a global platform for on-demand compute resources



# Q&A

