RACKSPACE CLOUD CASE STUDY

Why Public Cloud and Where Did Everyone Go?

Jeff DeVerter
CTO, Microsoft Technologies, Rackspace

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HISTORY OF RACKSPACE

1997

Rackspace is born.

2002

First Dell Servers Purchased

2006

First Rackspace public cloud offering is launched

2007

Rackspace launches Fanatical Support® for VMware Virtualization

8 - 8 - 2008

Rackspace goes public on the NYSE

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Added HP Servers to Infrastructure

Recognized as Industry Leader

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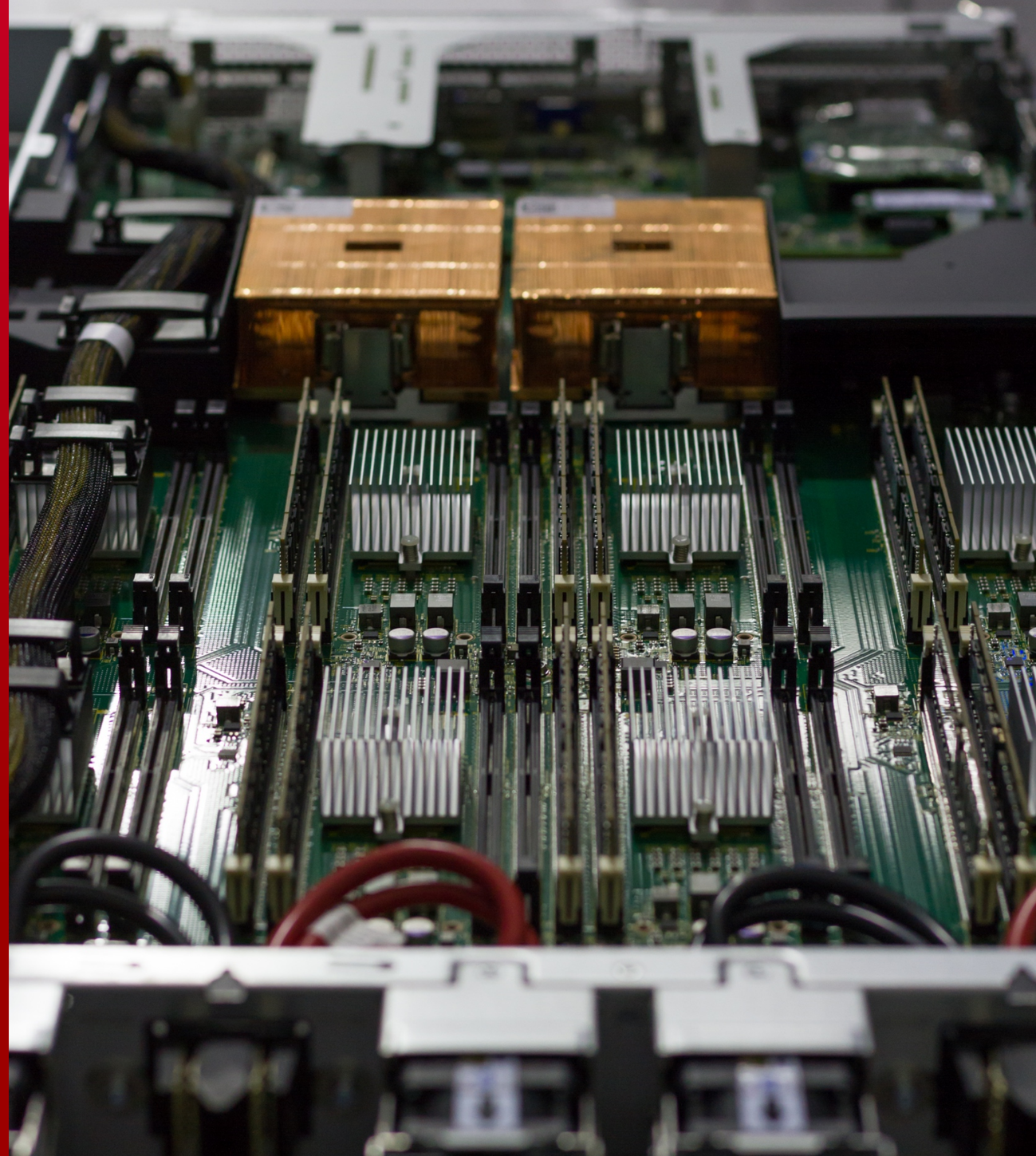
1997

- The idea for Rackspace is born
- Our founders build their first servers
  - Used for app development, basic internet access, and hosting



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2002

- To keep up with demand/growth, Rackspace purchases servers from Dell
- Focus on higher order value

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2006

- Rackspace launches Mosso
- Mosso:
  - File-based storage
  - One of the first public cloud offerings anywhere
  - Our major contribution to OpenStack

MOSSO®

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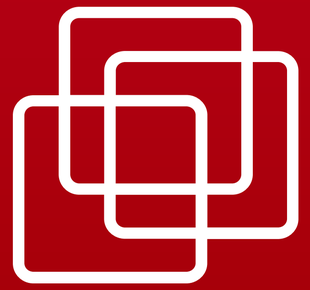
- Fanatical Support for VMware Virtualization Launched
  - 70,000 VMs under Rackspace management
  - Evolving: Software Defined Data Center



vmware®

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Rackspace goes public

- NYSE Symbol: RAX
- 53,300 Customers

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2010

- Rackspace Launches Openstack Private Cloud
  - Evolution of Mosso
  - Leading Open Source Private Cloud
  - 1B managed service hours

RACKSPACE®
PRIVATE CLOUD

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- Gartner recognizes Rackspace as an industry leader for the Cloud-Enabled Managed Hosting Quadrant
- Fanatical Support for Microsoft Office 365 Launched

2015 GARTNER **MAGIC QUADRANT**

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DISRUPTION POINT: MANAGED CLOUD

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HOW DID WE DISRUPT OURSELVES?

- Moved to supporting 3rd party public clouds
- Our customers are leaving our datacenters… and we're okay with that

OUR HISTORY

WHAT OUR CUSTOMERS NEEDED

1998 — 2017

THE IDEA OF 3 COLLEGE STUDENTS → **HUNDREDS OF THOUSANDS OF CUSTOMERS**

Linux

Microsoft Windows 2000 Server

vmware

openstack

amazon web services

Microsoft Azure

Google Cloud Platform

DEDICATED SERVERS	VIRTUALIZED	CLOUD	MULTI-CLOUD
1998-2008: SERVICE COMPANY		2008-2014 ENGINEERING	2014 - PRESENT SERVICE + ENGINEERING

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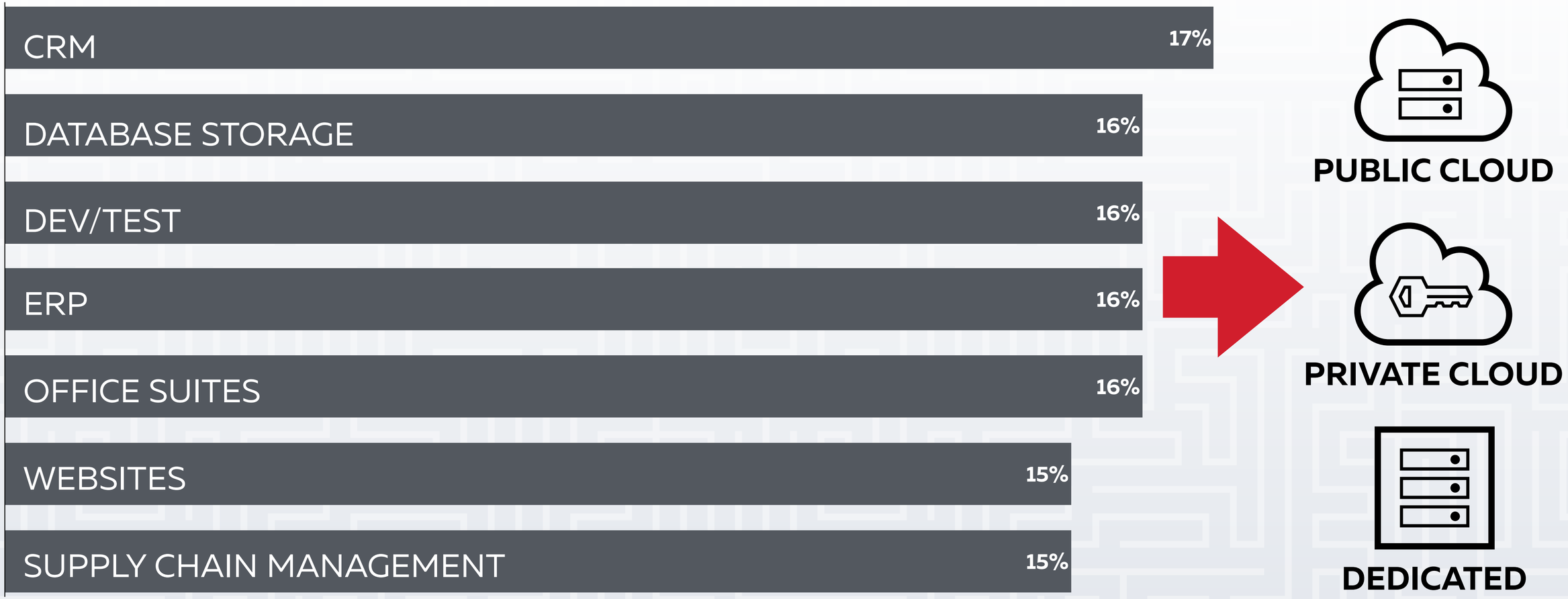
PLANS TO OUTSOURCE WORKLOADS

% of ADDITIONAL workloads shifting from in-house TO OUTSOURCED BY 2019



SOURCE: RACKSPACE SURVEY, 2016

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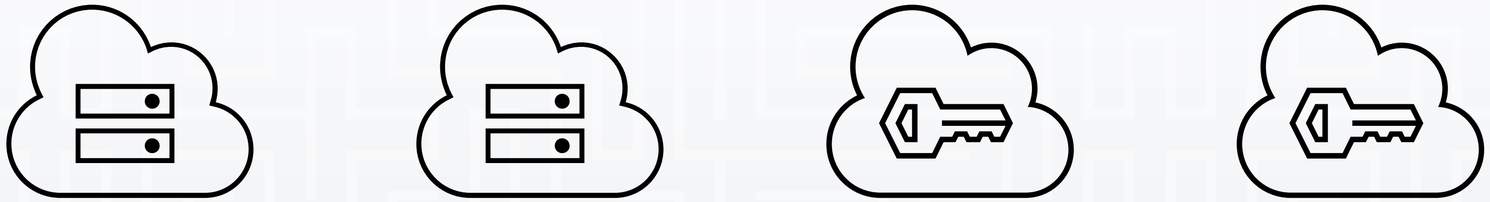
THE WORLD IS MULTI-CLOUD

CLOUD USERS ARE RUNNING APPS ON

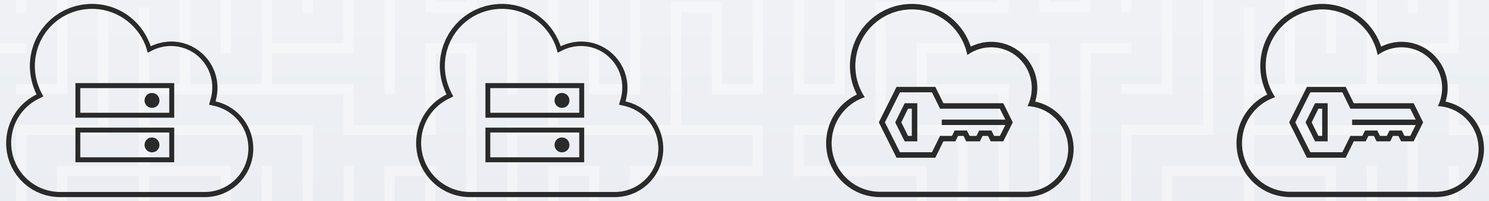
8

CLOUDS ON AVERAGE

ALREADY RUNNING



EXPERIMENTING



SOURCE: RIGHTSCALE 2017 STATE OF THE CLOUD REPORT

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EXPERTISE IS HARD TO FIND

2017 TOP CLOUD CHALLENGES

1. LACK OF RESOURCES AND EXPERTISE

1. SECURITY

1. MANAGING CLOUD SPEND

2. COMPLIANCE

3. GOVERNANCE AND CONTROL

4. MANAGING MULTIPLE CLOUD SERVICES

5. COMPLEXITY OF BUILDING A PRIVATE CLOUD

8. PERFORMANCE

SOURCE: RIGHTSCALE 2017 STATE OF THE CLOUD REPORT

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WHERE ARE YOU ON YOUR CLOUD JOURNEY?

STATUS

- Have yet to move to cloud.
- Started, maybe even failed.
- Been there. Done that.
- Growing fast.
- We’re good.

BUT...

- Need to know **where to start**.
- Need more **help**.
- Need to focus on **core business**.
- Need help to **scale**.
- We could be **better**.

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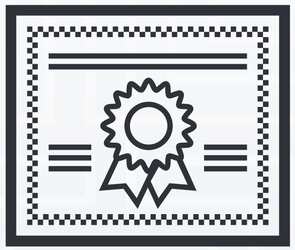
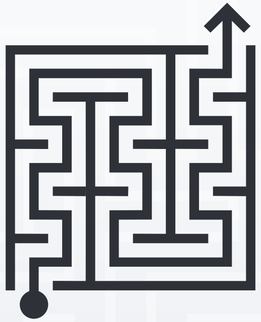
WHY RACKSPACE?

BECAUSE WE HAVE:

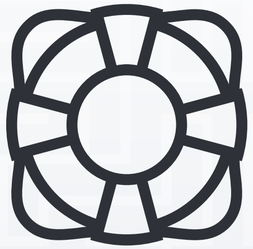


EXPERTISE

CHOICE OF TECHNOLOGIES



INNOVATION



SERVICE

AT SCALE

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SELECTED RACKSPACE CUSTOMERS

UNDER ARMOUR

SONY

DIRECTV

TD Bank

Six Flags

YETI

CERN

HEARST

DigitasLBi

razorfish

SESAME STREET

NATIONAL KIDNEY REGISTRY®
FACILITATING LIVING DONOR TRANSPLANTS

zulily

Oscar de la Renta

KENDRA SCOTT

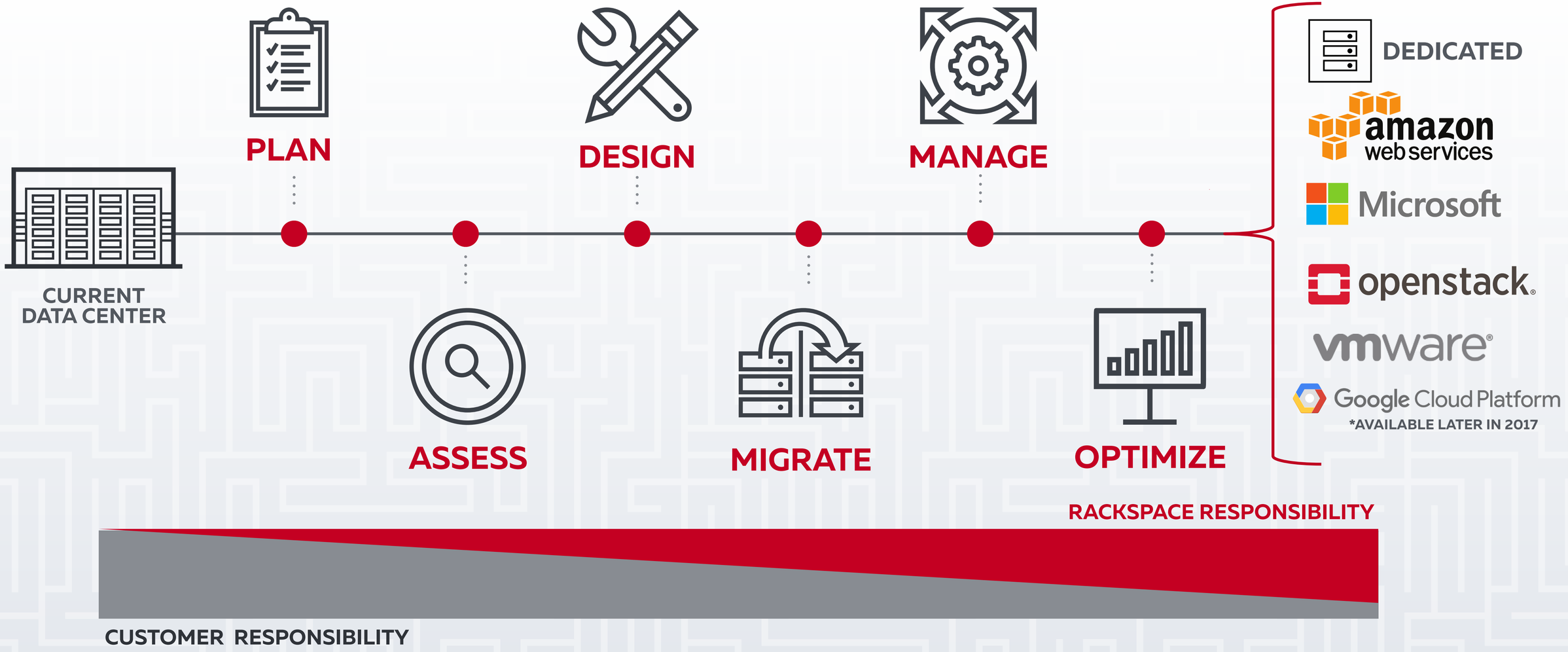
ALEX AND ANI

UNIVERSITY OF NOTRE DAME

FEEDING AMERICA

HAWAIIAN AIRLINES

HOW DO WE GET STARTED?



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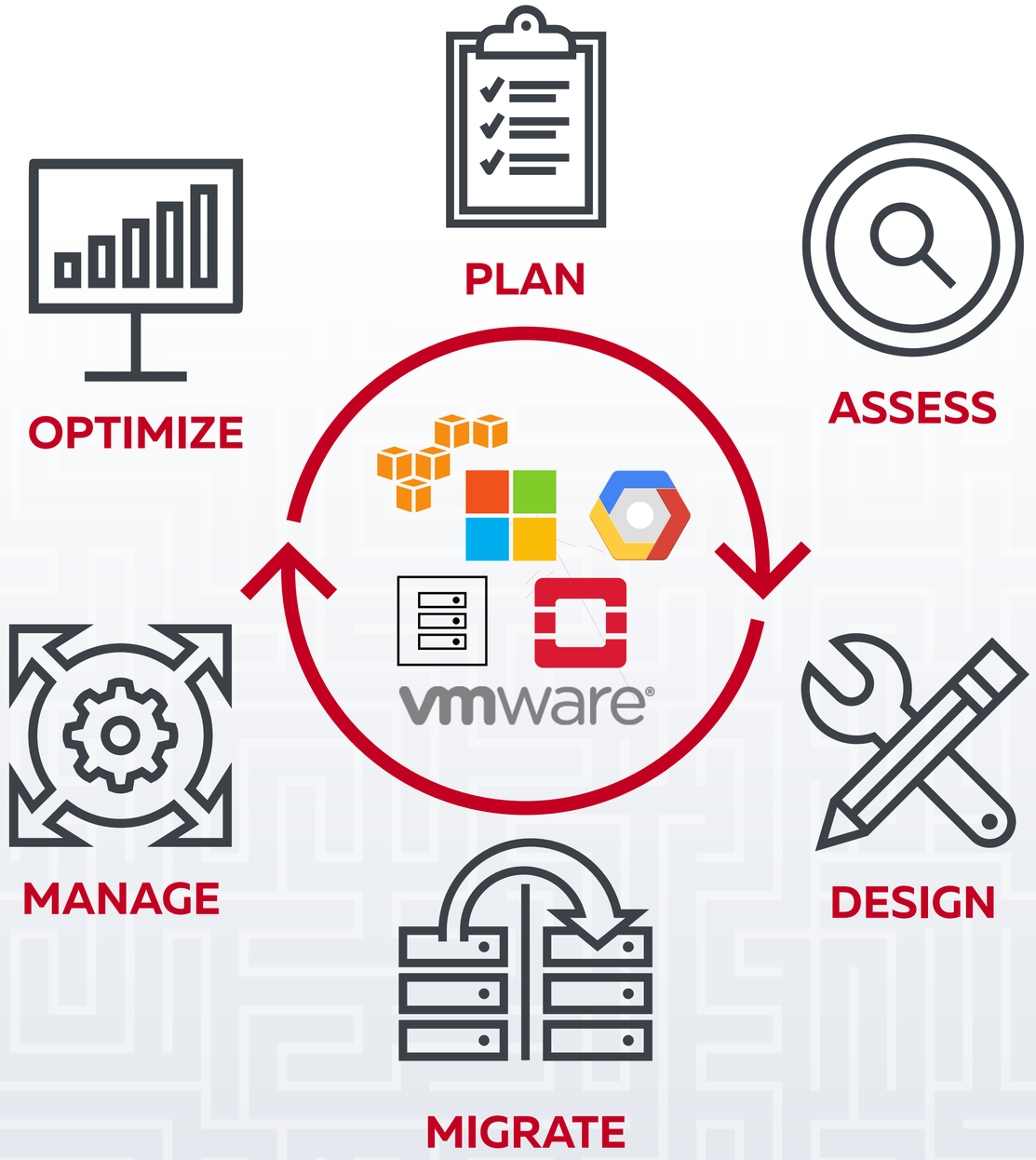
CLOUD JOURNEY:
A CYCLE, NOT A DESTINATION



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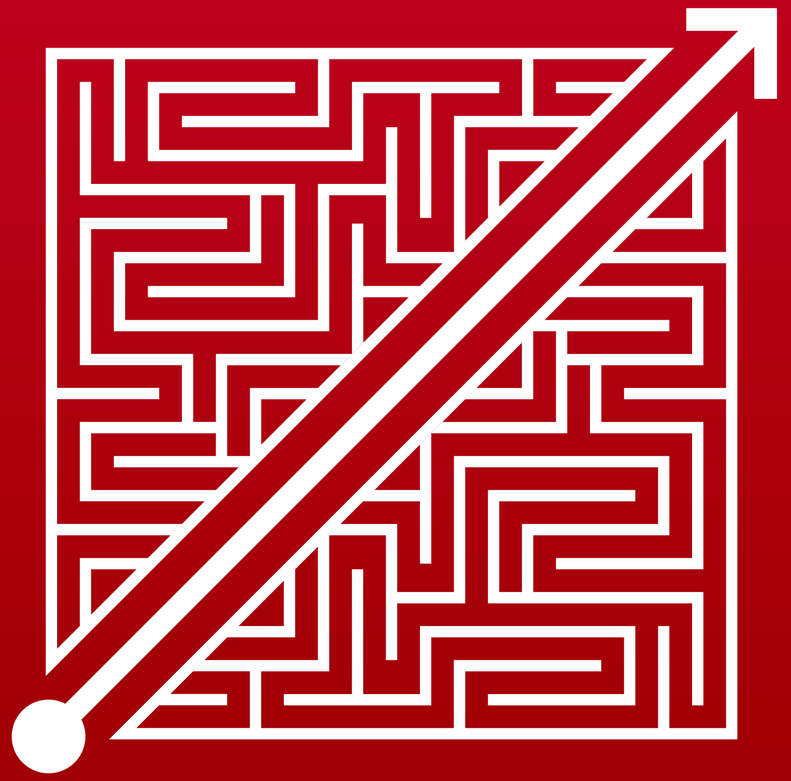

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