



Hurwitz BalancedView

Hurwitz Trend Watch

Reprint

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Blade Server Market Heats Up

This week, blade start-up Egenera announced the new Release 2.0 of its BladeFrame system. This announcement follows recent announcements of blade server products from Hewlett-Packard and Compaq, with announcements coming later this year from IBM and Sun. Clearly, activity in the blade server architecture segment is heating up.

However, it has already been a winding road for the blade server market in that many of the assumptions under which the blade concept was conceived have changed radically. The most obvious of these was the need of service providers for highly dense, low power server infrastructure. The virtual collapse of the service provider segment has altered this part of the equation, leaving many service providers in bankruptcy and many data centers empty. In addition, while early blade scenarios focused on low-end chips including Transmeta Crusoe, the focal point has shifted toward higher end chipsets including Intel's new XEON family, upon which Egenera's new version is based. Finally, whereas some early blade proponents envisioned their role at the network's edge, recently curtailed forecasts for significant near-term growth there have questioned this assumption. The focus for various computing architecture scenarios, including Egenera's, is now the enterprise data center.

The Hurwitz Take

Such radical shifts in the justification for blade products might lead one to wonder if this is a solution in search of a real problem. However, momentum in the blade segment is clearly building due to several factors:

- ▶ Blade architectures, coupled with advanced software provisioning functionality supplied either by blade server companies themselves (such as is the case with Egenera) or through independent software solutions such as Ejasent's, are shaping up as a key ingredient in the transition of current data center architectures to intelligent fabric computing. Under this approach, many functions formerly performed by hardware are "virtualized" in software, and processing elements normally tightly bound, such as storage and processing, are disaggregated. The result is a more "fungible" computing paradigm capable of dynamic allocation of processing resources in response to changing requirements or failure of individual processing units.
- ▶ Due to their aggressive price points, reliance in many cases on Linux, and their ability to automate and simplify systems management tasks, blade architectures can yield significant cost savings from the standpoint of both acquisition costs and ongoing management. These TCO advantages are placing growing pressure on vendors of pricey, premium-brand computing solutions for the data center.
- ▶ The Genie is out of the bottle: Ultimately, the blade server market lies at the heart of the battle for the next-generation data center in which no significant player can afford to remain on the sidelines, even if it would prefer to continue selling its more conventional wares.

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