

“Telecity acquisition helps us expand into new markets in Europe”

Eric Schwartz, President Equinix EMEA

With the Telecity Group acquisition finalised some weeks ago, Equinix has expanded its reach into new data centre markets including Dublin, Stockholm and Warsaw. These data centre locations were high on the wish list of Equinix clients for a reasonable amount of time, says Eric Schwartz. Minkels Magazine sat down with Mr. Schwartz to talk about the acquisition, other developments and his vision on the market.

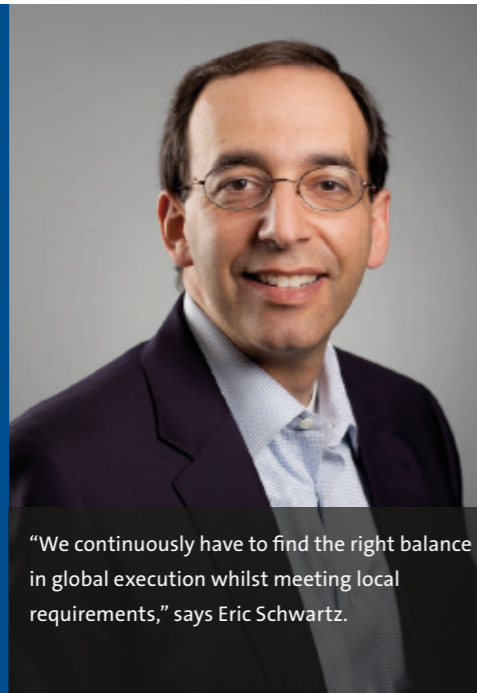
us expand into



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Eric Schwartz, President Equinix EMEA

As President of Equinix EMEA, Eric Schwartz spearheaded Equinix's expansion into Europe. He oversees current management, strategy, and growth for the company in EMEA. Mr. Schwartz joined Equinix in 2006 from BellSouth where he was VP of IP Communications. Prior to joining BellSouth, he was Executive VP of real estate development company, Harold A. Dawson. Mr. Schwartz also is a former strategic consulting member of McKinsey & Company.



“We continuously have to find the right balance in global execution whilst meeting local requirements,” says Eric Schwartz.

“Our clients have, for sometime, been asking us to expand the Equinix proposition into Dublin, Stockholm and Warsaw. We have established strong positions in competitive data centre markets such as London, Frankfurt and Amsterdam, but these important locations were still missing from our list - as was frequently highlighted in Equinix client survey results. Now, with the Telecity acquisition finalised we can finally say to these customers: we can help you, with high-class facilities and also new services. It fits our strategy of providing more choice and more capacity.”

How important is the Telecity acquisition for Equinix?

“About nine years ago, Equinix expanded into EMEA with data centres in four countries. A year later we added our data centre proposition

in The Netherlands, while in 2013 we started a Greenfield data centre operation in Dubai (ed., also read the interview with Jeroen Schlosser, Managing Director of Equinix Middle East in Minkels Magazine 2015-1, page 8-9: Minkels provides an identical Equinix look-and-feel worldwide, also in Dubai*). Although size-wise not as big as our other premises, Dubai is a hotspot for financial and commercial industries worldwide - a fast growing market and a hub for the Middle East thus extremely important for us.”

“The Telecity acquisition is the largest acquisition ever done by Equinix. It means we'll be able to substantially expand our business in existing EMEA markets while heading into new markets. The acquisition increases the total number of data centre locations available in EMEA to thirteen. It provides us

with tremendous future opportunities in helping enterprise customers adopt cloud technology and experience the benefits of innovative networking technology.”

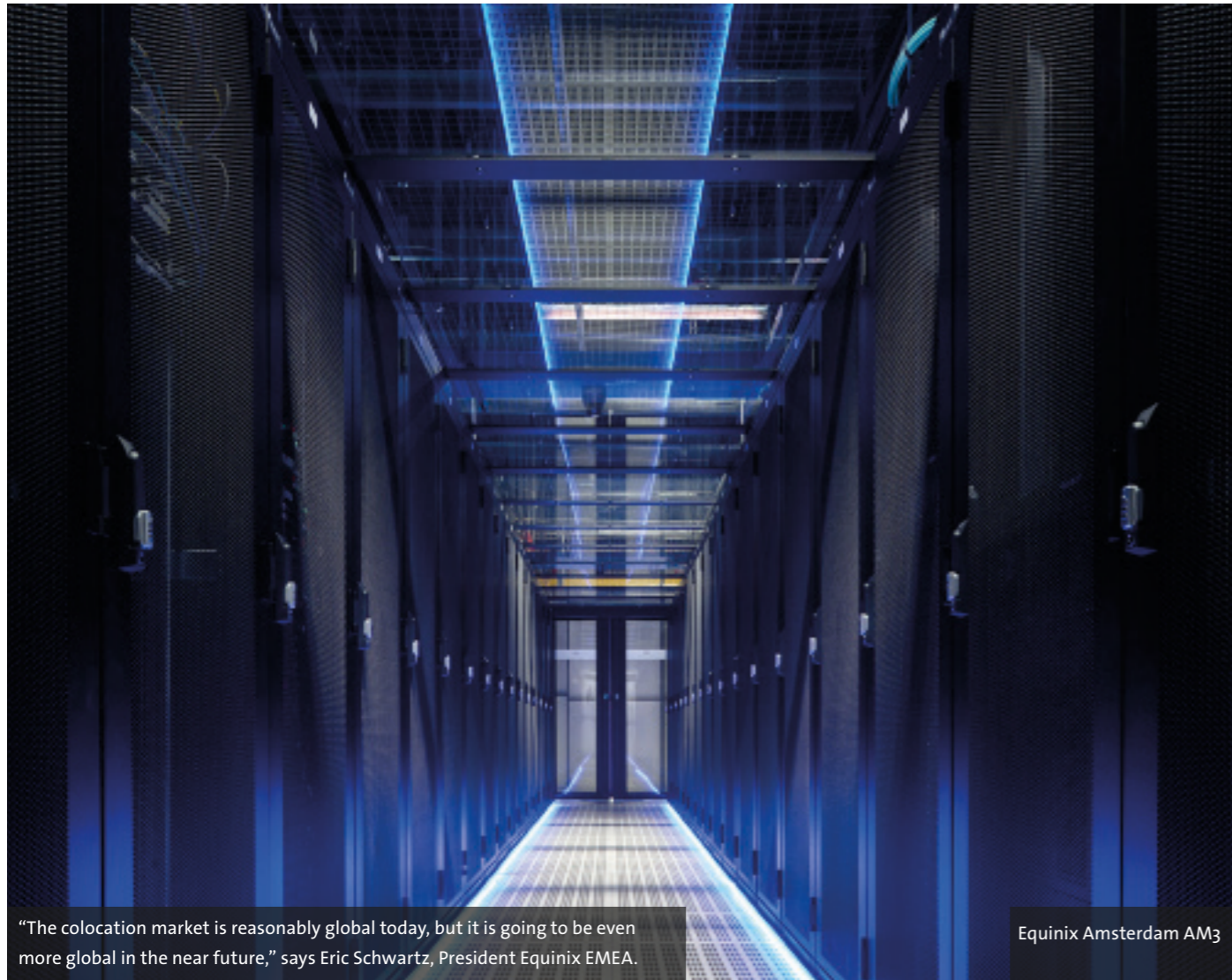
Talking about innovative networking technology, what is your view on shifting patterns in data centre infrastructure including SDN?

“When it comes to software defined networking, it's a question of 'how' not 'if.'

“The partnership with Minkels helps Equinix flexibly meet local requirements.”
Eric Schwartz, President Equinix EMEA

The market volume and capability of SDN is clear enough. Enterprises are using it in their networks and it's very central to the Equinix interconnection platform too. We ourselves invested a lot in SDN for the Equinix Cloud Exchange, which now features an API platform providing an easy and secure way for enterprises to connect their infrastructures.”

“Today, people, enterprises and data are all distributed. This market trend asks for SDN, while SDN is also necessary to support the Internet of Things developments and broader commercial opportunities including Collaboration. Today's enterprises, even the ones at a relatively small scale are operating around the world in global markets. What they are looking for ultimately is the performance and functionality of their applications to an extent that they can be more efficient in their



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operations. Those are core elements of what SDN is able to deliver.”

How important is ‘interconnection’ for the international colocation market, now and in the near future?

“Confirmed by market research analysts from Gartner and Forrester, the volume of interconnection in colocation will continue to rise. The colocation market is reasonably global today, but it is going to be even more global in the future. We expect our cars to be connected, our planes and our smartphones, to name a few. That’s why interconnection is core to Equinix’s strategy and we are being presented in the market as the interconnection specialist for our customers.”

Are there any differences in Equinix’s market approach in EMEA, APAC and the US?

“We are largely consistent in our proposition across the world, although not completely. European countries are more focused on ISO certifications while in the US they are less ISO minded. And European customers tend to have quite a cautious attitude towards data privacy, more than companies elsewhere in the world.”

What does it take for Equinix to deliver on that?

“We continuously have to find the right balance in global execution whilst meeting local requirements. For that, we’re dependent on our key supplier partners who enable

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us to perform. Lots of our customers are in the technology business - fast moving organisations including those in finance, oil and gas industries, being sophisticated users of technology thus very demanding. It helps when our suppliers can meet those high demands, when they’re able to work with our

enterprise customers helping them implement innovative networking technologies and adopt cloud – whether deploying a private, public or hybrid cloud solution.”

Media articles about data security and breaches are piling up lately. How does Equinix guarantee its customers optimum security?

“Our physical security is extremely effective, with biometric scanning, badge access control and security measures on several layers. The Equinix facilities undergo periodic third party security and compliance audits while feedback is being processed continuously. Besides that, we’re also facilitating customers in need of managed security services through our interconnection platform. Both physically and socially we’re able to connect them to data security providers willing to offer their services.”

What does the global partnership with Minkels mean to Equinix EMEA?

“I spend a lot of time in our data centres across EMEA and every time I walk through a data centre I see Minkels solutions. It’s everywhere and it significantly adds to the energy-efficiency of our data centres. Actually, it’s the result of a very prolific partnership. A lot of energy and effort is being put into the relationship by Minkels. This is recognised and very much appreciated, it makes our relationship a special one that goes beyond just orders and invoices.”

“It’s very important for us to have a relationship instead of transactions with Minkels, being one of our key global suppliers. This makes it easier for us to establish agility, reliability and flexibility in our data centres and adapt to demanding customer needs. The global partnership with Minkels also helps us to create consistency across a variety of countries. Consistency on a global basis naturally drives efficiency and stability while ultimately providing the business value customers are looking for.”

Within three years, do you expect the international retail and wholesale colocation market to be the same or not?

“We are seeing already a greater number of wholesale colocation providers doing more retail as well. The acquisition of Telx by Digital Realty is just one example. Maybe it’s because the US wholesale market is very competitive and companies try to expand the scope of their business. Besides that, in the US, large cloud players such as Google, Apple and Facebook tend to build their own facilities while in Europe they’re more willing to rely on wholesale colocation.”

As Digital Realty is stepping into retail colocation now, does Equinix have any plans when it comes to wholesale?

“We’re not planning to be in new lines of business beyond our core. Of course, you should never say never as the world can change. The acquisition of professional services company, Nimbo last year still fits our core strategy, for example. Nimbo works with large companies who want to implement cloud infrastructures. Although it goes a bit beyond colocation sec, we don’t actually operate these cloud environments and it’s not a prelude to enter the managed services business.”

To conclude, what do you expect the Telety acquisition might bring in terms of synergies?

“I hope it will help to grow our enterprise customer base substantially. They have some very impressive customer names in their portfolio. We think that the Equinix multi-cloud platform and interconnection options might suit those customers too. Two years ago, we launched a Channel Partner Program to expand our global channel and enhance distribution of our colocation and interconnection services to the enterprise market. The Telety acquisition forms an integral part of those enhanced enterprise market ambitions.” ■

**) English - www.minkels.com/magazine/en
French - www.minkels.com/magazine/fr
German - www.minkels.com/magazine/de
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