

# VMware – Building Many Bridges to the Cloud

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# Agenda

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- **Cloud**
  - Characteristics
  - Benefits
  - Challenges
  
- **VMware and Cloud**

# Characteristics of Cloud

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- Use pooled resources
- Own or rent
- Separate end user interface from service backend
- Choose not to own hardware and software
- Utility computing
- Pay upfront or pay as you go



**Cloud is not about *where*,  
but *how* computing is done**

# 3 Layers of Cloud Computing

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Software as a Service (SaaS)

Platform as a Service (PaaS)

Infrastructure as a Service (IaaS)

# Benefits of Cloud

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- **Lower cost**
- **Improve efficiency**
- **Increase economy of scale**
- **Allow specialization and innovation**
- **Open a new era with exciting opportunities**
- **Provide access to technologies for the less privileged**

# Challenges of Cloud

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- **Privacy**
- **Security**
- **Open vs. proprietary**
- **Standards and interoperability**
- **Business model**
- **Individual freedom vs. government control**
- **(Un)equal access to technology**

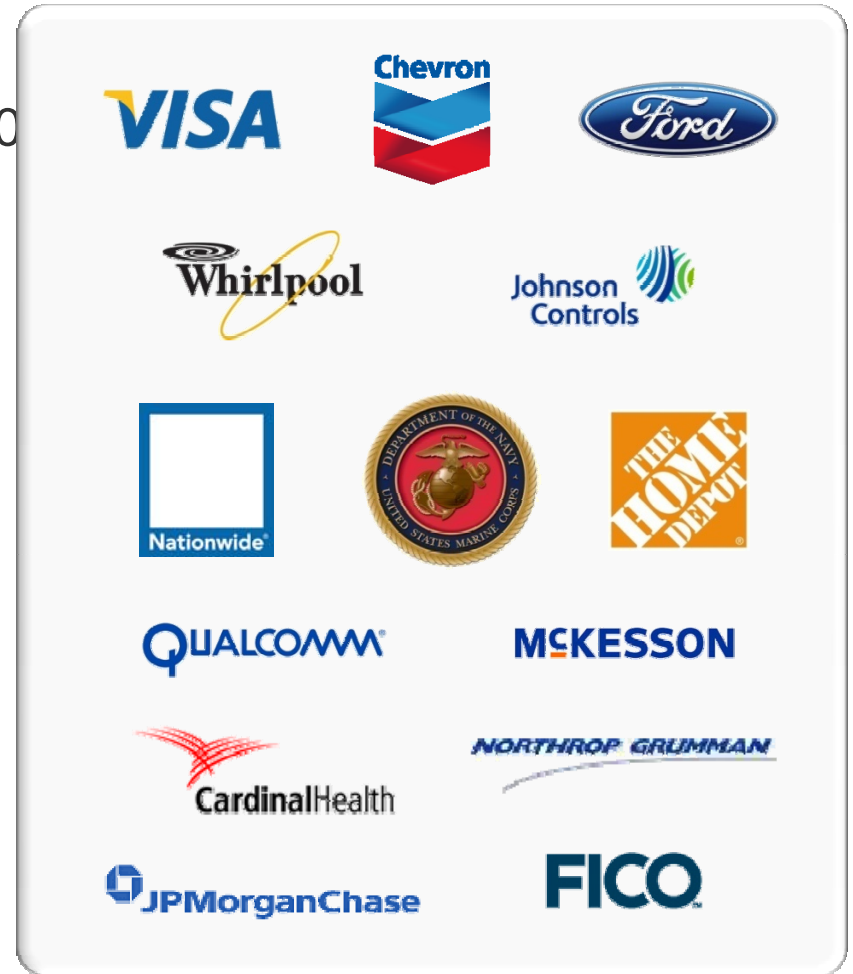
# VMware is the Customer Proven Market Leader

## ■ Company Overview

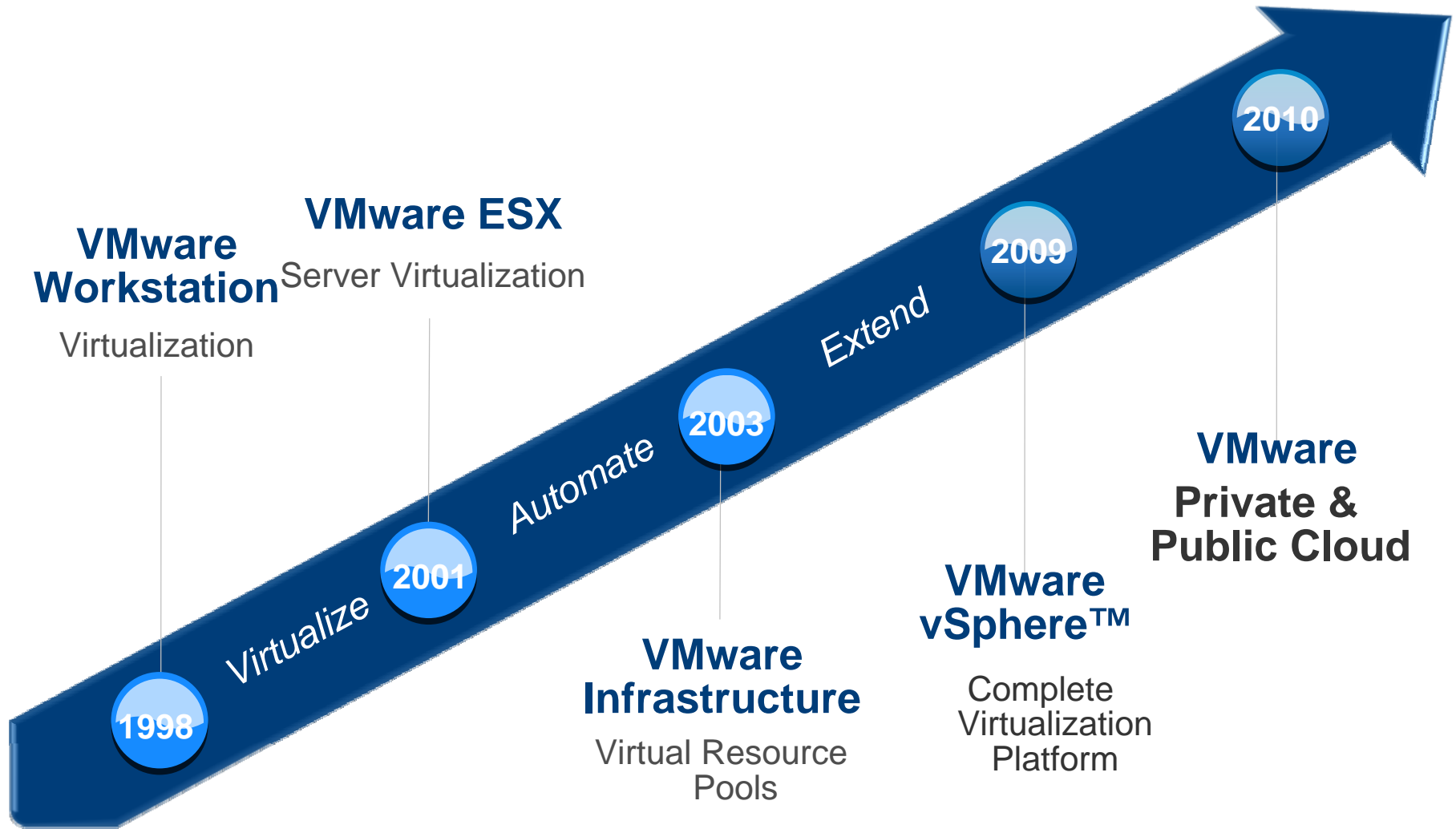
- \$2 billion in 2009 revenue
- \$634M + 35% YoY Growth in Q1 '10
- Over \$2 billion in cash
- 25%+ operating margins
- ~7,000 employees worldwide
- 5th largest infrastructure software company in the world

## ■ Proven in the Trenches

- 170,000+ VMware customers
- 100% of Fortune 100
- 100% of Fortune Global 100
- 96% of Fortune 1000
- 96% of Fortune Global 500



# VMware Leading the Industry Journey



# Virtualization & Cloud = Top Priorities for CIOs

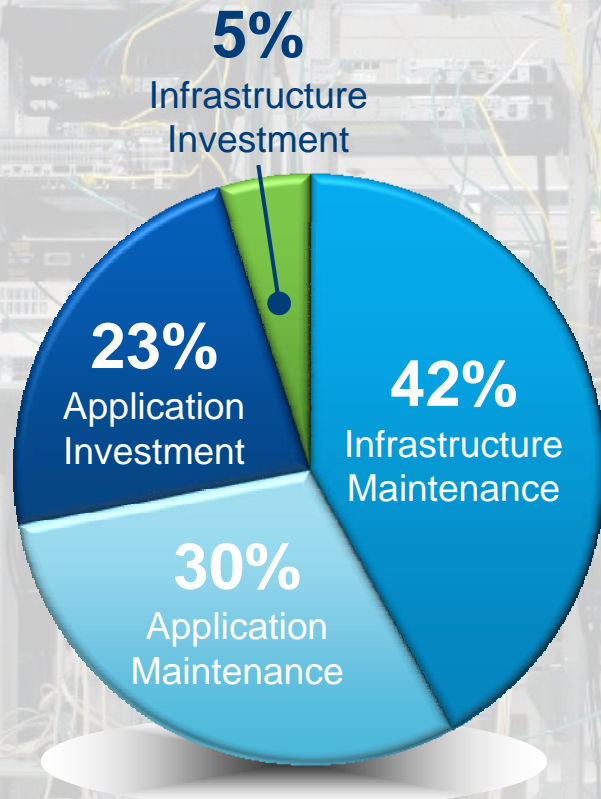
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CIO Technology	2010 Priority	2009 Priority
Virtualization	1	3
Cloud Computing	2	14

Source: Gartner CIO study, Q4 2009

# Today's IT – Complex, Inefficient, Inflexible

## Where IT Energy Is Spent



## Cause

- Overwhelming complexity
- Reliance on brittle infrastructure

## Effect

- >70% of IT budgets just “maintaining” status quo
- <30% of IT budgets goes to innovation and competitive advantage

***Business Agility  
Depends on IT Agility***

**Reduce the Complexity**

**Dramatically Lower Costs**

**Enable Flexible,  
Agile IT Service Delivery**

Source: VMware Fortune 100 Customers

# Our Focus is to Transform IT

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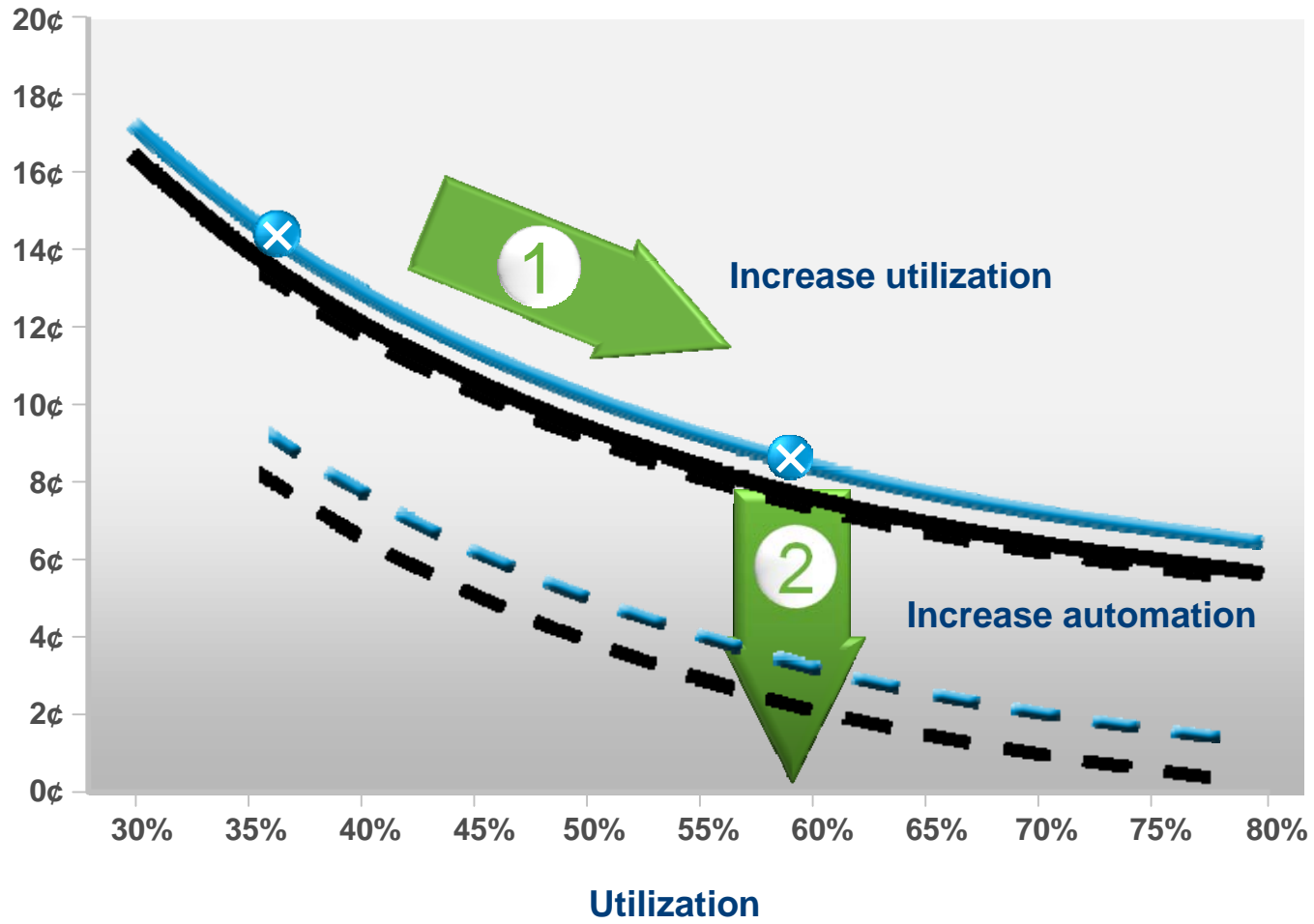
Simplify the Complexity

Dramatically Lower Costs

Enabling Flexible, Agile IT Service Delivery

# Virtualization + Automation = Lower Costs

Cost per VM hour  
(2GB instance)



# Flexible Cloud Deployment Models = Choice



## Private Cloud

*Operated solely for an organization, typically within the firewall*

- Low total cost of ownership
- Greater control over security, compliance, QoS
  - Easier integration
- Support existing applications

## Hybrid Cloud

*Composition of 2 or more interoperable clouds, enabling data and application portability*

**VMware focus  
to deliver the  
best of both worlds**

## Public Cloud

*Accessible over the Internet for general consumption*

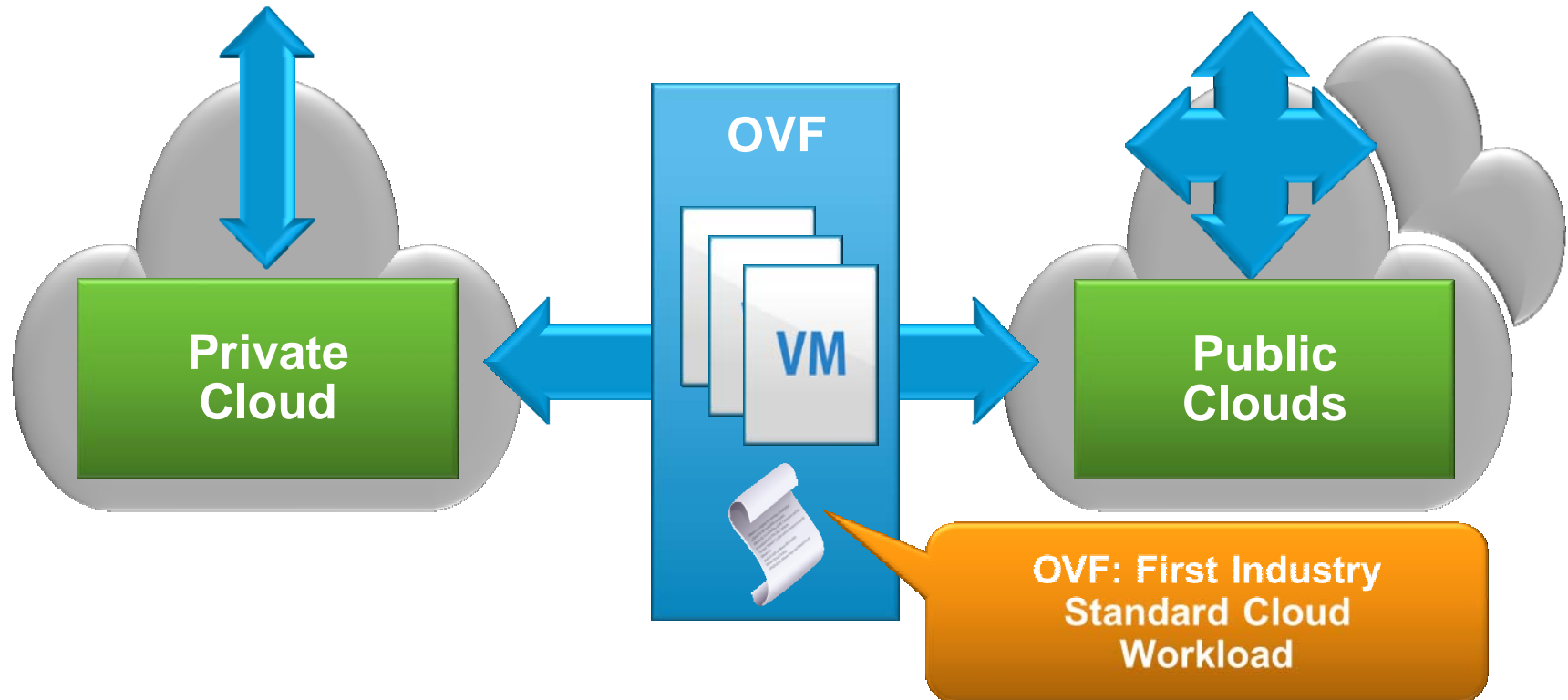
- Low acquisition costs
- Less administrative burden
  - On-demand capacity
  - Limited offerings

# VMware's Commitment to *Open & Interoperable*

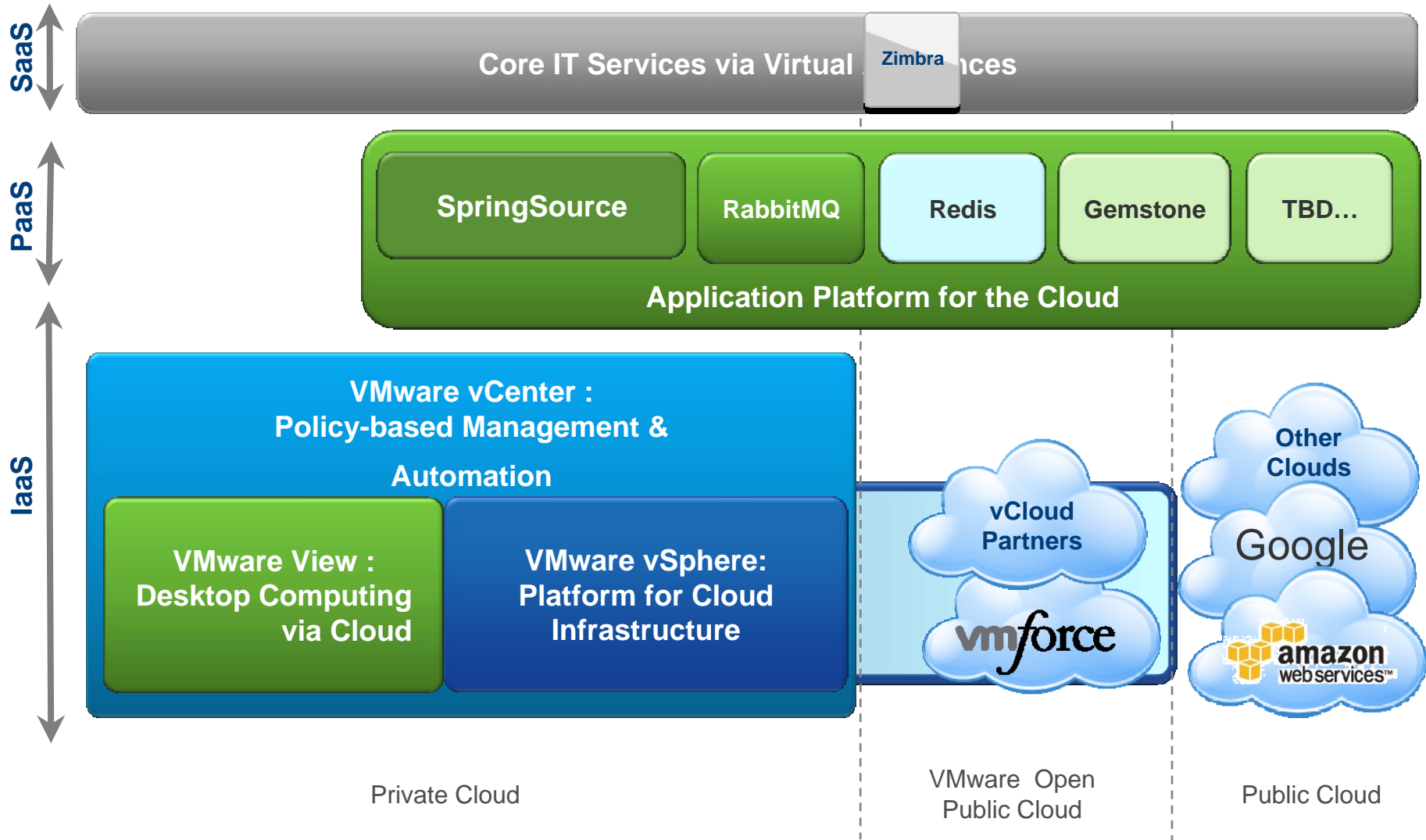
vCloudAPI: First Cloud API  
Submitted to Open Industry  
Standards



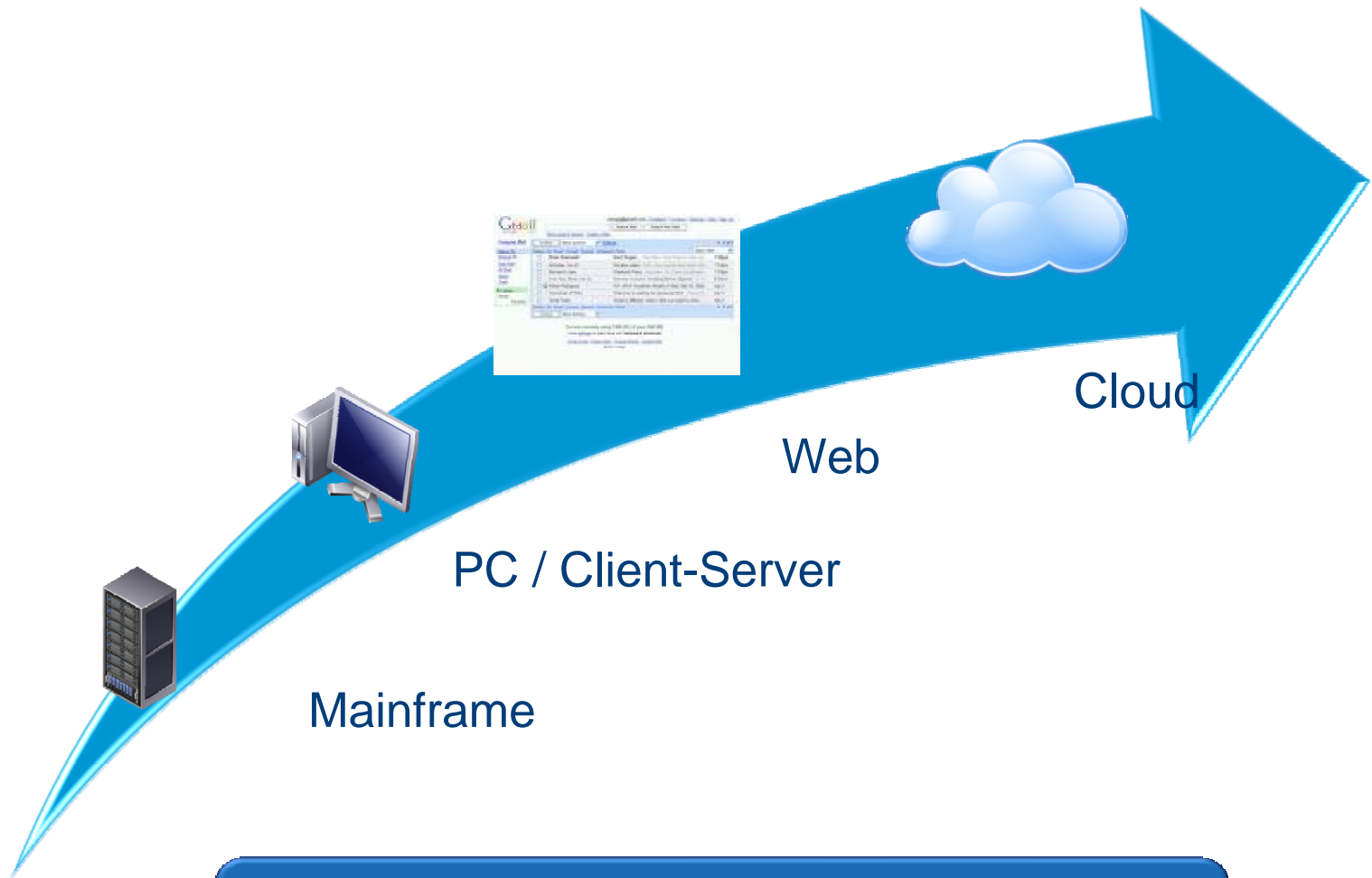
APIs: Programmatic Access to Resources



# VMware Open Cloud Infrastructure & Services



# The Rise of a New Era in IT



**Cloud Computing will transform  
the delivery of IT services**

# Thank you