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The Infrastructure for Innovation: Software Defined, Cloud Ready

Why SDI is the Path to a Modern, Agile Data Center

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The New Digital Normal

It is a long-standing truism that a business that can't continually improve its value proposition won't keep up. Case in point: Only 71 companies remain today[1] from the original 1955 Fortune 500 list. In today's world of constant innovation and technology enablement, enterprises need to not just keep up, but stay ahead.

Mobile consumers and employees, the rise of pervasive analytics, rapid innovation across industries—these changes can make business as usual obsolete in a matter of weeks. The ability to launch new initiatives rapidly and change directions just as quickly is now of premium importance. Enterprises must evolve to an infrastructure that supports this business innovation through agility and efficiency, not only to thrive but to stay viable.

For IT departments, real agility means much more than quick provisioning of servers. IT needs to:

- Enable self-service so that users can get what they need with minimal delay or IT intervention.

- Meet predefined service levels for critical applications.

- Let users pilot new capabilities. Scale the ones that pay off, and drop those that don't.

And this must all be delivered along with maximum return on the investment.

Behind the scenes, these demands require more automation; higher utilization of compute, networking, and storage resources; on-the-fly allocation; and built-in resilience and security.

To accomplish these goals, IT departments must enable their own self-service enterprise cloud. Software-defined infrastructure (SDI) represents an architecture for compute, networking, storage, and security. Applications and the physical hardware they run on are separated and entirely controlled by software to maximize agility, availability, and efficiency.

SDI is necessary in the evolution to a modern, agile data center. It is a journey whose early phases started more than a decade ago with compute virtualization, spawning a revolution in enterprise computing and delivering tremendous payoffs in efficiency and performance.

The SDI architecture is now actionable, allowing the enterprise to realize immediate efficiency and increasing

"Enterprises must evolve to an infrastructure that supports business innovation through agility."

agility. The investment in a modern data center infrastructure isn't a "nice to have" but rather a critical business imperative.

The Cost of Inaction

More than 60 percent of enterprises consider cloud computing a top infrastructure priority, according to an Intel sponsored survey conducted by 451 Research, with data security, service agility, and lower operational costs as key factors when evaluating cloud deployments. For the vast majority of enterprises, however, the transformational benefits of the cloud have not yet been realized.

Enterprises today are eager to capture new opportunities created by the digitization of business. The falling cost of compute in recent years has driven the creation of hundreds of innovative and data-rich applications and services. In fact, every dollar spent on server hardware today gives customers four times the performance it did in 2010.[2] While those economics have spurred innovation, they have also introduced new layers of infrastructure complexity and silos and slowed down IT's ability to serve as a responsive partner to its business counterparts.

While 72 percent of organizations have at least one application in the cloud,[3] the bulk of enterprise software still runs on legacy platforms and on infrastructure that simply isn't designed to achieve the levels of manageability, agility, and self-serve convenience that users now demand. The vast majority of enterprise data centers today are complex environments—expensive to maintain and manage, lacking in flexibility, and unable to cope with growing business and service delivery

goals. In the Deloitte* *2015 Global CIO Survey,*[4] CIOs reported that to take full advantage of digital and analytics trends, they would need to revamp their existing legacy and core infrastructure.

One typical scenario of an IT pain point in serving the needs of a dynamic enterprise: IT tries to anticipate the growth of each workload, then buys and implements hardware just ahead of that demand. This creates a constant balancing act: underestimating means that some applications outrun the available capacity; buying extra capacity in advance often means that expensive storage hardware sits unused or underutilized. The traditional infrastructure-centric model of enterprise IT is simply at odds with the needs of today's application-centric enterprises, which require dynamic resource provisioning.

The enterprise data center infrastructure must evolve and modernize, taking on more cloud-like attributes to support service agility—both for internal stakeholders, such as developers building new cloud-native applications, and external customers, who have grown to expect better experiences when interacting with business.

The Path to Software-Defined Infrastructure

Today, explosive growth in digital data has placed new demands not just on compute but also on traditional storage architectures and enterprise networks, creating bottlenecks for performance and service agility. To mitigate these challenges, enterprises need to advance along the cloud maturity curve, extending virtualization beyond compute to storage and network domains and

then moving to greater automation and orchestration levels for self-service provisioning and real-time service level agreements (SLAs).

Think of a real-time, compute-intensive analytics workload being processed within the data center. With SDI, this workload can be moved automatically to run on servers nearest the data, while less intensive or time-sensitive work temporarily moves elsewhere. To the business, this means that insights are delivered faster, without requiring the purchase of more computing muscle.

Transforming the Infrastructure

For the vast majority of businesses contemplating moving to SDI, compute virtualization is the most mature and pervasive element. Those that are already starting with a highly virtualized environment can progress to more mature states of cloud architecture to drive greater levels of automation and software-driven orchestration across their data centers.

Server-based software-defined storage (SDS) for storage workloads and software-defined networking (SDN) for enterprise networks are the most immediate opportunities for enterprise IT organizations debating their next steps on the path to SDI.

"79 percent [of enterprises] are planning to have software-defined networking (SDN) in live production in the data center in 2017."
—Infonetics Research

SDS is the rapidly maturing SDI subcategory where enterprises are most aggressively moving. Compute performance improves dramatically at the pace of Moore's Law, but storage hasn't

kept up with that rate of innovation. Explosions in data volumes, data types, and application-specific access requirements make compelling business cases for an SDS architecture that can scale in both capacity and performance.

Take the example of **Oregon State University**,[5] a public educational institution that was early to adopt SDS, implementing a VMware* software-based storage solution that increased storage performance in a cost-effective manner. The staff found great efficiencies in the recompose process, as full-system resets of the virtual desktop went from 10 hours down to less than two hours. The university's students and faculty now enjoy uninterrupted service, even during peak load periods, and IT priorities have shifted from trying to manage around storage limitations to other critical (and more strategic) tasks.

SDN, another SDI subcategory, extends virtualization and software orchestration principles to the network. While communications service providers have been making the most aggressive moves to upgrade their legacy networks, mainstream enterprises are just starting to realize how much impact these technologies can have in their networks. According to a 2015 Infonetics survey,[6] 79 percent of enterprises are planning to have SDN in live production in the data center in 2017.

When **George Washington University** recently deployed the VMware NSX* SDN solution,[7] its time to deliver policy-based automated network solution services, in conjunction with the virtual machines themselves,

shrank from several days to several minutes. And **NASDAQ** recently launched[8] an OpenStack* software-based SDN/network functions virtualization (NFV) proof of concept with Intel where it expects that the following deployment of NFV infrastructure will make it possible to dynamically provision network resources and improve time to market for new customer products and services.

Early Movers Discover Cost Savings, Greater Agility

While many enterprises are early in the SDI journey, and few have implemented the architecture comprehensively across all data center infrastructure subcategories and functions (compute, networking, storage), technology barriers are rapidly falling, and leading enterprises are building on-premises, SDI-enabled self-service private clouds to give their business the optimal levels of agility, flexibility, and efficiency. Consider these use cases from industry leaders:

Walmart Stores has built a large private cloud on an OpenStack platform, where it runs more than 100,000 cores and several petabytes of storage for its e-commerce operations. This makes it possible to test and add e-commerce features to Walmart.com.[9] Walmart's cloud infrastructure now gives the company enough flexibility to build applications that respond to its ever changing user needs.

DreamWorks Animation uses a Red Hat* private-cloud implementation for rapid and secure collaboration on data- and compute-intensive animation work across its pool of artists. Cloud

infrastructure gives the company a shared pool of resources for all of the movies in production at any given time,[10] resulting in increased reliability and scalability.

PayPal now routes almost 100 percent of its web traffic through an OpenStack private cloud, bringing its business the required levels of agility without sacrificing availability.[11] Its former corporate parent, **eBay**, has deployed OpenStack private clouds across its data centers, supporting workloads ranging from development use cases to external-facing business-critical applications.[12]

And at Intel, we have been running an SDI for our internal IT operations to keep us agile, cost competitive, and service oriented. The shift to SDI has saved our company millions of dollars in capital investment while improving infrastructure operations efficiencies approximately 10 percent each year.[13]

SDI-Enabled Cloud Solutions Ready for Prime Time

The scale of industry leaders' cloud architecture implementations makes a compelling case for the "prime time" readiness of on-premises cloud deployments in the enterprise. The underlying SDI supports the availability, efficiency, and agility levels that businesses demand.

The cloud management layer of the SDI stack has matured dramatically of late. Prior to 2016, enterprise IT organizations used OpenStack software most often in proof-of-concept deployments. However, OpenStack software has now achieved enterprise-ready functionality, and the industry is beginning to see robust adoption in cloud-native production environments.

Leading enterprise software vendors in this space (Microsoft, VMware) also continue to enhance their products in support of automation and self-service cloud.

Hardware procurement and deployment are also easier and more flexible than ever before, with converged infrastructure solutions offering new choices and simplicity of deployment to enterprises ready to move to a cloud architecture within their data centers.

Converged infrastructure solutions available from many industry-leading, trusted vendors include integrated computing, storage, and network infrastructure in a single box or frame, with management software already installed. This gives enterprise IT the option of buying "units of infrastructure" instead of individual hardware components requiring integration with each other. The solutions are precertified and preconfigured to offer a single-vendor support model and ease the path to deployment of SDI.

According to IDC* research, the hyperconverged systems market grew by more than 160 percent in 2014.[14] Some enterprises wanting more flexibility may eschew converged solutions for a "do-it-ourselves" approach, selecting SDI solution components from the portfolios of various hardware and software vendors.

Regardless of which approach an enterprise chooses, hardware and software companies are providing a steady advance at all levels of the SDI and cloud stack. For IT, that adds up to an increasing array of choices for enterprise cloud deployments.

Intel's Role in Accelerating Enterprise Clouds

Intel silicon innovation is a critical factor in cloud architecture innovation and deployment. Our broad portfolio of workload-optimized products supports the efficient execution and, often, acceleration of key enterprise workloads. And the capabilities of those silicon products are then better exposed and enhanced by our software investments, enabling SDI solutions to be deployed and scaled more rapidly. As today's data center workloads grow more diverse, so do requirements around throughput, latency, memory capacity, resiliency, and scalability. All must be addressed in order to maintain optimal levels of service delivery for end users.

As silicon is at the heart of these advancements, Intel is driving a range of initiatives—both technology and ecosystem focused—to advance solution maturity and ease of deployment of enterprise clouds on SDI.

The economics, efficiencies, and performance of Intel® Architecture—augmented by a rich suite of technologies such as Intel® Virtualization Technology, Intel® Cloud Integrity Technology, and open-source platform telemetry like Snap—are at the foundation of the most robust, enterprise-ready SDI solution stacks available today.

Beyond its core technology innovation, Intel is also working actively to enable complete solutions. It is driving open standards and contributions to open source, including participation in the development of the OpenStack

and OpenDaylight* platforms, Cloud Native Computing Foundation, Open Container Initiative, and other industry-wide collaborative efforts.

These initiatives are helping make enterprise cloud implementations simpler, easier to manage, interoperable, and more reliable. Additionally, Intel® Builders programs are developing reference architectures and solution blueprints, showing optimal infrastructure configurations to support various business applications. These resources, as well as best-match efforts across solution providers—all facilitated through Intel Builders programs—are helping accelerate adoption and easier deployments of SDI solutions.

Modernizing Your Data Center

The early years of cloud innovation have forever reset expectations around what it means to be a dynamic and responsive enterprise. This transformation is coming to life in enterprises that modernize their data centers with SDI; IT is reducing costs while delighting lines of business with new capabilities and faster deployment of new services.

Technologies and ecosystems are coming together in ways that are enabling enterprises to take immediate steps toward a cloud-ready future. True agility in the enterprise is possible, and leading companies are taking notice.

If your competitor is realizing true agility and responsiveness, adopting new business models, and creating new customer experiences—can you afford not to?

To learn more, visit **intel.com/cloud.**

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[1] Solis, Brian. "Digital Darwinism: What Killed Borders, Blockbuster and Polaroid and How to Survive." LinkedIn (2013).

[2] Results projected by Intel based on comparison SPECint*_rate 2010 and 2016 performance results and historical prices for Intel® Xeon X5680 (6C, 3.33 GHz, 130W) and Intel Xeon E5-2699 v4 (22C, 2.2 GHz, 145W).

[3] 2015 IDG Enterprise Cloud Computing Survey. IDG Enterprise (2015).

[4] 2015 Global CIO Survey. Deloitte University Press (2015).

[5] Oregon State University Solves Critical Storage Pain Points with VMware Virtual SAN Solution. VMware (2014).

[6] "Vendor Market Share Up for Grabs as N. American Businesses Prepare to Turn Up SDN in the Data Center." Infonetics Research (2015).

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[14] "Hyperconverged Systems Market Grew 162% in 2014—IDC." Storage Newsletter (2015).