

AMD Global Cloud Study Reveals Growing Trust in Cloud Computing as Businesses Achieve Measurable Value

Research Examines Attitudes and Approaches to Cloud Computing Across the World, as IT Decision Makers Name Infrastructure a Key Consideration

SUNNYVALE, CA -- (MARKET WIRE) -- 06/01/11 -- AMD (NYSE: AMD) today announced the results of a global research study on adoption, attitudes and approaches to cloud computing, surveying IT decision makers in public and private sector organizations across the United States, Europe and Asia-Pacific. The findings reveal both global and regional trends in cloud computing adoption and usage, highlighting the importance of both infrastructure and workloads in considering a cloud computing model. Findings include:

- Cloud computing is maturing rapidly, with 70 percent of respondents indicating they are either using or currently investigating cloud computing for remotely hosted applications or to store data
- Of those organizations that have deployed cloud solutions, 60 percent reported that they are already seeing business value
- Among current cloud users, 92 percent stated that infrastructure was an important part of their decision to move to a cloud computing model

"Based on the findings of this global study, AMD believes it is time for the industry to reshape the way we think about cloud technology," said Patrick Patla, general manager and vice president, Server and Embedded Divisions. "The findings point to the fact that while the era of cloud computing has arrived, there are radically different attitudes, approaches, concerns and levels of maturity depending on business environment. As an industry, we must provide clear guidance about how to optimize hardware and software for all types of clouds, focusing on custom parts for specific workloads that are prevalent in the cloud and the appropriate balance of performance, power and cost efficiency they require."

Billions of Dollars Stored in the Cloud

As cloud adoption continues to increase, so does the value of the data that lives in the cloud. Sixty-three percent of those using the cloud to host data estimated they store more than \$250,000 worth of data in the cloud, and by evaluating this survey field alone as a sample of the industry at large, it can be estimated that billions of dollars in active data currently lives in the cloud.

CIOs Drive Strategic Shift to Cloud

This new era of IT is being driven by the CIO, head of IT or IT Director more than 50 percent of the time, placing a huge amount of importance on the technology at the core of the cloud. Ninety-two percent of respondents currently using the cloud stated that infrastructure was important in their decision to adopt cloud computing, dispelling the myth that cloud

customers do not care to know about the physical servers housing and running their data. Global private sector respondents also identified the workloads they believe most suited potentially for cloud computing as email, finance/accounting and Web serving, in that order.

With such a clear level of importance placed on the IT infrastructure of the cloud, it is imperative for vendors to move beyond the hype and talk about the real issues at the core of the cloud. Email, finance/account and web serving are all fast-growing workloads in the cloud, yet have significantly different compute demands. AMD is taking the lead in approaching cloud computing from a workload-based model that provides differentiated solutions based on the unique requirements of the cloud provider and customer. This approach is highlighted by some of AMD's web hosting customers in Europe (<u>1&1</u>, <u>Intergenia AG</u> and <u>Strato</u>).

Public Sector and the Cloud

AMD also specifically examined public sector attitudes toward the cloud, revealing that local and federal mandates are having a significant impact in accelerating cloud adoption. In the US, public sector respondents felt government policies have accelerated a move to the cloud more than twice as many times as those who felt it has decelerated adoption, primarily citing the shift as a way to reduce costs. Nearly half of the worldwide public sector respondents indicated budget restrictions are driving a more rapid adoption of cloud solutions.

One key hurdle that still remains for the public sector to fully embrace cloud computing is having the necessary IT skills in-house to support the deployment of cloud solutions. Currently, 43 percent of public sector respondents did not feel they had the skills in place to support cloud versus only 23 percent in the private sector.

Highlights from the report include:

- *The State of Cloud Deployments:* Seventy-four percent of US organizations are using or investigating cloud solutions, followed by 68 percent in Asia and 58 percent in Europe
- *Trust in the Cloud:* Nearly 1 in 10 organizations in the US estimate they store more than \$10 million worth of data in the cloud. However, 63 percent of global respondents still view security as one of the greatest risks associated with the model
- Understanding and Preparation for the Cloud: For those currently using the cloud, 75 percent had the necessary IT skills to implement the solution versus only 39 percent of those who are currently investigating cloud today
- *Cloud Clients:* Cloud users are able to access their services primarily via a PC (90%), followed by smartphone (56%), tablet (37%) and thin client (32%)

In the coming weeks and months, AMD will be releasing detailed information about the infrastructure requirements of different cloud deployment models, and will also be introducing new technology to market that helps partners and customers implement flexible and robust solutions that can deliver the right mix of price, performance and power depending on their needs. This builds on AMD's cloud strategy established with the <u>AMD</u> <u>Opteron[™] 4000 Series platform</u>. To learn more, go to <u>www.amd.com/cloud</u>.

The full report, which includes a breakdown of data by region, sector and size of organization, can be found <u>here</u>.

Resources

- Full Report
- <u>AMD Cloud Computing Resource Page</u>
- AMD at Work Blog
- <u>AMD Public Sector Blog</u>
- "Measuring the Growth of Cloud Computing" Video
- Infographic on the Cloud Research
- Infographic on the Public Sector Findings of the Research
- <u>Register for the AMD Fusion Developer Summit</u>

About AMD

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Contact: Julie Lass AMD Public Relations (512) 602-9934 Email Contact

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