

SERVING THE EDGE



It will connect your car, your house and your life. The edge promises to be the last step into a real smart world that we have been preparing for in the last few years with the release of connected devices and more data hungry services.

From a data centre operator side, the edge will also require new thinking and a new approach to the way services are put out to the market.

One company making waves in this space is ServerFarm, a US operator privately held by the Red Sea Group, an international real estate development

company with 45 years of experience and a large market cap.

Today, Los Angeles-based ServerFarm owns and operates eight data centres consisting of over 1.3 MSF, four of which are 100% leased. With existing facilities in Moses Lake, WA, Santa Clara, CA, Charlotte, NC, Oak Brook, IL, and Chicago, IL, in the US, Toronto in Canada and London in the UK. The company also has other data centre developments underway.

And according to Avner Papouchado, CEO of ServerFarm, the next big step really is to serve edge-as-a-service to the world. João Marques Lima sits down with Papouchado to find more.

Is the market ready for the edge?

The answer is no because they are trying to figure out how to simply prepare for it still. You need a physical footprint and network in the right edge locations. Companies are now working to predict where their edge is and the level of compute they will require there.

What are investors saying about the edge?

Investors are excited about the edge, as are we. Think about it, the future of edge computing is unknown. It is interesting to think about because it isn't real yet, which means there is a lot of opportunity for speculation and creation. It is much more fun to be theoretical, right?



Investors are tracking the dynamics of the industry and following edge computing, it's requirements and the improvements required in the market place for it to truly work. It is overall just a fun topic to contemplate and get involved with.

What is ServerFarm's play at the edge?

Our general stance is to take the physical part of IT and provide it as-a-Service and transcribe it in the most agile and transparent way possible. It is going to be very hard for companies and people to go in and make improvements to those technical edge components. They have to be able to piece those parts together to work in the most effective way they can.

We have developed a system that offers data center infrastructure as-a-Service to provide corporations with agility,

CEO
ServerFarm Realty, Inc.
2010 - Present

President
Red Sea Group
1995 - Present



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flexibility and reliability. We remove the headache of managing everything physical.

How will pay-as-you-go function in edge data centers?

Companies need someone to come in and take care of all those components and be able to give you the edge as-a-Service. This is exactly what we are looking to do. You need someone that can take care of not just one but all aspects of the data center, which ServerFarm is doing. This involves the cooling, power, network, compliance and so many more things.

Other than London, what other non-US markets are you currently looking to expand into?

ServerFarm is currently in all of Western Europe, Toronto and parts of the U.S. We

are now able to say we can service companies all over the world because of the partners we have, which is a huge accomplishment for us.

As part of the RedSea Group, how does the Group interact with ServerFarm? Who finances the data center portfolio expansion?

The RedSea Group has the ability to do two things, which are offering complex real estate while delivering an experience to clients and to operate in many jurisdictions, delivering consistency with service. Both of these abilities are intertwined in ServerFarm and RedSea Group's DNA.

Needless to say, ServerFarm can operate independently but still take advantage of the benefits the RedSea Group offers. Both of the data center portfolio

expansions are dealt internally through these two entities.

What challenges do you face as a CEO?

A challenge that any CEO would say is that we meet a lot of people daily. When you go to a market and have a really good solution you have to be ahead of the curve. We have a lot of customers who come with us and have very good results.

We have customers who are ahead of the curve with a ton of confidence. Now the challenge is getting the mainstream client who is the follower. That is essentially our main goal; to translate our success to the mainstream and more traditional companies.

You are also a certified pilot. What sort of skills do you think are transferable into running a data center

There are so many skills that can be passed over. Aviation has been around for about 110 years dealing with critical operations and is, in my opinion, the first industry that figured out the tools you need to operate around critical operations. This includes

anything from checklists, flight management systems, air traffic controls to parts in the plane. We take all apply the same disciplines to the data center business.

If the critical operations of a plane were managed the way many data center

infrastructures are managed, the plane would crash. With that said, we are there to bring discipline into the data center world and provide the right tools and guidance. With all of this knowledge from aviation, we can also provide our clients with infrastructure as a service in a very secure way.

What trends/developments do you expect for 2019?

A trend we will continue to see is the corporate-owned facilities looking to transform from an IT-focused data center to an as-a-Service model. They want to take their physical asset and do something with it by making it more agile.

The big question here is "How do they transform their current applications that are running on their current data operations to an as-a-Service?"