Cloudscaling builds on OpenStack for its bet on enterprise hybrid cloud management

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Cloudscaling is a cloud management vendor focused on supporting large enterprise and service-provider deployments of the OpenStack open source cloud computing infrastructure software. The company's recently released Open Cloud System (OCS) 2.0 is intended to federate private and public cloud infrastructure management and make the many different pieces and layers of OpenStack deployable in production environments. There's no question that Cloudscaling faces increasingly intense competition in cloud management and OpenStack deployment, but its early involvement in the project and community, as well as its focus on hybrid cloud management, may help it stand out.

The 451 Take

Cloudscaling's focus on hybrid cloud management, particularly portability among popular public clouds and private cloud infrastructure built on OpenStack, is well timed and suited for interest and deployment among large enterprises and service providers. Though it will encounter increasing competition from other cloud management providers, Linux vendors and others, the company has the advantage of its early and ongoing involvement with OpenStack and established deployment of its software alongside OpenStack technology.

Context

Since its founding in 2009, San Francisco-based Cloudscaling has transitioned from an early cloud

design and architecture focus to a specialty in production deployment of the OpenStack open source cloud infrastructure software. The company highlights its production OpenStack work with enterprise organizations and service providers that include large hosting and telecom firms. Cloudscaling says its offerings and customers are focused on deploying private clouds that are compatible and federated for management with popular public clouds. In addition to OpenStack, the company supports Amazon EC2 and is in the process of extending support to Google Compute Engine. Cloudscaling has raised $4m in series A funding from Trinity Ventures. It has about 25 employees.

Products

In October 2012, Cloudscaling introduced OCS 2.0, which is intended to meet demand for support of what the company calls dynamic apps, which include Web, cloud, mobile, social networking and similar software. OCS 2.0 supports on-demand compute, block and object storage; networking; scale-out edge, core and block networking services; private to public cloud integration; security such as privilege management and encryption; resource scheduling; cloud topology management; and modular hardware reference designs for faster and more reliable deployment. The idea is to have Amazon-like elasticity in a private cloud that is under an organization's control and can integrate with public clouds as well.

Rather than a fork of OpenStack, Cloudscaling adds its own software around the OpenStack cloud infrastructure software. The company says this allows both integration and federation with public clouds and production-grade features. Cloudscaling's cloud software and services are provided as predefined, scaled and engineered services that are also modular, thus enabling faster, more efficient integration of OpenStack and other components.

For its new OCS 2.0 object storage, Cloudscaling used an API compatible with Amazon's S3. The OCS 2.0 software also features scale-out networking enhancements, a scheduler for optimizing and maximizing where VMs and workloads are placed, hardware monitoring, and automated provisioning and installs.

Technology

Cloudscaling addresses three key trends with its offerings. First, the company says today's dynamic applications – whether enterprise, Web, mobile, cloud or converged – require new elastic infrastructure, which it provides with its OpenStack-based software. Second, many business and software development teams at large enterprise and service-provider organizations are going

around their own IT operations to access faster, more accessible and suitable public cloud computing infrastructure, creating a so-called 'shadow IT group.' Finally, Cloudscaling says many large organizations are repatriating Amazon Web Services applications and workloads to private clouds, where they have more control.

Customers

Cloudscaling reports a handful of paying customers and says interest and traction are centered less on legacy infrastructure and application management and more on leveraging public and increasingly private cloud computing to improve time to market, efficiency and, eventually, ROI from technology investment, including IT operations.

Competition

Cloudscaling competes with other vendors both large and small that are similarly focused on supporting enterprise and service-provider implementations of OpenStack in production environments. Its OpenStack-focused rivals include managed cloud services provider eNovance; Mirantis, which targets enterprises, service providers and SaaS players; Nebula with its appliance approach; and Piston Cloud Computing, which is focused squarely on enterprise deployment of OpenStack. Competition for Cloudscaling also comes from the Linux providers that have become part of OpenStack. This includes Canonical, which is leveraging large enterprise and service-provider interest in OpenStack to convert developer and cloud popularity of Ubuntu to paid use.

Red Hat has become a major contributor to OpenStack and is increasing its enterprise support for the cloud software. SUSE is also providing enterprise production support for OpenStack based on its Linux distribution. Additionally, the competition includes other cloud options such as Citrix support for CloudStack, Eucalyptus, Nimbula and VMware support for cloud and application management. Just as any open source software vendor must also contend with unpaid use of its software, Cloudscaling also faces unpaid deployment of OpenStack by enterprises and service providers capable of doing it on their own.

SWOT Analysis

Strengths	Weaknesses
Cloudscaling is among the founding and active members of the OpenStack open source community, bolstering its technology and message to potential customers.	The company is among numerous smaller OpenStack players and must work hard to differentiate itself from competitors.

Opportunities

Large-scale production deployment of OpenStack is growing among large enterprise, service-provider and converged customers.

Threats

As OpenStack and enterprise production experience with it mature, more large organizations will be capable of supporting themselves with the software.