



News

- **Channel Enablers acquires the TC Group** 2
- **Compuware appoints GrapeCity India as reseller** 2
- **Fujitsu and SonicWALL join forces and offer solutions to retail market** 3
- **NxGen Communications signs on as Nortel Networks partner** 3
- **Warid Telecom set to build long distance network in Pakistan** 3
- **IDA and Microsoft team up yet again, drive IT adoption in the classroom** 4
- **SiTF opens nominations for regional ICT Awards event** 5
- **SAP to invest Euro 20-million in Bangalore** 5
- **Subex buys Alcatel for US\$3 million** 5
- **Citrix launches reward for channels** 6

Trends and Statistics

- **Top 10 reasons businesses win multi-million dollar contracts** 6
- **Indian KPO market pegged at US\$12 billion** 7

Best Practices

- The road to formulating successful channel strategies** 7

Strategy

- Globalization hits channel managers** 9

Profile

- HP Blades slice-up competition** 10

Editorial

In this issue of Asian Channels, we take a look at the art of formulating successful channel strategies, for this is definitely an acquired skill. While there is no straight-forward solution, there are some processes that can be followed to ensure that one does not stray from the path to channel success. We find that above all, what must always be borne in mind is the accommodation of ideas and flexibility. Only then can one have a truly healthy channel strategy!

We want to serve you better and provide you with stories and information that you both want and need. If you have any suggestions or comments, please do email me at shanti@mediabuzz.com.sg.



*Shanti Anne Morais,
Editor, Asian Channels*

Editor
Shanti Anne Morais

Contributing Editor
Austin Morais

Contributor
Priya Darshini

Circulation Manager
Sean Wong

Graphic Designer
Evelyn Valente

Sales and Marketing
Daniela La Marca

Marketing Executive
Sabrina Tan

News

Channel Enablers acquires the TC Group

Channel Enablers, a partnering consultancy and channel sales training company in the Asia Pacific region, has acquired its long-time partner, Technology Channels Group, a channel advisory organization in Silicon Valley. The acquisition will see Channel Enablers extending its global reach by becoming the largest channel consulting company in the world, offering a full range of consulting services and channel sales manager training for technology suppliers.

Technology Channels Group is the developer of ChannelPRO, a channel strategy and planning methodology. The Group and Channel Enablers have joined forces numerous times during the past four years to deliver global projects using Channel-PRO concepts. They have also collaborated on the development of PRO-REVENUE, a management framework for strategic partnerships.

As the two organizations merge operations and extend their range of research, planning, and channel sales training services for technology and communications vendors worldwide,

one of their main aims is to better deliver global projects.



Photo: Braham Shnider

Braham Shnider, president of Channel Enablers said, "Our company has grown significantly over the past four years and we have been able to assist many multi-national IT&T vendors with their Asia-Pacific operations. In our region, indirect channels are often more important than direct channels, which usually is the opposite of U.S. based parent companies. As a result, local indirect channel teams forced to go it along, have developed best practices for growing their business through resellers. Channel Enabler's projects have been able to help develop and refine these best practices for local partnering."

"Through our newly-merged company, we are now able to offer a full range of consulting

Asian Channels - AUGUST 2004

and training services to our clients anywhere around the globe. We are now the first global channel consultancy and training organization that can provide multi-national technology vendors with channel consultancy and training courses, planning methodologies and scorecards, and program development for their indirect channels in the United States, Australia, Asia and Europe."

The combined client list of the two companies includes many leading technology vendors including IBM, Macromedia, Hewlett-Packard, Computer Associates, EMC, Oracle, SAP, NCR/Teradata, Nokia, Polycom, Symantec, Research in Motion, and Sun Microsystems, as well as over 100 other IT and Communications vendors.

With the acquisition, Channel Enablers now has:

- offices in Dublin (Silicon Valley), Australia, Singapore, and an affiliate in London
- so far completed over 400 successful channel projects
- trained more than 4,500 channel managers in over 20 countries

By Shanti Anne Morais

Compuware appoints GrapeCity India as reseller

Compuware Corporation has announced a business partnership with GrapeCity India, appointing the company as its reseller for its range of development tools in India,

focusing specifically on the Western and Northern states. GrapeCity has a successful track record for distributing tools and technologies in the country, where it is known for its dynamic, technically talented team. "We envisage initial opportunities will generate in excess of US\$1 million in

revenue," says Sachin Khanna, sales director, Thailand, Indonesia, India/SAARC, Compuware Asia-Pacific Pte Ltd.

GrapeCity has over 20 years of experience in software development, and has offices in Japan, China, India, Mongolia, Vietnam, Malaysia and the USA.

By Shanti Anne Morais

Fujitsu and SonicWALL join forces and offer solutions to retail market

Fujitsu Transaction Solutions Inc and SonicWALL have teamed up to deliver wired and wireless networked solutions for the retail market. The partnership aims to meet retailers' growing need for technology that helps them reduce costs, yet achieve differentiation in a highly competitive market by maintaining customer loyalty, defending margin and so on.

As part of this trend, stores are moving from wired networks to embrace the efficiencies and cost-savings offered by wireless technologies. The growth of VPN-based WANs and deployment of 802.11 devices for mobile POS, data sharing, queue-busting, self-service or back office inventory app-

lications are some of the key factors driving the growing demand for manageable and more affordable networked security solutions.

Together, the companies plan to deliver comprehensive security with remote management options for VPN-based wide-area and in-store wireless networks. These initiatives will complement Fujitsu's own networking and point of sale (POS) offerings for both new and existing customers.

Fujitsu will offer SonicWALL applications and software. These include SonicWALL's TZ and PRO series security gateways, the SOHO TZW, an integrated firewall, VPN and secure wireless access point for smaller networks. Also included, SonicWALL's newly launched distributed wireless solution that scales to accommodate larger store deployments. This pac-

kage comprises a gateway security device, SonicPoint intelligent access points, power-over-Ethernet injectors and long-range wireless cards. Fujitsu will also deploy SonicWALL's Global Management System in order to provide retailers with remote management options including monitoring, reporting and automatic downloading of code and policy updates from retail headquarters to branches.

Fujitsu's core offerings for the retail market include POS systems and software, mobile and self-service solutions, a complete range of advanced networking services and IT lifecycle management including call center, staging and integration, wiring and installation, project management and on-site maintenance.

By Shanti Anne Morais

NxGen Communications signs on as Nortel Networks partner

Nortel Networks has appointed NxGen Communications, a Singapore-based systems integrator, as a new channel under its nPower Channel Partner Program.

This will allow NxGen Communications to operate as a reseller of Nortel Networks voice over IP and call center solutions, including Meridian 1 PBX, Meridian Mail, Callpilot

unified messaging, Symposium Contact Center solutions, Business Communications Manager and Succession IP telephony solutions.

"Through this distribution agreement, we will now be able to offer enterprise and government customers the improved performance and cost benefits enabled by Nortel Voice over IP," says Veeresh Maruthamuthoo, executive director, NxGen Communications.

NxGen Communications Pte Ltd focuses on providing managed services, enterprise and

converged telephony solutions, computer telephony integration services, contact center integration and consultancy services. The company currently serves customers in Singapore, Malaysia, Thailand, the Philippines, India, People's Republic of China and Taiwan.

Nortel Networks' nPower program is an initiative designed to produce strong regional sales and support channel organizations that also serve as next generation communications resources for enterprise customers across the Asia-Pacific.

Warid Telecom set to build long distance network in Pakistan

Nortel Networks has been awarded with a four-year frame contract to provide a voice over Internet Protocol (VoIP) next generation network (NGN) in Pakistan by Warid Telecom. Under the frame contract, Warid Telecom will deploy Nortel

Networks VoIP Long Distance Solution, which includes Nortel Networks Succession Communication Server (CS) 2000-Compact and Nortel Networks Passport Packet Voice Gateway (PVG), to deliver full-featured carrier-grade telephony and data services. In addition to fixed-line long distance traffic, the network will also be capable of carrying wireless traffic and local loop traffic for Warid

Telecom's future GSM subscribers.

"Pakistan is the first venture in our company's plan to provide telecommunications services to markets in the Middle East and Africa, and this contract with Nortel Networks is the first we have awarded," says Hamid Farooq, chief operating officer, Warid Telecom.

IDA and Microsoft team up yet again, drive IT adoption in the classroom

The days of lugging heavy bags and textbooks to school will soon be over if the Infocomm Development Authority (IDA) and Microsoft's latest joint venture takes off as desired. The two organizations have already made this a reality for all Secondary One students at Crescent Girls' School, by enabling an entire cohort to be equipped with individual 2 kg tablet PCs that have wireless connectivity, and contain digital textbooks for classes.

The school is currently participating in a pilot program under the IDA-Microsoft Backpack.NET initiative (BackPack.NET), which seeks to transform the way Singapore students learn in school. Through this program, IDA and Microsoft Singapore hope to drive research, development and testing of the use of innovative infocomm technologies, such as tablet PC-based software applications and services, in education. The initiative also aims to showcase the use of the software in actual classroom settings.

The success of the new program at Crescent Girls' School is noted by its Principal, Mrs. Lee Bee Yann, who said, "Our teachers and students have only just started using the tablet PCs during classes and already, they are saying that the lessons are more engaging and fun. Moreover, the teachers are excited with the availability of innovative tools that take teaching and learning to a new dimension."

The launch at Crescent Girls' School also marks the realization of the Developers' Community pillar, one of the four Backpack.NET pillars. A major key to building tablet PC-based applications, the local IT companies that form the Developers' Community, have worked in close collaboration with IDA and Microsoft to develop education software products and applications based on the tablet PC. The Backpack.NET initiative leverages on the existing IDA Infocomm Local Industry Upgrading Program (ILIUP) to establish the Developers' Community.

The very first pillar, the Pilots and Trials pillar was launched in October 2003. With the fruition of the second pillar, the IDA hopes and aims to help local infocomm companies build capabilities in the development of tablet PC-based applications. According to the IDA, details of the other two pillars will be out in the next six months.

Microsoft Singapore and Singapore's Ministry of Education (MOE) have also signed a S\$5 million Memorandum of Understanding (MOU) which will allow the Backpack.NET initiative and the MOE to jointly prepare and enhance the capabilities of the education community. This will be achieved through access to new, innovative infocomm technologies and training. The MOU will focus on three areas: Student Readiness, Teacher Readiness and School Readiness.

Another key objective of this MOU is to train 5,000 teachers and 5,000 students in tailored

IT programs. Both teachers and students will be taught to use software applications such as Microsoft MovieMaker II, Microsoft Producer and Microsoft PowerPoint. Training has already commenced and to date, 500 teachers and 1,000 students have completed the classes.

MOE's director of Educational Technology from the Educational Technology Division, Koh Thiam Seng notes that the new MOU between Microsoft and MOE will provide schools with greater access to the latest Microsoft technologies, thereby promoting excellence in teaching and learning.

As part of the MOU, Microsoft is currently piloting another initiative, the Microsoft Learning gateway at Crescent Girls' School and National Junior College. The Learning Gateway is an Internet environment that combines several well-known Microsoft applications with new e-Learning solutions.

It allows students to do and submit their homework online, participate in group discussions, and collaboratively work on group projects from different locations all over the island. Teachers benefit from the Gateway as well because they are able to deliver lessons and assignments over the Internet. Applications on the portal help the teacher to mark assignments and assessments. In addition, parents also benefit because they are able to track their children's progress on a daily basis as all academic results are stored on the portal.

By Shanti Anne Morais

SiTF opens nominations for regional ICT Awards event

The time has come again for the opportunity for local infocomm technology companies' to benchmark their most innovative ICT products or solutions against the best in the Asia-Pacific, and win a regional award for their efforts.

The Singapore infocomm Technology Federation (SiTF), the national coordinator for this regional award, is inviting nominations for the Asia-Pacific.

The ICT Awards (APICTA) 2004 will be held in Hong Kong from 8 to 11 December 2004. At least 20 companies are expected to be fielded under 'Team Singapore'.

Apart from competing against the best in the region, contestants under Team Singapore will also gain access

to investment opportunities, venture capitalists and investors during the main APICTA event in Hong Kong. There will also be opportunities for business matching as well as visits to Hong Kong-based ICT companies for possible collaborations and to facilitate the exchange of ideas.

Team Singapore will be promoted under the SiTF's Made-in-Singapore & Proud of IT! (MIS) branding. Contestants will also have a sponsored booth to showcase their products and solutions at the International Awards Exposition of Nominations during the APICTA event.

Explaining and emphasizing the importance as well as the significance of the event, SiTF chairman, Saw Ken Wye says, "APICTA is an excellent platform for our innovative ICT companies to promote themselves and gain invaluable exposure at a regional level. On top of this,

participants get to network and forge business alliances."

In last year's APICTA 2003 event in Bangkok, two Singapore contestants – System Access and Cornet Technologies, won Merit and Special Mention awards, respectively. The SiTF aims to better Singapore's performance at this year's APICTA event in Hong Kong.

Organized annually, APICTA was created in 2001 and member economies take turns to host the Awards Program through a bidding process. Besides its obvious role as a platform for innovators and entrepreneurs in the ICT sectors in the region to showcase and benchmark their solutions, it also aims to stimulate economic and trade relations, aid technology transfer, as well as increase community awareness in ICT.

By Shanti Anne Morais

SAP to invest Euro 20-million in Bangalore

In a bid to expand their development operations in Bangalore, SAP AG is investing an additional Euro 20 million in the state.

According to Henning Kagermann, CEO, SAP, the company plans to double its headcount in Bangalore to 3,000 by the end of 2006. So far, the company already has 1,100 professionals working in Bangalore, making the state

SAP's second largest development center outside Waldorf, Germany.

He adds, "India is a key growth market and strategic development center for SAP. Our Bangalore facility houses 12% of the company's research and development staff." Moreover, India is the cornerstone of SAP's global strategy and is one of the fastest growing markets in Asia. It has emerged as the global hub for SAP in providing services, support and

consulting. The quality of projects delivered from our India center has been excellent so far and has made our product delivery more efficient."

Elaborating on this, Kagermann notes that SAP is able to ramp-up operations in India faster than other nations, including China. "Thus, cost advantage is not the major reason for the expansion of the Bangalore center," he emphasizes.

SAP AG also plans to sign up an Indian vendor as one of its global integration partners.

Subex buys Alcatel for US\$3 million

Subex Systems Ltd has acquired the fraud management group of French telecom major, Alcatel for US\$3 million.

Subhash Menon, CEO, Subex Systems Ltd says, "Our company will add 30 new clients to its roster of 39 clients. It means a lot to us, but for Alcatel, it is just a small piece. However, this means that we

will be able to pip market leader Hewlett Packard to the top slot in the niche fraud management system."

He adds that out of the 30 new customers, 25 are active clients, while 18 of them provide maintenance revenue. Elaborating he says, "Subex plans to install Alcatel's fraud management systems at these clients' sites and help them migrate to Subex's own fraud management system, Ranger, over the next 18 to 24 months."

Subex's move highlights its foray into Western European markets, and Menon notes that the company will open a sales and support office in London soon.

Alcatel will push Subex products that include revenue maximization software in new deals. Close to 15% of the value of all new deals hinges on performance and how well Alcatel pushes Subex products.

By Priya Darshin

Citrix launches reward for channels

Citrix Systems has announced the launch of its Citrix rewards program in India. The advisor rewards program is a worldwide practice introduced for channels by Citrix and the company has designed this program for its resellers for value selling.

Comments Citrix India's marketing director, Kishore Badami, "We created this program to increase the profitability of our solution oriented channel partners. We are very conscious that channel partners have other options and we want to ensure that their investment in Citrix is worthwhile."



Photo: Kishore Badami

According to the company, the reward can reach as high as 10% of the incremental margin of the suggested licensing price of the products sold and is available to the Citrix solution network, comprising of Citrix

solution advisors, Citrix alliance partners and Citrix certified education professionals.

The new program also gives Citrix solution advisors a fixed commission rate for driving demand, no matter where the customer fulfills the licenses, thereby relieving pressures associated with product margins.

According to Citrix worldwide sales and operations vice president, Robert Brown, after the Delhi launch, the company plans to continue the introduction of the new program in other cities in the country like Hyderabad, Chennai, Bangalore and Mumbai, within this month.

By Priya Darshini

Trends and Statistics

Top 10 reasons businesses win multi-million dollar contracts

Quality of staff and firm reputation are the top reasons businesses are awarded multi-million dollar accounts, while price ranks ninth, according to a new survey conducted by Rogen International, a global consultancy, and Goldhaber Research Associates, New York.

The survey of 1,000 business executives who are involved in high value contract awards in the Asia-Pacific, Europe and North America indicates that the communication and persuasive elements of prospecting new business are more critical than ever, because price points and best-of-breed solutions are not the sole priorities for firms seeking to award high-value contracts.

Senior executives representing financial services, IT and telecommunications, manufacturing, media and marketing, pharmaceuticals, consumer goods, property and government gave their top ten reasons for awarding businesses.

These are:

- 1) Quality of staff
- 2) Reputation of provider
- 3) Enthusiasm
- 4) Evidence of capability
- 5) Ability to listen to client needs
- 6) Quality of interactions during procurement process
- 7) Initiative
- 8) Demonstrating how the client and the provider will work together
- 9) Price
- 10) Creativity in presenting solutions and Feeling good about working with the provider (both tied)

A further analysis of data showed that results specific to the IT and telecommunications industry did not differ very much from the overall survey results. Firms from these industries seeking to award high value contracts view quality of staff as the most important attribute the provider must have. The reputation of provider, initiative of provider

and quality of interactions during the procurement process were jointly ranked as the second most important reason for awarding businesses. Price was only ranked the fifth most important reason.

"This survey shows that despite the turmoil of the past five years, starting with the IT crash, then September 11, ENRON crisis, recession and governance issues, and SARS, price still ranks a poor second to relationships in deciding which provider is awarded a multi-million dollar piece of business," said David Huxley, partner of Rogen Asia.

The current survey further demonstrates the importance of the human element in business and shows that no provider can afford to ignore any of the top 10 attributes if they want to win. "The rational and technical elements are simply the entry ticket in major business pitches. You have to tick every one of the technical and pricing boxes,

but any company that ignores the opportunity to build relationships before, during and after tender is submitted will miss out," explained Huxley. Rogan advises that organizations trying to win major contracts or land large accounts should interact with

the prospective client as often as possible during the pitch process in order to:

- Build rapport
- Demonstrate the quality of your people and your thinking
- Make the prospect comfortable with the knowledge that you can and

will deliver the solution you promise.

He adds that the poorest way to demonstrate quality is by talking about how good you and your company are.

Indian KPO market pegged at US\$12 billion

A study conducted by business research firm Evalueserve has revealed that knowledge process offshoring (KPO) services for India is expected to surge ahead by 58% to touch US\$12 billion by 2010. The sector fetched India US\$489 million during fiscal year 2003.

The company also predicted that Indian KPO providers will hire 250,000 knowledge professionals by 2010.

Global KPO revenue is expected to grow to US\$17 billion by 2010 up from US\$1.29 billion in 2003, a cumulative annual growth rate of 46%. According to Evalueserve, this is in contrast to the revenue from BPO, which will grow from US\$7.7 billion in 2003 to US\$39.8 billion in 2010. "KPO requires moving away from simply executing standardized processes to carrying out processes that demand analytical and technical skills as

well as some decision-making," said Evalueserve country head Ashish Gupta.

At the moment, KPO services are being provided in India, China, Russia, Canada, Israel and the Philippines. Examples of KPO services are intellectual property research, R&D in pharmaceuticals and biotechnology, data mining and a range of analytical services such as equity research and financial modeling.

By Priya Darshini

Best Practices

The road to formulating successful channel strategies

Very few companies sit down and think about, let alone review their channel strategies from its roots and beginnings. Yet this fundamental approach can reap huge benefits. After all, it is a whole lot easier to recruit and manage the right partners and consequently, the right customers. What are the steps of this process?

Planning a channel strategy

Companies first have to ask why they are using channels (this includes direct as well as indirect routes to market). This

may seem obvious and straightforward, but surprisingly, a lot of companies tend to overlook this simple but basic question.



Instead, they establish a direct arm because this is what their competitors are doing, or they rush online for similar reasons.

Asian Channels – AUGUST 2004

It is important to remember the reasons why suppliers use channels in the first place. The first big factor is **cost**.

This is because some suppliers may regard a particular channel as less expensive than another. Second, is **growth** as suppliers may believe they cannot achieve sales targets unless they open up new channels. A third reason is **reach**. Companies may feel that certain influencers act as gatekeepers and by working with them, they will then be able to reach for example, more senior management or new customers. Next, is **expertise** – some companies may have skills in certain industries that a particular firm lacks.

Last of all, is **visibility**. For example, companies who sell through mass retailers typically achieve much higher levels of brand awareness and are often perceived as being larger than they actually are.

All these factors are important because a firm's particular reason for wanting to sell through channels determines which channels it should be looking at and of course, how these channels will then be rewarded. For example, if reducing cost is the reason behind choosing a particular channel, then obviously a firm will not want to choose a high-cost channel. However, if a firm is looking to grow fast or desires to establish its presence in a particular market before a sale or a flotation, then cost may not be such a necessary factor.

Segmenting customers and potential customers

Looking at what each of these groups' wants is vital and there are two important principles to bear in mind. First of all, segmentation should be by behavior. Very often, many companies do a demographic carve-up into for instance, small, medium or large, and usually this tends to not be very useful because small companies may be very sophisticated. Another important point is to not be overly complex when doing the segmentation, say by coming up with a complex three dimensional matrix that serves no purpose at all if no one understands it.

The customer experience

Once the segmentation of customers and potential customers is done, it is now important to establish the sort of experience the people in each particular segment wants from the solution or product. An important question to ask is how the solution/product can be optimized. This is where interviews or surveys may fit in. The customer experience starts with how they find out about a solution/product, or even how

they find out that they have a need, and goes right through to how the replacement solution or product is purchased.

Companies need to seriously think about how they are going to deliver the customer experience. This involves lots of activities such as marketing awareness campaigns, the initial sale, services, maintenance, delivery and so on. Each of these activities can be broken down further in turn. So, support can be broken into web-based broadcast (for frequently asked questions), web remote support, telephone support and outbound support. The trick is to keep breaking down activities and in this way, companies' can then ask which channels are best suited to deliver which part of the customer experience.

Having a detailed shopping list of activities that a partner or channel has to fulfill

This makes it easy for a firm to easily see what types of partner or channel are best suited to fulfilling its individual needs. Often, one will find that the solution is fulfilled by a range of people. An example is software for a mobile sales force. One may require consultants and industry specialists to recommend it, a systems integrator to amalgamate it with the hardware and telecom licenses, a support company to field queries and a logistics company to deliver the product to the workers. Alternatively, a single, large IT reseller may be able to do all of this.

Work out what is in it for your different types of partners and how you will reward them

Understand what your channel-proposition is. Many tend to omit this stage, simply assuming that a 10% margin from resell will do. However, in reality, this is definitely not enough. For example, it may be that simply handling your brand or the marketing opportunities that your product line can bring,

that is the very thing that will be attractive to some types of channel partner.

Do not worry about being perceived as unfair. Remember, it is not about giving preferential treatment to a particular channel, but about providing the benefits that are needed to optimize the customers' experience.

Recruit the right channels

In some cases, such as two-tier distribution, the recruitment of dealers could perhaps be left to the distributors themselves. Otherwise, this is where old-fashioned salesmanship comes into play.

Once the channel-value proposition has been worked out and you can talk to the channel knowledgeable about what customers want and how they fit into that process, the whole recruitment process becomes much easier.

Very often, companies tend to fall back on labels way to soon. For instance, they say, "We have a piece of complex solution software and so we need to go through alliance partners and solution value-added resellers." Typically, channels appropriate the wrong labels as they tend to want to appear to add more value than they actually do.

By defining precisely what you want your partners to do, you may well open up the field to more people and therefore, quickly ascertain whether or not particular partners have the right fit or skills.

A lot is learnt during implementation but always ensure that strategic goals are right and then remain flexible. One must be prepared to change and modify as projects like these are learning experiences.

By Shanti Anne Morais

Strategy

Asian Channels – AUGUST 2004

Globalization hits channel managers

As technology vendors scramble to expand their channels into the mid-market, they are increasingly turning to their international operations for inspiration. Since even the largest customers in Asia and even Europe would be mid-marketing opportunities in North America, partner managers are beginning to understand that lessons learned with resellers selling to these customers for example, in Kuala Lumpur can be applied to mid-market sales situations in Iowa for example.

This is no surprise to partner managers outside of the United States. They have been forced through years of trial and error to make their reseller relationships work in order to ensure local success – even survival. Since a vendor direct sales force does not exist in most countries, there is no fall back position. Partnering competence is the price of admission into the local economy. Since vendors have been forced to “walk the reselling walk”, their channels have not suffered from the same distribution swings (direct to channels, back to direct, back

to channels, etc.) that plagues resellers in the United States. As a result, international partnerships tend to be stronger and more predictable in their results.

As larger vendors turn their attention to the mid-market in North America, they increasingly seek out executives with global experience to manage the effort. Channel executives with Australian, British or Chinese channel management pedigrees are the top choice to lead mid-market channel initiatives at a company’s headquarters. In fact, today, it is a rarity to find a channel chief in the United States who has not recently headed the reseller operations of a foreign subsidiary.

Making changes

These channel executives are introducing changes such as new and simpler pricing, direct sales compensation, neutrality, streamlined programs, and so on, that are being cautiously welcomed by the channel. At the same time, these foreign nationals are also causing waves within management committees long used to working through a direct sales paradigm. Now, with pressure building to upset the status quo

American results, it seems likely that the technology industry is going to see more responsive as well as increasingly global channel programs in the coming years.

Vendors are redesigning their programs to create international frameworks that can be modified at the local level, but which still meet corporate requirements for standardization and a “level playing field” in an increasingly global marketplace. Just as the Internet has little respect for country borders, communication between channel managers in different countries is at unprecedented levels, and the partner manager community is getting used to calls at night or in the early morning as everyone adapts to living in a global village.



Taken from an article by the Technology Channels Group, a Channel Enablers company.

Profile

Asian Channels – AUGUST 2004

HP Blades slice-up competition

HP’s ProLiant blade server solutions are proving to be a huge hit in the Asia-Pacific, with recent Gartner figures reflecting HP’s 66% share of the region’s blade market.

Designed to create a more adaptive infrastructure and to reduce IT costs and complexities, the current surge in demand for blade servers comes as IT budgets

continue to be squeezed and businesses are still grappling with the realities of a stagnant economy. According to Gartner forecasts, the market for blade servers in the region will continue to grow at an exponential rate over the next three years as they increasingly become an integral part of organizations’ server infrastructures.

“As IT departments face increasing demands on their infrastructures in their move towards Real Time Enterprise, they continually look to adaptive and easily deployed architectures,” explains Matthew Boon, vice president, Hardware and Systems, Gartner Asia Pacific.

He adds, “Blade servers with their potential ease of deployment, cost and space saving advantages

will continue to mature into a viable architecture in order to meet changing infrastructure requirements."

"The blade server market is really taking off and we believe the faster adoption of blades in the Asia Pacific is enabled by our holistic Adaptive Enterprise approach and deep understanding of evolving needs," says Tony Parkinson, Director, Industry Standard Servers, Enterprise Storage and Servers, HP Asia Pacific.

Touted as being able to deliver more scalable, available and efficiently managed systems, HP's ProLiant blade servers form a strong component of the company's Adaptive Enterprise strategy, which aims to provide infrastructure that is standardized, modularized and integrated.

The Adaptive Enterprise Strategy focuses on synchronizing a company's IT resources, processes and infrastructure with their business strategies, thereby enabling cost reductions, simplifying management and implementing solutions that provide a competitive advantage.

The Server evolution

Over the past few years, the market has witnessed a significant evolution of servers. While traditional servers are generally stand-alone devices, blade servers use a modular architecture that places the server on a single board, or blade, that includes processors (typically, one to four

CPUs) and memory. The blades are then stacked together in a rack.

Blade servers are generally deployed at environments that require multiple servers and cluster-computing setups where many applications need to be used, such as data centers, service providers and telecommunication companies. They are used for various purposes such as web servers, DHEP, DNS, firewalls, exchange, terminal servers and databases.

Ringing endorsements

Hong Kong's EganaGoldpfeil has realized the benefits of blade servers. The company uses HP ProLiant blade servers to support the Group's email system as well as to consolidate the management of its server operations in its Hong Kong office and plant in China.

"We wanted a return-on our investment within the next five years, while maintaining a low total cost of ownership. HP was able to provide us with strong investment protection and meet all our IT needs, explained Yeung Wai Suen, head of Group IT, EganaGoldpfeil Group.

Another satisfied customer is AgResearch, a New Zealand biotechnology and life sciences company. The company recently adopted blade servers to increase its server capacity to cope with the rapid expansion of its life sciences programs, as well as to provide a high performance technical computing facility for statistical analysis and modeling.

"We had to take into consideration how to streamline integration and upgrades easily, something that conventional rack servers cannot do easily," said Dr. Phillip Lindsay, chief information officer, AgResearch Ltd.



New additions for continual improvement

HP has recently launched a new suite of ProLiant blade server solutions as well as upgrades for existing ProLiant BL products and infrastructure. These include two new Intel Xeon processor-based blade servers as well as upgrades and benchmarks for the existing entry-level ProLiant e class and the higher-end ProLiant p class servers.

The company has also introduced the next-generation GbE2 Interconnect Switch, delivering switching capabilities and continued investment protection for the HP ProLiant BL p-Class infrastructures.

With the ProLiant blade server products making an impression with customers around the region, HP is proving the benefits of its Adaptive Enterprise strategy, and more so, the many benefits that this new technology delivers to users.

Imprint

Asian Channels, the e-InfoSource for the Asia Pacific region is produced

12 times a year by MediaBUZZ Pte Ltd.

MediaBUZZ respects the privacy of its readers. To stop receiving this newsletter, click [here](#).

Advertising Opportunity:

If you would like to be the exclusive sponsor of the next issue of Asian Channels, please contact Daniela La Marca at Daniela@mediabuzz.com.sg

Terms & Conditions

<http://mediabuzz.com.sg/terms&conditions>

Copyright 2004 MediaBUZZ Pte Ltd. All rights reserved.
60 Havelock Road, Tower A, #10-08 River Place, Singapore 169658