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Biz IT
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Promising start to S'pore grid hub plan

National Library Board among organisations who have embraced Singapore's first national commercial grid computing initiative, reports ONG BOON KIAT

SINGAPORE'S ambition to become a global powerhouse for pay-per-use grid computing services is off to a good start, judging by the strong initial take-up of the country's first large-scale commercial grid platform.

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Nerve centre: The SCS-Hewlett-Packard grid computing engine room in Bedok could soon become a hotbed for companies

However, more education will be required before widespread adoption of this platform - in which users rent, rather than own, the resources that they use - can take place, vendors say.

Just four months after the roll-out of the National Grid initiative, its three designated consortia of service providers are already reporting healthy

interest levels and a growing clientele list that includes the National Library Board (NLB) and a number of government and commercial organisations.

The Singapore Computer Systems (SCS), NewMedia Express and PTC System are also anticipating a bullish take-up for their services in the coming months despite the distressed economy.

Unveiled last July and flagged off in November, the National Grid is one of Singapore's most eye-catching national IT initiatives and also among the first of its kind in the world. It is part of the government's vision to create a Grid Market Hub by 2013, where businesses around the world can subscribe to infocomm resources like software, computing and storage, on an on-demand and pay-as-you-use basis.

With no upfront costs, this computing model is seen as a means of letting businesses harness IT resources more cheaply.

Alan Woo, chief technology officer and co-founder of home-grown Internet solutions firm NewMedia Express, told BizIT last week that its consortium - NGRID - has inked deals with a number of small and medium-sized businesses (SMBs) since launch.

It has also bagged a key government deal with the NLB, and is now in talks with a number of other government agencies.

Mr Woo added that NGRID has so far exceeded the goals set by the Infocomm Development Authority (IDA). 'There is a KPI (key performance indicator) set by the IDA for us to meet over the next three years to bring in SMB users to use SaaS (Software as a Service). For the first quarter, our SaaS user number is 50 per cent more than the KPI set by the IDA.'

The National Grid venture, he added, is expected to contribute an additional 20 per cent to the revenue of NewMedia Express by end of 2009.

NGRID's offerings comprise on-demand software and services from partners that include Microsoft, VMWare and Cpanel. On tap are 200

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processors that include Intel's Core 2 Duo and Xeon on top of 600 processor cores and 10TB of storage. Fujitsu Asia, Microsoft, 1-Net Singapore and Advanced ERP are other members of the NGRID consortium.

Alvin Kok, SCS executive vice-president, International, said his company's consortium - named Alatum, of which Hewlett-Packard is a member - has grabbed 60 customers so far. He reiterated that Alatum's initial target of around 700 customers and 70 partners by 2011 will be on track.



Among the customers bagged are a number of government agencies brought in by independent software developer (ISV) partners, he said. Alatum currently partners with 22 ISVs, including Microsoft, Oracle and Salesforce.com.



Alatum is also now talking with a number of 'big' government agencies and hope to sew up deals in the next few months, said the bullish SCS official. Alatum, which means 'winged' in Latin, operates a grid computing infrastructure that boasts computing and storage horsepower of 2,400 processor cores and 16TB respectively.



The third National Grid provider, PTC System, is hoping to land its maiden grid computing client soon. The local data management solutions vendor is now 'working with several customers, including government agencies, to conduct proof-of-concept and testing', said PTC managing director SS Lim. PTC's platform, called PTC SaaS, provides storage hosting and data archival services via its 12TB of storage capacity on tap.



Like the others, Mr Lim is confident of demand for grid computing services, despite the ongoing belt-tightening by companies. 'A pay per use model should give customers more reasons to use our solutions,' he said.

But while initial signs are good, more education will be needed to drive mass adoption, said SCS' Mr Kok. 'People now understand the value proposition of grid computing,' he said, but added that many, especially SMBs, are 'frightened' by not actually owning hardware and applications.

'It is like you put your money in the bank, but actually you don't know where your money is, although we give you the capability of drawing money everywhere,' he said.

But Mr Kok is confident Singapore's Grid Market Hub vision will be a success and grid vendors here can prosper. 'In the long term, it will be very lucrative because the business model is a recurring one. If you reach a certain service level and you have critical mass, it becomes like a utility or telco business.'

And Alatum expects to attain critical mass in the next three years, he added.

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