Interview with Cloud Networking Expert Alan Hase

Simon Erickson | November 13, 2018

Cloud computing is taking the tech world by storm.

Public cloud services was a $130 billion market last year and is still growing at 30% annually. The cloud is used in some capacity at all of the Fortune 500 companies, and the vast majority of them are already working with multiple cloud providers.

But cloud services haven't always been so easily deployed. Companies write software in different coding languages, deploy it in different environments, and have it accessed by users on different devices — and while the cloud can make this all possible, there's a significant amount of complexity happening behind the scenes to make things go.

One fundamental building block of the cloud is networking, which dictates how data goes in to and out of data centers. Once dominated by hardware vendors like **Cisco** (NASDAQ: CSCO), software and automation are redefining a new generation of networks to better serve (and keep up with) cloud expansion.

Looking to the Clouds: Your Exclusive Report

Don't miss our *Explorer* research report this month, highlighting four companies that are poised to benefit from the growth of cloud computing. And stay tuned for next week, when we reveal the top opportunity from among those four competitors!

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Big Switch Networks is one company leading this paradigm shift. This company is partnering with *Rule Breaker* company **Nutanix** [(NASDAQ: NTNX)](#), and is competing with **Arista Networks** [(NYSE: ANET)](#) — but in this industry, it looks like the sky's the limit for growth.

I recently spoke with Big Switch's Chief Development Officer Alan Hase about the biggest changes taking place in networking, why companies are moving so aggressively to the cloud, and what's in store for the future of cloud computing. A full transcript of our conversation is available now. Check it out!

Transcript

Simon Erickson: Hi everyone. Motley Fool Explorer lead advisor Simon Erickson and I'm here at the CloudEXPO in New York City. I'm joined by Alan Hase, the Chief Development Officer of Big Switch Networks. Alan, thank you so much for joining me here this afternoon.

Alan Hase: Great! Glad to be here.

Simon: Alan, you have a distinguished career in the IT industry. You've spent some time at Cisco and Avaya and some other locations too and now you're at Big Switch. My first question for you is: you've seen quite a bit of change in this industry over those years. What are some of the biggest changes that you've seen in networking, and what opportunities are those providing?

Alan: I think one of the things that's really transforming in networking today is the move to public clouds. And I think a lot of this started to happen when customers went from building one on-premise (or "on-prem") data center to a second, and then a third. And then eventually, they started to expand their data center footprint into the public cloud. Then before you know it, they had multiple public clouds. They had public clouds in maybe **Amazon** [(NASDAQ: AMZN)](#) with US West. And then another one in Europe and another one in Asia.

And then they started to expand into other public clouds. **Microsoft** [(NASDAQ: MSFT)](#) Azure or Google. And what's ultimately started to happen is that the network operations teams haven't really been delivered the tools that they need to manage the network concepts of public clouds effectively, either on-prem or in the cloud. Especially as these two worlds start to combine together.

Simon: And why do companies push for the public cloud now? It's always been on-prem, now we're hearing about hybrid clouds and public clouds. Why are companies doing this?

Alan: For a number of reasons. They want elasticity of compute and storage resources and even networking bandwidth that is difficult to get on-prem. They also want a simplicity and an automation model that just hasn't existed in on-prem networks the way it should have. In fact,

on-prem networks, for I'd say the last ten or fifteen years, most incumbent vendors have a very fixed box-by-box, protocol-by-protocol architecture. And this is a space where Big Switch Networks has really innovated.

Simon: Could you tell me more about that? I know you all are involved in Software Defined Networks, which is kind of a hot topic of recent years. Is there a switch from it being about hardware to being about software in networking?

Alan: Absolutely. All of the innovation in networking right now is really going into software and software-enabled systems. Big Switch Networks is a software company that builds networking operating systems that are inspired by cloud principles. So we've taken a lot of the fundamental building blocks that exist in a public cloud-from Amazon or Microsoft or Google-such as virtual private clouds, and brought that concept to on-prem data center networks. Which really now, for the first time in history, delivers an agile, very simple, very automated networking solution on-premise, just like it exists in the public cloud. And we've done that by creating a very unique architecture for our products.

Simon: I saw that you're partnering with Nutanix, who has a presence here as well. Could you tell us a bit about that partnership? It's a publicly traded company that is familiar for a lot of Motley Fool members.

Alan: Right, so our partnership with Nutanix has been fantastic. One of the things that Big Switch has prided itself on doing is by developing this fabric networking technology, it really allows for automation to allow the application developers in the industry to develop and deploy applications without engaging a very static network. So the network is now at their hands, much like it is in public clouds with EPCs. So we integrate with historically OpenStack, Kubernetes, VMware's NSX product. And now with Nutanix Prism capability, what that really allows customers to do is have a fully hyperconverged infrastructure that also takes what they deliver with storage and compute, and combines it with a very automated networking solution.

Simon: So if I'm an app developer, I don't want to worry about everything going on behind-the-scenes. I want you guys to take care of that so that I can focus on my business instead.

Alan: Absolutely. Focus on your business. Focus on deploying applications. And get the network out of the way by full automation.

Simon: Perfect. Now Alan, I'm going to ask you to look into your crystal ball here of what the future holds for the cloud. We heard earlier today in a presentation that referenced IDC that 85% of CIOs at large companies are planning on using multiple cloud strategies next year. And

54% of C-level executives are also pushing cloud-first strategies as one of their initiatives for next year. Where do you see cloud computing over the next 2-3 years? Where are we going with this?

Alan: I think the move to multi-cloud and hybrid clouds is absolutely the right thing. I think what's going to start happening is companies like Big Switch are going to build more and more tools and capabilities that enable enterprises to really embrace the right data center, the right cloud, in the right place. There are a lot of good reasons to deploy applications in the public cloud. There are also a lot of good reasons-security, control, things like that-to deploy applications on-prem. So I think what we're going to see over the next 2-3 years is companies driving applications and putting them in the place where they best deserve to be.

Simon: And if cloud computing is a baseball game, which inning are we in?

Alan: I think we're actually in the early innings still. There's still so much innovation to happen in all aspects of the market. From what's happening in public clouds and how they're innovating, to how companies like ours at Big Switch Networks are evolving the on-prem data center to look start to really look more like a cloud environment as opposed to what its legacy historically has been.

Simon: Great. Well again, Alan Hase is the Chief Development Officer at Big Switch Networks. Alan, thanks so much for joining me this afternoon.

Alan: Great. Thank you Simon. It's great to talk with you.