EXECUTIVE SUMMARY

Challenge
Reduce the operational complexity of existing cloud-based load balancing services while aligning infrastructure costs with customer revenues.

Solution
- Brocade ServerIron ADX Series application delivery switches delivered through the Brocade Network Subscription acquisition model.

Results
- Increased the capital available to invest in other strategic business priorities.
- Reduced provisioning time for upgrades by 85 percent.
- Enabled predictable service profitability, starting at time of launch.
- Reduced business risk by aligning infrastructure costs with customer revenues.
- Simplified operations by consolidating the load balancing infrastructure.

Rackspace Increases Business Agility and Operational Efficiency

Rackspace Hosting has been racking up customer and industry accolades since its launch in 1998. Recently, Fortune Magazine named Rackspace among the “100 Best Companies To Work For,” and Gartner placed the San Antonio, Texas, company as a leader in its Magic Quadrant for Cloud Infrastructure as a Service and Web Hosting.

Rackspace attributes this recognition—and ongoing success—to its “fanatical” customer support. Meeting customers’ needs is the cornerstone of the company’s mission, and today more than 160,000 customers worldwide use Rackspace for managed hosting, cloud hosting, and e-mail and application services.

As its customer base expanded and evolved, Rackspace had experienced massive growth combined with demanding deployment times. The company’s infrastructure footprint was also increasing with its customer base—and becoming unwieldy. As a result, Rackspace needed a solution that could address its rising operational costs and adapt to quickly meet customers’ changing business needs.

PAY-AS-YOU-GO BILLING WITH SCALABLE APPLICATION DELIVERY
Rackspace selected the Brocade® ServerIron® ADX Series of application delivery switches for their industry-leading load balancing capabilities. In addition, Rackspace found that it could meet its business needs through a new acquisition model, Brocade Network Subscription, which offers increased business agility, capital flexibility, and reduced risk.

“Whether you’re an enterprise or an emerging business, you’re looking for scalable and flexible cloud technologies that can meet your technology and budgetary needs. The Brocade Network Subscription model fits that to a T,” says Rob Jackson, solution line leader at Rackspace.
Brocade Network Subscription is an innovative new way for organizations to acquire network infrastructure. Using this “pay-as-you-go” model, Rackspace eliminated multi-year lease commitments and upfront capital investments. Instead, Rackspace pays only for what it uses, an approach that tightly aligns load balancing infrastructure requirements with customer demand.

Now, when new customers sign up for Rackspace load balancing services, they can purchase basic load balancing or premium services, such as SSL offload. Rackspace can quickly turn on the exact service that the customer needs, based on its current growth path. When customers request new capabilities, Rackspace can add them seamlessly without disruption to service.

“You want to pay for those capabilities when you use those capabilities,” says Jackson. “Brocade Network Subscription allows us to meet our customers’ requirements at any time and dynamically scale up or down based on their unique situations.”

Brocade Network Subscription allows Rackspace to invest only in the specific Brocade ADX feature that is turned on, at the time when the customer demands it. In addition, the pay-as-you-go solution allows Rackspace to re-assign the application delivery platform with different services for a new customer. In contrast, the traditional network acquisition model assigned fixed services and configurations to the networking platform for the lifecycle of the customer. Rackspace now has greater investment protection, since it can easily re-assign the platform to a new customer and turn on only the services purchased by that customer.

Brocade Network Subscription is also making a significant impact on budget forecasting at Rackspace. “We know profitability and expense immediately,” says Wesley Jess, Vice President of Supply Chain Operations at Rackspace. This knowledge reduces business risk and allows Rackspace to invest its capital in other strategic business efforts. “A traditional acquisition model restricted our ability to spend capital or invest in growth,” adds Jess.

Rackspace has further enhanced its reputation for customer satisfaction by reducing provisioning time for upgrades by 85 percent. This faster response rate allows Rackspace to realize customer revenue more quickly, and customers can leverage networking services for their businesses much faster than before. “This is an opportunity for our customers to get to market faster and expand more quickly,” says Jess.

WHY BROCADE

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— Rob Jackson, solution line leader at Rackspace

A PROTOTYPE FOR THE FUTURE

Brocade Network Subscription is changing the way Rackspace evaluates its infrastructure suppliers. Today’s business goals are evolving, and Rackspace must be able to adapt quickly to changing customer demands. Rigid pricing approaches and inflexible technology that worked a decade ago are no longer viable.

“We want more flexibility and innovative thinking from our suppliers,” says Jackson. “Brocade Network Subscription and Brocade ADX application delivery switches have been great for us, and we will look for more suppliers to give us original business models and leading technology that align with, and adapts to, our business strategy.”

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