



Changing the Rules of Networking: The Converged Infrastructure and Beyond

June 1, 2010 9:37 am

Manek Dubash – Editorial Director, NetEvents TV interviews Jay Mellman – Senior Director, product and solution marketing worldwide for the HP Networking division.

Manek Dubash: It sounds, first of all, like you want to be another Cisco. It sounds like this whole end to end thing that Cisco offers, that's what HP is going to offer because they're the market leader in the network space.

The other question that springs to mind as part of that is that enterprises are divided into those silos; they're divided into storage guys and network guys and server guys and so on and so forth. So the end to end story doesn't necessarily sell to them because they're interested in their piece of the problem. Are you trying to be another Cisco?

Jay Mellman: I just came from Cisco, that's right, less than a year ago. I think that the answer to that is, do we want to be an end to end supplier of enterprise networking capability? Absolutely. Do we want to model ourselves on Cisco? No. Because, as I said, I think that the game has changed. There have been a lot of companies over the years that have tried to offer an alternative approach to Cisco. And they failed and they failed for a number of reasons. The first is Cisco is a very formidable player and they've offered tremendous value for a networking organization that is siloed. So without a strong alternative, and by delivering high quality products, they've done a great job. But the game has changed. Right? And what customers are expecting has changed. And because of the breadth that HP can offer, and because of the scale at which we can do it, we think that we're actually transforming the way that we can meet customer needs.

So let me just quickly say a couple of things. The first is that when we look at delivering end to end we have to produce solutions that stand with what Cisco can offer. And, like I said, they have to be interoperable. Because no one is going to simply turn off Cisco today and turn on HP tomorrow. So we're going to have to deliver solutions in that silo that people expect. And examples like the high end network core device or our end to end network management are examples where we can shine. But we also then do it in concert with the other technologies, so that maybe they're still siloed, but maybe they can work better together. So with Virtual Connect we make sure that the management of that operates off a single set of information, so that the network team can do what they need and the server team

can do what they need, and they work together as opposed to — as happens in most organizations they fight.

But the other aspect that makes a difference, and why we know that we can actually challenge the status quo and accelerate — I mean, let's face it. HP was the number two player in the industry before this acquisition. And in the enterprise, Gartner was saying that we're now a very close second to Cisco. What we're bringing is not simply technology. That's where a lot of companies have been in the past. We're actually bringing the breadth of market approaching customer engagement as well. So if we start close to the customer, we have more than 40,000 channel partners that are all being trained on how to leverage HP networking, either in addition to or instead of what they might be doing with Cisco. We have the entire HP services organizations, both Enterprise Services, previously EDS, which traditionally was a very large Cisco shop and it's all evolved into HP networking, and Technology Services which was the integration arm, the technology integration that again was one of Cisco's largest integrators is also working with HP networking. And then all of the enterprise selling and technology people are being cross trained and [quota-ed] on working with HP networking. So what I would say is we're bringing the breadth and depth of HP to this with a fierceness and a single-minded approach on how do we deliver this convergence to customers in a way that takes us far beyond what Cisco can do.

Manek Dubash

Okay. Obviously there's a lot of issues in there that people might want to pick up on.

Jay Mellman

Sure.

Manek Dubash

But I'd like to just move on to another point you mentioned, just then and also in your presentation, which is to do with the acquisition of 3Com and also subsequently — consequently in fact, also Tipping Point which is what happens — I understand the rationale of buying 3Com was that essentially you wanted to buy into the Chinese market, which means that you bought a lot of products that overlap with things you already have. It also means that when you bought Tipping Point you bought a lot of what, as I understand it, are reckoned to be pretty good security products. But you already have security — I remember the ProCurve division saying, well we've got pretty good security and it's just as good as Tipping Point. Now you've bought yet another bunch of security. So what are customers supposed to make of all this stuff.

Jay Mellman

Sure. So the first is that it's interesting to look at thinking of HP buying into China. In reality we are accelerating 3Com's strategy which was to take the success of China and bring it to the rest of the world. In a period of less than five or six years, H3C part of 3Com went from zero to being the number one provider of enterprise networking technology in China. Fourth and fifth largest banks run on it. China Mobile runs on it end to end. The Beijing airport runs on it. So it's highly proven, highly reliable. And that's the value that we're bringing out. So I'm going to just turn that issue around.

The second point about there being potential product overlaps, it's actually surprising, but one of the knocks that had been against ProCurve from day one was we have great products for the network edge, but you don't have anything in the data centre. And our poor teams that

were working on the data centre knew this, and they kept saying, but we're almost there. In reality, building data centre quality and enterprise networking quality products for the network core is something that we are gaining from our acquisition of H3C and 3Com. So there's actually very little overlap at all between the product lines. And that will all be rationalized very, very quickly. For example the number of products that are end of life that are a part of this is less than a handful. So there is very clear product continuity both in the A family and the E and the V.

In the S product line, interestingly, there's actually the Tipping Point product. Tipping Point is focused on intrusion prevention. And they do it better than anyone else in the world. And our friends at Gartner put Tipping Point in the upper right quadrant. That's a very critical part of the security infrastructure, but it's only one piece. What 3Com and what now HP will be doing is actually taking that capability and blending that with things like fire-walling to be able to actually produce an entire end to end infrastructure. So you will be seeing, and customers will see some of the things that we've talked about in ProCurve becoming powered by the capabilities that are in Tipping Point rather than us having to, for example, build our own capabilities around that. So that synergy exists. And then the linkage to the Secure Advantage program around HP we see nothing but synergy. So while there will be evolution that we need to have, there is actually very little overlap. And that's another reason why this was such a good acquisition for HP. And it doesn't hurt that we go from enterprise networking near zero to over 30% of the market overnight.