



Varghese Thomas

Varghese Thomas is vice president, financial markets vertical, SAVVIS. He is responsible for defining the financial markets' vertical strategy and solutions. He previously managed the Global Strategic Solutions team for one of SAVVIS's largest financial markets accounts working on global content/exchange acquisition and direct market feeds. Prior to joining SAVVIS, Varghese ran and integrated several client services organisations through the BRIDGE Information Systems mergers. He was responsible for deploying and supporting leading market data applications at major brokerage firms. He has also worked at the Smith Barney (Citigroup) market data group, managing various market data solutions for their trading units.

Having survived the dot.com boom and bust, SAVVIS has built itself up from a niche financial network services provider into a global IT infrastructure services provider. Its vice president, financial markets, **Varghese Thomas** explains that SAVVIS's appeal lies in its ability to provide fully packaged managed solutions, allowing firms to focus on their core business.

The 'perfect' host

What has SAVVIS been focusing on since the dot.com bubble burst?

We have grown from what used to be a niche financial network services provider into a global provider of IT infrastructure services with strong expertise in the financial markets. In the last two years we also acquired and integrated the assets of Cable & Wireless America, which gave us an additional 16 data centres, bringing us to 24 world-wide, as well as a true Tier-1 global network backbone. This combination of world class data centres and network services combined with our expertise in managed services sets us apart from more traditional 'dot.com era' network and co-location hosting providers.

In the past year, we've experienced tremendous growth on our utility computing platform, which offers a virtualised computing environment to customers looking to leverage that technology. We've also recently announced our partnership with Cisco Systems to deploy a global next generation IP network, which will enable us to better couple applications with network services.

SAVVIS is a leading provider of managed web hosting in the US market, but what are your growth plans for the European side of the business?

With the Cable & Wireless acquisition our hosting business has grown quite significantly particularly within the London area. We were pleased to be positioned in the leader quadrant of Gartner's Pan-European Web Hosting review last year, which matches our leadership position in North America. This speaks volumes about our growth in Europe. In the financial markets, we have a number of large financial institutions using our managed hosting and utility computing platform. We're also working on completing a distribution agreement with the London Stock Exchange and are actively

working with a number of other European exchanges. We are seeing a lot more demand from clients that want to put their software within our data centres to take advantage of low latency to exchanges for programme trading.

How would you differentiate yourself from competitors such as BT Radianz?

BT Radianz has done a pretty good job articulating the network portion of the solution. Our focus is on providing an end-to-end platform for applications, which includes hosted services such as our virtualised and traditional managed computing environments, utility storage and managed security as well as traditional network services.

With Reg NMS and MiFID being at the forefront of regulations affecting the financial community, financial institutions face the challenge of managing multiple new data streams along with the surge in electronic trading and the associated growth rates in market data. It has become apparent that many IT systems, already running at near capacity, will need to be addressed. Simply adding additional servers is no longer a viable option as it adds more complexity and cost. SAVVIS offers an alternative approach to this problem with an end-to-end managed infrastructure service within their data centre while reducing latency and offering real-time visibility.

Finding space to locate data centres is a huge issue for financial services firms. How is SAVVIS helping firms address this?

Data centre space is a global issue, which is one of the reasons why we are opening up four more data centres. It's not just space either, as computing density increases, heat and power management are major challenges to financial firms. One way to deal with this is to leverage SAVVIS's expertise in managing the environmental factors

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for customers who use our hosting or co-location services. Many customers also take advantage of server virtualisation within our utility computing platform to reduce their server footprint by increasing utilisation.

Can you tell us about the new managed security service you are providing?

Partnering with Cisco Systems we introduced a new managed security service based on its Adaptive Security Appliance (ASA). As companies focus more and more on security as a key component of their infrastructure, they realise that it takes a tremendous amount of resources and expertise to deploy a truly secure environment. Services we offer include, intrusion detection, firewall, encrypted VPN and mal-ware protection. Our professional services team can also lend their expertise in helping customers audit and design their environment as well as with regulatory issues.

Since this is an infrastructure service, visibility and management are important. Clients can look at their firewall rules, reports and security profiles in real time. Also from the hosting side, they can look at server virtualisation and the health of servers. In our next generation platform, customers will have more of a view of what specific applications are doing in terms of how much return on investment they are getting from that application.

What about embedding more intelligence within the network?

Our focus is to add intelligence not just within the network, but to make a customer's complete infrastructure more intelligent, responsive and flexible. We will also offer highly granular, application-level statistics and monitoring. This is especially important when talking about low latency. We're working with a number of partners, Cisco most prominently, in this space

With so much emphasis on latency, to what extent can the physical infrastructure be speeded up?

There are some physical limitations in terms of how fast



things can get, so it's very important to have the right application and network topology. You need to look at the market data application end-to-end, not just from a network perspective. Certain applications may benefit from being geographically close to a data source. We have a number of customers that co-locate or host applications within our data centres in New York and Western Europe where we host exchanges and data

sources as well. Our heritage as a company focusing on networks for the financial community has given us deep experience in designing for optimal latency.

There are also some new technologies which we're very interested in. For example, in conjunction with Cisco, we're looking at InfiniBand as a network switch fabric, which offers very high throughput, low latency connections between servers. There's a lot of interest from customers for a managed service here.

What is the secret of longevity in this business?

It's about being more than just a generic transport company, but becoming a true solution provider to firms, allowing them to focus on their core business. As an example, the most recent revolution sweeping the web has been about user control and interaction with content. By working with us, firms can focus on how they're going to make their content more immersive and interactive, rather than trying to figure out how they're going to deal with the fact that their storage needs have exploded or finding space for the 180 new servers which provide all this interactive capability.

Banks complain about the higher costs of networks such as SWIFT. Does SAVVIS provide a true low cost alternative to SWIFT?

From a technical perspective and in terms of network uptime and availability, SAVVIS can offer the same service. However, SWIFT is an industry owned co-operative and there needs to be a shift from the members to investigate lower cost options for an open standard network. //