

ZeroStack taps channel partners to host private cloud appliances

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ZeroStack has entered partnerships with T5 Data Centers and Colovore, which will host the company's cloud appliance technology in their colocation facilities.

A new alliance between a provider of private cloud infrastructure and two channel partners offers a way for customers...



to move workloads off of public clouds.

ZeroStack said T5 Data Centers and Colovore, in partnerships unveiled July 25, will host its turnkey private cloud appliances for customers that want to benefit from [private clouds](#), but don't want to deploy them on an on-premises basis. ZeroStack's Z-Block Cloud Appliance uses core OpenStack services and includes hypervisors, compute, storage, networking and management software, according to the company. With its [hyper-converged](#) cloud appliances and web-based, self-service cloud portal, ZeroStack aims to offer private cloud infrastructure that provides familiar public cloud features, such as dashboards.

T5 Data Centers and Colovore will deploy ZeroStack-based private clouds in their [colocation](#) facilities. [T5 Data Centers](#), based in Atlanta, offers managed services and colocation services to enterprise customers. [Colovore](#), based in Santa Clara, Calif., offers colocation services geared to customers with high-compute workloads. The channel relationships closely follow the launch of [ZeroStack's partner program](#), which debuted in May 2016.

Colocation moves

[Peter Harrison](#), co-founder and CTO at Colovore, suggested the ZeroStack colocation arrangement will appeal to customers concerned with soaring public cloud costs. Cost and performance considerations, he added, have compelled a number of customers to pursue colocation.

"We have found that 40% of our customers have migrated out of public cloud for high-density colocation," Harrison said.

He said colocation and private cloud become a reasonable option for customers once they start generating monthly public cloud bills in the \$7,000 to \$8,000 range. Public cloud costs

can rise as "shadow IT" deployment proliferates, he noted. And shadow IT buyers, wishing to avoid long-term contractual commitments, often purchase on-demand virtual machines in the public cloud at the highest rates.

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Peter Harrison

co-founder and CTO, Colovore

"It can be crippling," Harrison said of public cloud expenditures.

Craig McKesson, executive vice president at T5 Data Centers, said many organizations that were born in the public cloud have obtained critical mass where cloud spending has become too high.

"They can reach that pretty quickly, and it just makes sense [for those companies] to take control of their destiny," he said.

McKesson said when different groups within an organization create their own public cloud accounts, the individual cloud spend may not look that threatening. But when the individual cloud expenditures are grouped together, it becomes apparent that spending "has gotten way out of control," he added.

Steve Garrison, vice president of marketing at ZeroStack, said his company offers its cloud appliances via a subscription model for a \$4,999-per-month-based price. Garrison compared that outlay, which takes into account one appliance and the necessary power and cooling from the hosting provider, with a \$15,000-per-month price tag for a comparable public cloud-based offering. He said the price of the ZeroStack cloud can vary depending on the details of the service-level agreement and the specific implementation.

Businesses may be moving some workloads away from public cloud for reasons other than cost, however. Some customers may not be able to get the performance they need in the public cloud, Colovore's Harrison explained. He said ZeroStack private clouds offer such customers an opportunity to "get the performance of a machine that is 100% under their control."

ZeroStack's partners reflect a trend detected in 2015, when channel partners observed some of their [customers beginning to uncloud](#), asking for assistance in migrating workloads to either in-house data centers or colocation facilities. Compliance and cost concerns were among the top reasons cited for the change in direction. The [economics of hyper-converged infrastructure](#) also play a role in the public versus private cloud decision making.

McKesson said he has seen an influx of companies -- including [systems integrators](#) and consulting firms -- whose primary business function is to get their customers off of public cloud platforms.

"We see companies building business models about bringing customers back," he said. "We need to be able to support that."

[Public cloud](#) customers are "starting to realize they need to modify their strategies according to their business needs," Harrison added. Lighter-weight workloads can remain in the cloud, while other workloads will head for colocation.

"I think the days of just making blanket statements that public cloud is the right solution ... are over," he said.