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The New York Times: I.B.M. Returns To The Storage Market

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I.B.M. Returns to the Storage Market

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You would be forgiven for thinking that after I.B.M. sold off its storied disk drive business to Hitachi in 2002 for \$2 billion, Big Blue was out of the storage business. Not so, I.B.M. said at the time, we're just getting out of the low-margin hardware side of storage, disk drives. But most people, understandably, watched the deal and the heritage — I.B.M. was a pioneering innovator in disk drive technology — being sold off to the Japanese.

On Monday, I.B.M. trotted out a series of new computer storage products and services that it says are the culmination of \$2 billion in investment in the last few years, in a string of acquisitions and the labors of 2,500 I.B.M. researchers and developers. It was a cluttered bulk announcement, with what the company called "30 new and upgraded information infrastructure technologies and services unveiled."

The announcement presented I.B.M.'s vision, and marketing pitch, for data center storage in the next wave of Internet computing — all the data created by e-mail, wikis, blogs, social networking, video (from YouTube-style entertainment to police surveillance), all the user-generated content in companies. Much of this involves Web-based services, delivered from the computing "cloud" — modern, flexible data centers — to consumers and corporate customers.

"To support the cloud and rich content delivered in an efficient way to consumers is going to require a massive set of changes," said Andy Monshaw, general manager of I.B.M.'s storage group.

The early customers for I.B.M. new-age storage offerings, Mr. Monshaw said, will include Internet companies, banks and insurance companies, telecommunications companies, retailers and government agencies.

"This is I.B.M. saying we're in this business and trying to present an approach that makes sense of all this complexity," said Roger Kay, president of Endpoint Technologies Associates, a research firm.

The I.B.M. storage move is part of its larger strategy, announced a few months ago, which it calls the New Enterprise Data Center, which includes servers, energy management and automated management.

"This is not a single product, but a collection of things, a theme," said Clay Ryder, president of the Sageza Group, a research firm.