



The Cloud: A Carrier's Perspective

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The head-long rush to cloud computing is literally a redefining moment for telecom carriers.

Carriers and network service providers will either evolve to become their clients' trusted guides to – and in – the cloud environment, or they'll risk becoming irrelevant.

What that means is that rather than simply enabling the shift to cloud services through our networks, telecom carriers must leverage our skills and provide the products, services and expertise that will enable our clients to fully benefit from the cloud.

Let me give you a few specifics:

- We have to engineer our networks and data centres for reliability, security and redundancy. That's table stakes.
- We also have to evolve our networks to operate in an application-driven environment. And by that I mean we can't simply offer access and let the chips fall where they may. We have to collaborate with our customers and partners.
- And we have to look beyond traditional organizational structures and embrace new practices that drive collaboration, innovation and productivity.

Now, you might ask why? Why is this transformation essential?

I suspect that we all agree that the cloud business model can provide several advantages for today's businesses.

For business managers, Cloud Computing promises enormous cost savings and dramatically increased operational agility, and flexibility.

At an operational level, it can make organizations more efficient, which in turn can make them more competitive.

And it offers access no matter where you are, which means it enables mobility. And, perhaps most importantly it enables a new level of collaboration.

All of this creates greater productivity.

However, the cloud model, and there are many – one size doesn't fit all – challenges many traditional approaches to datacenter and enterprise application design and management.

We have to address barriers to cloud adoption that include reliability, security and interoperability.

The good news is that these requirements are exactly the issues that carriers have the greatest sensitivity to, and that carriers have been addressing for years.

As carriers, we can put our natural strengths to work to meet current challenges and capture new cloud services opportunities.

In terms of reliability and quality of service, I'll only speak on behalf of my own network, which is engineered to provide five nines availability.

From a security perspective, our networks have been designed from the ground up to protect some of the nation's most important data – financial institutions, exchanges and insurance companies all trust us with their information.

We carriers are also accustomed to being hardware and software agnostic.

And we've had to be able to meet our customers' needs anywhere in the world. Now that's not too say that ALL carriers will succeed in the cloud. The cloud does present some challenges to TRADITIONAL carriers.

We have all heard the arguments - they are large, slow and conservative. Their expertise lies in network infrastructure and not in providing services. They lack the agility required to adapt and move quickly. They are risk adverse – the list goes on.

I'll leave it to the traditional carriers to address those issues.

When I talk about the opportunity for carriers in the cloud, mostly I'm talking about a different generation of carriers, including Cogeco Data Services.

By virtue of our place in the market, we've had to be agile, nimble and innovative.

Our networks are backed by industry leading service level agreements and our data centres employ the latest back up systems.

The carriers that are best positioned are the ones who aren't locked in by enormous legacy infrastructure.

Another essential requirement is scalability, and Ethernet in particular, provides a great starting point. Cogeco Data has a unique advantage and expertise in this area – our network was born from this technology.

Still, the network is just the foundation. In a cloud environment, carriers must evolve.

Imagine giving application developers direct input on your network design.

In early 2010 British Telecom did just that, announcing 'OpenBroadband'. Developers are provided simple APIs to build into their apps so they directly program BT's broadband lines.

The idea is that the network itself will work harder and in greater harmony with the apps. This type of initiative is a sign of things to come and has the potential to boost innovation and productivity.

The BT Open Broadband program is an example of collaboration, and the need for greater collaboration is the most important point I want to make today.

Collaboration drives innovation and innovation drives productivity. We have all heard the statistics related to Canada's productivity – a D grade and a 14th place ranking.

However, instead of focusing on a weak grade I think we need to look to new areas where Canada can lead, and I believe that cloud computing can play a role.

Let me give you one small example of how Canadian businesses can support collaboration. When it comes to cloud computing it should be the responsibility of business leaders to ensure that their IT people are brought to the cloud-strategy development table.

And I believe that it is actually the IT team leaders who should drive the discussion on collaboration to best take advantage of the opportunity cloud services offer.

In the organizations of today and tomorrow, collaboration needs to be part of the DNA. And to build on that metaphor, IT infrastructure is the double-helix strand.

These are the types of things we need to do to create real value:

- Be the experienced guide to our customers in this new world;
- Evolve our networks, products and services to create a whole new level of value;

- And have the courage and flexibility to adopt collaborative models and processes that will enable us to maximize the benefits of the cloud.

If we, as carriers and service providers, are not able to do this, we will be relegated to the position of commodity providers – easily replaced.

But if we are able to navigate this redefining, watershed moment, we will find ourselves with an important new role as enablers of innovation, productivity and value creation.