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Trends You
Can't Ignore**



2019 CHANNEL INFLUENCER AWARDS

**55 PEOPLE, SUPPLIERS,
TECHS AND TRENDS
DRIVING THE NEW CHANNEL**

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WE'RE PUTTING THE BAND BACK TOGETHER. YOU IN?

Back in 1997 Bill Clinton was sworn in for his second term, IBM's Deep Blue defeated chess master Garry Kasparov and five master agents launched an event with a couple hundred people and big expectations.

One of the Channel Partners Conference & Expo sessions I'm most excited about back here in 2019 is our Founders' Forum. We've invited the original five — Vince Bradley, CEO of WTG; Intelisys co-founder Rick Deller; Karen Fields, CEO/COO of Microcorp; Ted Schuman, founder and CEO of PlanetOne; and Geoffrey Shepstone, president of TBI — to share the origin story of what's grown into the world's largest channel event and look ahead to where our industry is headed. As part of the planning for this session, I talked with Schuman about his recollections and how a gathering of 200 or so master and subagents and suppliers grew, in a little over 20 years, to host 6,200 people from across the channel ecosystem.

I won't give away all of Ted's observations, though if you find the online version of this column you can see a photo of some circa-2000 participants with Michael McDonald of Doobie Brothers fame.

By my reckoning, 200 to 6,200 is a CAGR of about 16.9 percent since 1997. Not bad, and an indication of just how wrong pundits have been in predicting that direct sales will swamp indirect. We're a nation of small and midsize business, and they need partners' help. In a February briefing call, Microsoft said it's adding 7,500 commercial partners to its network every month. At its fall summit, the Global Technology Distribution Council released data showing U.S. distribution-driven sales up nearly \$2 billion in 2018 compared with the first seven months of 2017.

The 2019 version of the world's largest channel event reflects that optimism.

Speaking of growth, our parent company, Informa, this summer closed its purchase of UBM and in the process more than doubled its portfolio of events. #CPExpo is now part of a big extended family of 500 shows serving 15 industry verticals, plus a number of new media sites. To celebrate, we're hosting in Las Vegas a mini Cloud & Colo track featuring Yevgeniy Sverdlik, editor in chief of Data Center Knowledge, as guest moderator, with channel versions of several popular Data Center World sessions. Our annual Business Success Symposium will feature a keynote and book signing by Adam Hartung of innovation advisory firm Spark Partners. And, thanks to Granite Telecom, our friends at Train Our Troops will again have a base camp set up on the expo floor. We're pleased to also welcome a bumper crop of first-time exhibitors, including 128 Technology, Alert Logic, Iron Mountain and object storage service provider Wasabi Technologies.

If you can't make it to the show next month, this issue will give you a feel for the people, trends and organizations we're watching. And if you would like to meet our Channel Influencer of the Year, download the digital version of our Spring magazine [here](#).

You'll notice that this influencers list isn't like most that you'll find in channel publications. That's because the combined Channel Partners and Channel Futures team isn't like any other edit operation. We serve the full spectrum of partner types, from agents to ISVs to cloud builders and MSPs, so we cast a broad net. I'll bet that in this issue, you meet one person, company, tech or business trend that wasn't on your radar. If you don't, drop me line — I'd like to get you involved in our 2020 list!

I'm also going on record that our [2018 list of 50 people, technologies, trends and organizations to watch](#) has held up pretty well. We said AT&T rolling its three separate programs under the AT&T Partner Solutions umbrella would pay off and that Avaya would bounce back strong. We predicted big happenings with Avant and Pax8 and foreshadowed Sirius' continued dominance of our MSP 501 list. Odds are you have conversed with a chatbot and been affected in some way by GDPR. 2018 Influencers John Delozier, Jay McBain and Janet Schijns will be on our keynote stage, and SD-WAN consolidation has started.

All the changes that you and the Channel Partners brand have experienced in the past 22 years can't be summed up in a few lists or one show, but we're taking a shot. I hope you will join me and some 6,200 of your peers next month.

See you in Vegas.

Lorna Garey is editor-in-chief of Channel Futures and Channel Partners.

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55 People, Suppliers, Techs and Trends Driving The New Channel

It's already been quite a year. And from deception technology to more M&A madness, the biggest changes may be yet to come

By Channel Partners & Channel Futures Staff

Last year, for our inaugural Influencer Awards, the Channel Partners and Channel Futures editors named 50 technologies, trends, organizations and people driving growth in our industry. This year, our editorial team has expanded, and so has our list. As in 2018, I asked the journalists who know the combined channel best to thumb through their biggest stories and most intriguing and impactful interviews. We pored over stats from our sites to see who and what caught your attention, and we talked to in-the-know analysts about the buzzworthy technologies your customers will be asking about. Without further ado, here are some of the organizations, people, technologies and business trends that you need to watch. —Lorna Garey

8x8

[8x8](#) isn't resting on its laurels. It kept its portfolio fresh in 2018 by adding new offerings for [analytics](#) and contact centers, all the while increasing integration among messaging mediums. Frost & Sullivan gave kudos to the company for [building CCaaS and UCaaS into the same platform](#), and the provider remained near the top of the cloud communications heap once again in 2018, landing in the leader's section of Gartner's magic quadrant for the sixth year — although rival RingCentral did make a strong showing in the latest revenue tally.

Speaking of sales, 8x8 relies on the channel, which accounted for some 90 percent of its revenue in 2018. The vendor advanced a 2017 initiative to grow its distribution ecosystem and partnered with companies like ScanSource,

Ingram Micro and PlanetOne. And, most notably, in 2018 it tapped two big names for its channel leadership team: Former CenturyLink executives Bill Corbin and John DeLozier joined as senior vice president of global indirect markets and global channel chief, respectively.

[DeLozier's return](#) to the unified communications industry where he cut his teeth bought 8x8 some buzz. Now he's looking to keep the excitement going by repeating the success he achieved in the 1990s and 2000s, but in what he calls the cloud-based "third wave."

He and Corbin have room to run — the UCaaS industry has 10 percent or less market penetration, according to most studies, so now is the time for vendors and partners to grab their share. — *James Anderson*



San Francisco-based [AppDirect](#) is on a mission to transform e-commerce by enabling any business of any size based anywhere to sell any product or service through any channel from any smart device. The Silicon Valley unicorn with a valuation of more than \$1 billion calls this "multidimensional commerce."

We call it a seismic shift that partners can't ignore. In fact, the model landed in our top business trends list.

To make [multidimensional commerce](#) a reality, AppDirect has developed a software platform upon which anyone can build marketplaces, manage partners, conduct sales and more. To date, third parties ranging from tech startups to industrial giants to pharmaceutical companies have embraced the opportunity. To jump-start sales among technology partners, AppDirect made a bold move last fall when it acquired one of the oldest and best-known

telecom master agents, [World Technology Group \(WTG\)](#), which has made its own waves by branching out into energy, IoT and more.

WTG will be merged with NeoCloud, a company AppDirect previously purchased; the combined entity will form the foundation for a business unit called "AppSmart," a cloud marketplace where agents, VARs and MSPs can evaluate, purchase and bundle apps for clients.

AppSmart joins a growing number of new marketplaces and platforms, including the CloudBlue commerce platform introduced by Ingram Micro, [the Salesforce AppExchange](#) and [the SaaSMax Marketplace](#). While each of these has its own focus and go-to-market strategy, they collectively are reshaping how technology services are being sold and delivered.

For its bold purchase of WTG, we think AppDirect will be one to watch in 2019. — *T.C. Doyle*



AT&T knows the channel. Threat intelligence company [AlienVault](#) knows integrated security. The acquisition of the latter by the former is a win for both the reseller and MSP sides of the channel solar system.

During the past two years, AlienVault's annual recurring revenue (ARR) has grown more than 60 percent per year via customer acquisition and expansion, much of that through its rapidly growing MSSP channel. The USM Anywhere SaaS-based threat detection and incident response platform has posted a stellar 130 percent quarter-over-quarter revenue growth, helping AlienVault increase its install base to more than 7,000 businesses and add more than 200 MSSP partners.

That boosts the number of MSSPs that rely on Alien-

Vault USM to more than 500. But agents and resellers also share in the success. "Powered by AlienVault," the new market-facing AT&T cybersecurity business division, is being led by [Barmak Meftah](#). As president of AT&T Cybersecurity Solutions and CEO of AlienVault, Meftah has combined AlienVault's USM platform and open threat exchange with AT&T's suite of managed [cybersecurity](#) services and solutions.

"AlienVault will help further set apart AT&T channel programs," [Mike LaPeters](#), AlienVault's vice president global channel, told attendees at last month's [AT&T Fusion](#). "With strong demand in the cybersecurity market, AlienVault USM will enable solution providers to help their customers meet their security goals." —*Edward Gately*

BAREFOOT NETWORKS

[Barefoot](#) might just be the coolest company you've never heard of. Why? Because much like the server market two decades ago, the Ethernet switch business has been disrupted by the emergence and rapid improvement of commodity merchant silicon. Companies like Broadcom, Cavium, Intel (Fulcrum), Marvell and Mellanox are providing high-performance chips supporting up to 100G and 400G Ethernet; that's enabled white-box OEMs, cloud service providers and upstart vendors like Arista to challenge a market dominated by Cisco.

Still, while these chips are inherently adaptable, able to run open source switch platforms Cumulus Linux, Open Network Linux, PicOS and others, programming the data plane remains technically challenging, a problem for CSPs looking to mimic the open network designs pioneered by the likes of Facebook and Google.

Enter Barefoot Networks with its Tofino chip architecture and P4 language. Like other commercially available switch chips, the Tofino line offers extremely high throughput,

with the new [Tofino 2 topping out at 12.8 Tb/s](#). However, what really sets the Tofino design apart is its fully programmable forwarding plane using Barefoot's [P4 language and associated development tools](#).

CSPs can express what they want to do in their networks and then program Tofino with those specialized functions ahead of placing the chip into a box. And, that doesn't come at PUE or capital cost: Barefoot says Tofino will consume no more power, and cost no more, than a fixed-function switch chip.

The Tofino 2 has the raw performance to take on the best of the merchant silicon offerings and the programmable flexibility that carriers, ISPs, CSPs, advanced MSPs and cloud operators want. The chip will be sampling soon and appearing in OEM products and cloud data centers later this year. 2019 will be a big year for Barefoot as production switches using its silicon are deployed. We expect it to attract buyout attention from larger chip builders looking to enter the nascent market for fully programmable switch silicon. —*Kurt Marko*



"Citrix" is synonymous with "virtual desktops and applications." But as SaaS and cloud-native apps displace traditional software, the need for virtual desktops will diminish. While that's not going to happen overnight, Citrix has prepared for that eventuality with its [Workspace Cloud](#) app.

Delivered through the [Citrix Cloud](#), the company rolled out the SaaS-based digital workspace last year. In short, the Citrix Workspace Cloud app is a SaaS-based version of what [Citrix Receiver](#) now provides as a native operating system runtime to Windows and Linux clients. Citrix describes the new app as an "[intelligent workspace](#)" because it uses machine learning to provide secure access to a work environment.

The word to partners from Citrix is that even though only a relatively small percentage of any given customer's workforce uses virtual desktops — on average, 30 percent — the entire organization can benefit from the Workspace Cloud app.

"The other 70 percent of that customer's footprint for us is nonvirtualized applications and data, and that represents

the opportunity," said [Steve Blacklock](#), Citrix's vice president for global strategic alliances. "We're going after that general-purpose workspace."

Citrix Cloud can be delivered through the major cloud providers or through hyperconverged infrastructure from Nutanix, HPE and Cisco.

While Citrix acknowledges that its bread and butter is still traditional virtual desktops, now the company is likely hoping that shift from VDI comes quickly. That's because Microsoft is launching its Azure-based [Windows Virtual Desktop](#) service.

Some wonder if that will hurt Citrix, but Blacklock insists that by providing connectors to Microsoft's WVD, Citrix Workspace will bring together the Windows desktop with a user's various SaaS apps.

"We will continue to innovate and build on top of that Windows virtual desktop infrastructure to provide that value add," Blacklock said.

That integration sounds like a job for consultants with EUC and cloud chops. —Jeffrey Schwartz

COMMVAULT

Commvault has a storied [history](#) as a provider of data protection software trusted by large enterprises. Yet for all its mastery of that market segment, the company has seen mixed success with the small and midsize companies already served by an A(cronis) to Z(erto) roster of channel-focused business continuity providers.

Sensing a growth opportunity, activist investor Elliot Management's hedge fund last year [revealed](#) that it had amassed a 10.3 percent stake in the company. Facing the specter of a proxy battle, Commvault [agreed](#) to appoint two independent directors. At the same time, it announced Commvault Advance, a transformation initiative based on a broad plan to increase revenue and profit growth with simplified product SKUs and by extending its alliance and go-to-market partner efforts.

N. Robert Hammer, Commvault's president and CEO since 1998, who retired in February with former Puppet CEO [Sanjay Mirchandani taking](#) the reins, had insisted that those efforts were underway before the hedge fund made its moves, not because of it. Nevertheless, the company held its first-ever partner summit in

October, tied to its third [Commvault Go](#) technology event in Nashville.

At the show, hardware partners Cisco, [HPE](#) and NetApp announced plans to offer appliances with a simplified Commvault product line, suitable for SMBs, and early this year the company will roll out "as-a-service" offerings with Amazon Web Services and Microsoft Azure.

Commvault also tapped EMC veteran [Owen Taraniuk](#) as head of worldwide partnerships and market development and hired former NetApp channel exec [Scott Strubel](#) as vice president of worldwide channels. Strubel said Commvault last year redirected its sales force from direct to partner-focused.

"We have fundamentally redeployed our sales professionals from 65 percent that were previously focused on customers, flipped that, and now 65 percent of our selling professionals are focused on going to market through partners," Strubel said.

That's an adjustment that doesn't always come easy. Will partners run up against in-house sales? Will the Commvault enterprise pedigree translate to small-business success? Elliot Management thinks so; the technology is solid and Taraniuk and Strubel know the channel. 2019 will tell. —Jeffrey Schwartz



When we first named [ConnectWise](#) as a company to watch in 2019, it was one of the few big players in the MSP business management software space that had not taken private equity. We wanted to observe it carefully this year to see how it fared against its well-funded competitors.

In February, after our spring print edition (in which this prediction originally appeared) had already been finalized and sent to production, we learned that ConnectWise had accepted a buyout from private equity firm [Thoma Bravo](#) and that its founder and CEO, Arnie Bellini, would be stepping into a strategic advisory role.

ConnectWise, founded in 1982, is the largest and most well-established business management software provider in the indirect sales market. In the [Channel Futures 2018 MSP 501 survey](#), 58 percent of respondents reported using a ConnectWise product, more than twice the number of [Datto](#) (Autotask) users, which came in second. ConnectWise users are a fiercely loyal bunch, and the company made some moves in 2018 to strengthen that bond, such as its acquisition of the popular

HTG Peer Groups, now [ConnectWise IT Nation Evolve](#).

Thoma Bravo is heavily invested in the IT channel and already owns ConnectWise competitors [Continuum](#) and retains a large position in [SolarWinds MSP](#), which it took public last year. As with any equity infusion, the company has been forced to make some difficult decisions as it realigns its strategy. One such move is a significant workforce restructuring in which it's cutting 110 existing positions and adding 70 new ones. Undoubtedly, that's only one of many hard changes the company will go through as it works with Thoma Bravo to create a more mature go-to-market strategy.

"We're almost a 40-year-old company, and we've never done a realignment," Bellini told us when the news broke. "We've acquired eight companies in our history; we're overdue."

So the questions we'll spend 2019 trying to answer are: What does a funded ConnectWise look like? How will this impact its partners, technology or support services? With Bellini taking a backseat, in what direction will Jason Magee, the new CEO steer the ship? —*Kris Blackmon*



[D&H Distributing](#) stays in its lane. The tech distributor reached the century milestone of doing business by being laser-focused on the SMB market. But don't mistake market focus for tunnel vision. D&H plays in all the [hot workplace technology](#) and business vertical realms: security, data center, networking, intelligent edge, UCC, pro A/V and digital signage, and cloud/[XaaS](#).

In an era where the number of technology distributors is shrinking due to M&A activity, D&H Distributing is unwavering in its mission and focus: "We're not an enterprise distributor, nor do we intend to be," Dan Schwab, co-president of D&H told Channel Partners.

Again, don't mistake a focus on [SMBs](#) for being a small shop. In fact, D&H sits at 109 on Forbes' 2018 list of America's largest private companies. The distributor has ranked among the top 125 on the Forbes list for the past three years and has advanced 20 places during that time. Back in 2009,

when D&H Distributing first appeared on the list, the company's position was 242.

Leadership credits D&H's private ownership with keeping true to the core mission via investments in all things SMB, increased sales resources to work with SMB partners, and a focus on education and training.

"As a private company, we have the autonomy to remain focused on our customers, our vendor partners and our team of outstanding employee co-owners," said Michael Schwab, co-president of D&H Computing, in response to being named to the latest Forbes list. "Public companies must follow the direction of outside shareholders who may be less entrenched in the reality of the day-to-day market, or overly focused on the quarter-over-quarter results. This makes a poignant difference in how we manage our corporate affairs."

MSPs that specialize in serving SMBs have clearly noticed.
—*Lynn Haber*



Most of the big tech research houses have high hopes around internet of things — and for good reason.

“The IoT is coming into its own and opening the door to big opportunities for an increasing number of channel companies,” said Carolyn April, senior director of industry research and analysis at CompTIA, the world’s largest ICT trade association.

One company pushing [IoT](#) to its limits is [Dimension Data](#), the global ICT goods and services integration company that was founded in South Africa. With its global portfolio of enterprise customers, Dimension Data is taking a holistic approach to building world-class solutions for health care providers, government entities, retailers and more.

“IoT is far more than the sum of its parts,” wrote Paul Potgieter, general manager at Dimension Data, in a [DiData blog](#). “It goes beyond a multitude of devices enhanced by a multitude of sensors connected to a vast network. It is a vital cog in the successful engine of the Fourth Industrial Revolution and the era of digitization.”

With IoT, Potgieter added, companies can leverage technology in ways that were not previously possible to “fine tune

business processes, change strategic direction and enhance customer service.” In particular, Dimension Data thought leaders say the projects that produce the best returns tend to be those that look at data through a new lens and apply IoT at multiple points in the value chain.

Consider the work Dimension Data is doing in Africa with the Royal Swaziland Sugar Corp. With DiData’s help, the sugar giant has implemented IoT technology throughout its operations, from growing to transporting to processing sugar cane. This has led to a significant increase in efficiency, resulting in just-as-significant cost savings.

DiData is also working with NTT R&D and Deakin University in Australia on a project to transform the way that firefighters are trained. By leveraging virtual reality, biometric sensors, wearables and data [analytics](#), firefighters can train for emergency situations in ways that would otherwise be next to impossible to recreate without significant cost and danger.

Protecting lives and money is a big reason why we believe Dimension Data will be one to watch in 2019. —T.C. Doyle



2018 witnessed an avalanche of mergers and acquisitions in the channel. Global systems integrators made big deals — in April 2018, Accenture bought Certus Solutions; European ICT services providers expanded in the United States; in July, Amsterdam-based Getronics acquired Pomeroy of Hebron, Kentucky — and numerous U.S. venture capitalists made steep commitments to the channel (see: [ConvergeOne getting acquired](#) by CVC Capital Partners.)

One of the more interesting companies fueling M&A activity is San Francisco Bay-area investor [Evergreen Services Group](#). In 2018, Evergreen made 12 strategic deals in managed services, including the December purchase of NetGain Technologies, a longtime member of [the MSP 501](#). Prior to that, Evergreen made investments in Wolf Consulting, Executech, Jenlor, Interlaced and Integritek. Since closing these deals, Evergreen companies have gone on to make their own moves. In early December, [Executech announced its acquisition of Z7 Networks](#), a

Seattle-based MSP. The deal gives Executech, a Rocky Mountain-area powerhouse based in South Jordan, Utah, a foothold in the fast-growing Pacific Northwest region.

Unlike a few years ago, when many pundits predicted the rise of a few, national MSP powerhouses, Evergreen sees an opportunity to create a catalogue of strategically positioned, regionally based MSPs that are hyperfocused on core customers in specific, fast-growing markets and are outgrowing their peers by as much as 100 percent annually.

Another thing that sets Evergreen apart from other private equity companies: It doesn’t plan on flipping its investments anytime soon. So long as the midmarket opportunity remains as robust as they expect over the next several years, Evergreen will continue to make choice, strategic investments, said Ramsey Sahyoun, head of mergers and acquisitions.

Who knows, maybe one day Sahyoun will come calling on you. —T.C. Doyle



It may be smaller and lesser known than its competition, but [Exabeam](#) is gaining ground on big security information and event management ([SIEM](#)) vendors like Splunk, IBM QRadar and HP ArcSight. In fact, Exabeam audaciously dubbed itself the “Splunk killer,” claiming superiority in licensing as well as data collection and use of that data for analytics.

Last summer the company, which sells only through the channel, crossed the 200-customer mark and was named a leader in [Gartner’s 2018 Magic Quadrant](#) for SIEM based on completeness of vision and ability to execute. This is Exabeam’s second year in this MQ.

“Our rapid growth has allowed us to claim a significant portion of the SIEM market this year,” said Sylvain Gil, Exabeam’s executive vice president of product. “We will more than double our year-on-year sales before the end of 2018,

following 250 percent top-line growth in 2017 and 300 percent growth in 2016. We are investing heavily in building out our cloud portfolio and expanding our already far-reaching global presence, following a recent [\\$50 million Series D](#) funding round.”

What’s giving Exabeam partners the mojo to steal deals? Innovation, says CEO Nir Polak, adding that customers often replace Splunk, IBM QRadar, Nitro, LogRhythm and other big names.

“These are very well-established vendors that have built features, some of them for 15 to 20 years, and they have all kinds of bells and whistles,” Polak said. “We had to put a lot of innovation in order to close that gap, and we’ve done really, really well with that. It’s an amazing trajectory here.”

Bold words. We’ll be watching to see what 2019 brings.
—Edward Gately



While most of the top cloud providers have recently or are just now adding machine learning to their cloud services to boost business intelligence and performance, Google is working far ahead of that curve, showing us the future once again.

This time, the technological wizarding giant is providing leadership in a new engineering discipline, called [Decision Intelligence](#), that converges many of today’s leading technologies with hard and soft sciences into a single decision-making process. The goal is to deliver the Holy Grail to data-driven organizations: decisions based on an accurate and comprehensive analysis of a series of cause-and-effect chains. This is a quantum leap over conclusions drawn from analysis of the moment-in-time data points that companies currently use.

Machine-learning systems are only as good as their training data, so Google uses DI frameworks to teach the machines

how to think as much as how to identify patterns in data. To use a classic example, machine-learning systems identify cats in photos by being shown millions of photos of cats. Afterwards, these ML systems still fail to correctly identify all photos of cats. It only takes one oddball feline. The need for a better machine-based decisioning model was evident and urgent. So, Google designed and built DI from scratch. It’s a framework that’s now catching on fast across industries.

DI presents several opportunities for [Google Cloud Machine Learning Partners](#) and specialized Google Cloud [partners](#). Organizations of all types will require considerable assistance in understanding and converting to DI from traditional analytics and familiar machine learning based applications. Find or train the right talent and you’ll be the one in the catbird seat.

—Pam Baker



Few channel players made as much noise in 2018 as IT solution provider [Kaseya](#), whose stated goal is to provide a comprehensive platform that allows MSPs to provide a managed service for every type of technology consumption that customers might want. Last year, Kaseya engaged in a fast-and-furious acquisition strategy to expand into new markets, gain ready-made customer bases and quickly integrate new technologies. It acquired [Spanning](#) to provide a [full BDR solution for Microsoft Office 365](#), [RapidFire Tools](#) to help it take advantage of the [compliance-as-a-service opportunity](#), [IT documentation](#) solution provider [IT Glue](#), and [BDR powerhouse Unitrends](#) — all in 2018.

That's a lot to digest, but one thing in its favor is a clear vision of where "there" is. Like many forward-thinking companies, Kaseya is focused on grabbing its share of the

SMB market, which IDC predicts will spend \$676 billion on IT services by 2021.

With his typical passion and blunt candor, CEO Fred Voccola spent a great deal of 2018 explaining how Kaseya plans to seize that opportunity. Now, his focus on SMBs and acquisitions seems to be paying off: In 2018, the company posted more than \$250 million in annual bookings, completed four major acquisitions, grew to more than 1,000 employees nationwide and now counts about 19,000 unique MSPs around the globe.

So what will 2019 hold? If the market conditions are right, we're likely to see an IPO in Kaseya's future, for starters. Look for a push into the EMEA market as the company moves to expand beyond North America. And, of course, don't expect its acquisition fervor to calm down anytime soon.

—Kris Blackmon



In the world of enterprise-class open source, there may be no more powerful and influential organization than [The Linux Foundation](#). Founded in 2000 by the merger of the Open Source Development Labs and the Free Standards Group, The Linux Foundation is a nonprofit consortium that aims to build sustainable ecosystems around open source projects to accelerate technology development and industry adoption. The group provides support for open source communities through financial and intellectual resources, infrastructure, services, events, [training](#) and more, while continuing to expand its software project organizations at a regular clip to support new open source initiatives.

For the channel, the work of The Linux Foundation and its

more than 1,000 worldwide corporate members — including AT&T, Cisco, Fujitsu, Hitachi, Huawei, IBM, Intel, Microsoft, NEC, Oracle, Qualcomm and Samsung — is a hugely valuable resource and sounding board for code, innovation, development and expertise. Through the foundation, if there is an open source project a channel partner wants to adopt to better serve clients, they'll likely find help, code and advice.

In 2019, smart channel partners will gain more opportunities through The Linux Foundation. We've said it before: Participate in open source communities if you can. It's the best way to bring your customers the innovations that will help drive their businesses forward.

—Todd R. Weiss



Speaking of working together to drive business forward, the [MSPAlliance](#), founded in 2000 and with 30,000 members globally, is becoming increasingly relevant to today's modern managed service and cloud service providers as the demands of the industry change.

Throughout its almost-two-decade history, the MSPAlliance has demonstrated enviable industry savvy. Some years back, it embraced the cloud and, by extension, MSPs and CSPs who saw the coming shift in the business landscape. That set in motion the MSP/Cloud Verify program based on MSPAlliance's core Unified Certification Standard (UCS) for CSPs and MSPs.

The UCS is based on 10 core principals, or control objectives as they're called in the audit world, delineating how an IT service organization should operate and a model for evaluating cloud and MSP companies. USC objectives include: governance, policies and procedures, confidentiality and [privacy](#), change management, service operations management, information

security, data management, physical security, billing and reporting, and corporate health.

Relevancy is key, which is why the UCS is updated annually; the latest iteration, UCS2019, incorporates new requirements and guidance around data breaches and cyberattacks to answer the need for trust and transparency for MSP and CSP businesses in an increasingly global world that's upping the ante on data privacy and governance regulations and compliance.

MSPAlliance doesn't stop with cloud. In its [certification program](#), the organization has introduced a certification that targets the data center, another that focuses on business continuity, and a year ago, it introduced a GDPR certification.

Might 2019 be the year a big MSP loses a big contract for lack of the right bona fides? All we know is that MSPAlliance CEO Charles Weaver is seeing explosive growth in demand for certifications from proactive MSPs. You be the judge.

—Lynn Haber



[NetApp](#) is a trailblazer in enterprise storage — and the only major player that isn't part of an IT infrastructure mega conglomerate. But NetApp has become much more than a provider of storage arrays, management software, NAS filers and even flash, where the company has leading market share.

In 2014, responding to early whispers of hybrid cloud and a new generation of cloud-native and serverless infrastructure, NetApp CEO George Kurian [introduced](#) the company's "[data fabric](#)" vision. Now at fruition, the new architecture focuses on enabling organizations to orchestrate their data services across hybrid and multicloud environments, and has manifested itself in a broadened portfolio.

For example, with last year's release [of NetApp HCI](#), the company offers hyperconverged infrastructure appliances. The HCI bundle consists of NetApp's ONTAP Select software-defined storage management tool offered with a choice of validated VMware vCenter solutions or Red Hat OpenShift. The latter is a popular platform for containerized applications.

NetApp is also in the early stages of helping its partners deliver storage-as-a-service via [Cloud Volumes](#), a managed,

high-performance enterprise Network File Service based on NetApp's [ONTAP](#) storage operating system. Cloud Volumes has started to appear as a service (with some iterations still in preview) in [AWS](#), [Microsoft Azure](#) and [Google Cloud Platform](#).

[Jeff McCullough](#), the company's vice president for North America partner sales, is overseeing the channel enablement of these new offerings. Among other efforts, McCullough's purview includes the new NetApp [Cloud First](#) partner program, comprising NetApp's top-tier partners that have cloud consulting and management services expertise.

"There's a great opportunity for our partners who already know ONTAP because they can deliver ONTAP to build and sell cloud solutions as an attach to the on-premises storage," McCullough said.

Another area to watch: [MaxData](#), NetApp's effort to post the scale and performance of others' hardware with new server-side software that is aimed at accelerating real-time analytics applications. NetApp gained the technology for MaxData with its 2017 acquisition of Plexistor, and it's included with the recent release of [ONTAP 9.5](#). —Jeffrey Schwartz

NUTANIX

The hyperconverged infrastructure market is hypercompetitive, with 15 suppliers battling it out in Gartner's 2018 HCI Magic Quadrant. That may not sound like an overfull field. But given that just 20 percent of business-critical applications currently deployed on traditional three-tier IT infrastructure will move to hyperconverged infrastructure by 2020, according to Gartner, every deal the channel can generate is critical.

[Nutanix](#), which shares the "Leaders" quadrant with Cisco, Dell, HPE and VMware, made some moves in 2018 to increase mindshare with partners. In fact, in July, Channel Futures said Nutanix Velocity may be [the most interesting channel program in the industry](#). Then, in December, the company updated its [Power to the Partner](#) program to better enable value-added distributors and global systems integrators while adding more opportunities, enablement and deal protection for resellers. It's inked integration pacts with everyone from Tech Data to Cyxtera, Lenovo, Intel, Veeam and Exagrid. And it's aggressively pushing its Acropolis hypervisor as a cost-effective alternative to VMware. Use of AHV among customers of the company's NX nodes is 38 percent — not too shabby given Acropolis' slow start.

Partners who deal in Nutanix reportedly get few complaints from customers, evidenced by a 90 percent average retention rate. Software and support billings grew by 50 percent in 2018 over the previous year, to \$351 million. More than half,

51 percent, of billings are from subscriptions, up from 31 percent and leading to 104 percent growth in the subscription revenue so attractive to partners.

Vice president of global sales Rodney Foreman is willing to break from channel orthodoxy, not always the case in companies that do virtually 100 percent of their business through partners. The Velocity program eliminated traditional volume discounts and moved away from traditional tiers named after precious stones or metals. Instead, partners are categorized as Pioneers, Scalars and Masters.

"Traditional channel partners are having SD-WAN or network conversations, which typically happen within a few silos of an organization," said Melanie Sunahara, channel director for Nutanix partners with Cyxtera. "Partners having HCI conversations open the door to multiple silos, creating more selling opportunities. HCI helps the customer meet today's technology demands with the ability to consume what they need now, not overspend and scale as the business grows."

Nutanix's full "data center in a box" vision — a hyperconverged, single-OS, multicloud infrastructure built on a mix of hardware, running the Acropolis hypervisor and managed from one console via its Prism software — demands a lot of buy-in from customers. The company is betting that the allure of beating the "VMware tax" will continue to increase use of AHV and thus the stickiness of Nutanix NX. If so, it can thank its partners for making the sale. —Lorna Garey



Quantellia

Imagine what's possible...

[Quantellia](#) is a privately-held provider of decision engineering consulting and software services. Its flagship software product is World Modeler, used for desktop visual decision modeling. The company's main function is to enable its customers to visualize and manage interdependencies, complex relational dynamics and other factors that overwhelm decision-makers. Quantellia's customers include tech giants like Microsoft and Cisco as well as global organizations such as The Carter Center, Trillium and Transamerica.

The company was co-founded by [Lorien Pratt](#), chief scientist, and [Mark Zangari](#), CEO/CTO. Pratt delivered applied machine learning systems from 1988 to the founding of Quantellia. She also is the author of "The Decision Intelligence Primer." Zangari was CTO for a spatial GIS company for 15 years, where he specialized in providing solutions to utilities and

telecoms. He is a trained physicist and has authored several papers on cosmology that are still commonly referenced by professionals and academics.

Pratt often speaks and teaches at conferences alongside [Cassie Kozyrkov](#), chief decision scientist at Google Cloud. Google created Decision Intelligence, and Quantellia is one of the few companies working in the [DI space](#) that isn't, well, Google. But it does come with heavy experience in the ML field and in new emerging technologies and disciplines such as [AI-Defined Infrastructure \(AiDI\)](#).

Keep a close eye on Quantellia because even though it isn't as big a company as Google, it's marching beside the giant rather than in its shadow. Where this company goes is where the AI and DI industries are likely to follow. —Pam Baker



When it came to tech news in 2018, it didn't get much bigger than IBM's announcement that it was [acquiring open source leader Red Hat](#). What would the deal mean for Red Hat's long history of innovation — and for the company's independence?

Since both companies are large channel players, for partners, the pairing could ultimately deliver an influx of new peer relationships and customer opportunities as the powerhouses bring their products and services together to serve customers in the cloud for retail, manufacturing, chemicals, oil and gas, education, health care and other industries.

Hybrid cloud specialists especially will want to watch how this acquisition unfolds.

Critics worry that IBM could squelch Red Hat's penchant

for creativity and hamper its ability to bring in smart, idealistic engineers to work on the open source code that's critical to a wide range of computing and business needs. Advocates of the deal argue that it just might infuse new energy into an arguably sluggish Big Blue and help customers of both companies who are probably already using IBM and [Red Hat](#) technologies together.

Certainly there are risks, but we tend to fall into the latter camp. This \$34 billion deal should benefit both parties and their channels by formalizing the relationship between two enterprise IT titans, giving partners and customers more bang for the buck.

As the acquisition is finalized in 2019, we'll be watching to see who's right.

—Todd R. Weiss



At its fall 2017 conference, [SolarWinds MSP](#) stressed that MSPs that morph into managed security service providers will have an easier path to becoming their clients' trusted advisers while increasing their own profits. To help with that evolution, last fall the company launched the [SolarWinds Threat Monitoring Service Program](#), which builds on SolarWinds Threat Monitor with outsourced security operations center services delivered via SolarWinds Threat Monitoring service providers. The company gained Threat Monitor through its [acquisition of Trusted Metrics](#) last summer.

Still, John Pagliuca, SolarWinds MSP's senior vice president, said not every MSP is cut out to become an MSSP, so the company is offering a layered approach. "The pace of change is starting to accelerate from a growth point of view, even from our customer acquisitions," Pagliuca said. "The number of customers that we've been acquiring is at a

healthier clip and much ahead of last year."

The vendor has 22,000 partners and customers and serves 450,000 organizations globally.

"We're seeing device growth, an uptick in different types of adoption — in particular, a lot of security uptick and security adoption," he said. "And by all indicators, the channel seems to be pretty healthy."

Last summer the company launched a new on-demand playbook for MSPs designed to provide training and tips through business, sales, marketing and technical tracks from experts and industry leaders. The [MSP Institute](#) consists of webinars, videos and podcasts, with tracks on go-to-market strategies, advice on how to build and manage a successful sales team, best practices for operational success and tips on how to manage customer relationships.

—Edward Gately



[Synnex](#) is one of several technology distributors caught up in the whirlwind of M&A activity in the past couple of years. Thanks to a strong community, the disruption seems to be paying off.

The distributor, founded in 1980, is seeing the upside of one of the biggest and most significant acquisitions in its history – the \$600 million Westcon-Comstor buy in September 2017. That acquisition secured Synnex's Cisco relationship and solidified its UCC portfolio. While execs say the integration between the two companies is complete, fully leveraging the joint synergies, called Westcon-Comstor 2.0, is still a work in progress.

Oh, and Synnex also recently closed on the acquisition of Convergys and saw the retirement of president and CEO Kevin Murai after 10 years in that role and the appointment

of Dennis Polk as the new president and CEO. Polk has been with Synnex for more than 15 years and he's spearheading Westcon-Comstor 2.0.

[What's ahead](#)? That would be expansion in its cloud, IoT and mobility practices, and helping partners deliver comprehensive solutions. And of course, like the channel overall, the distributor and its partner customers are looking to grow their services businesses.

Both Synnex and members of its select Varnex community, now 10 years old, seem to be keeping pace. Channel Partners recently learned that Varnex grew 20 percent year-over-year.

Call it transformation or call it disruption, Synnex seems poised for an eventful 2019. —Lynn Haber

TALARI Networks

Oracle's [purchase of Talari](#) was the SD-WAN acquisition everyone expected but no one saw coming.

While [Talari](#) has quietly but consistently cracked the top five in [market leaderboards](#), it's been overshadowed by splashier rivals like Aryaka and Silver Peak. So it came as a surprise to market watchers when Oracle — not known for being understated — chose Talari's platform to complement its network management infrastructure.

What sold Oracle? Our read is Talari's reputation for [“fail-safe” traffic performance](#) and quality of service.

The channel will watch with interest as Talari is pulled into Oracle's Global Communications unit. Analysts say Talari will get its hands on new R&D funds as well as coveted access to

a huge set of enterprise eyeballs. Talari was serving 500 large customers at the time of the acquisition, and it aims to increase that number. Of course, all the players in the crowded SD-WAN market have been scrambling to increase their customer bases, knowing that history says the industry will likely soon move to winnow mode. Scale is huge.

What does it all mean for the channel? SD-WAN is gold for partners. Talari sales and channel execs tell us they have bought into Oracle's plans, and vice versa. The policy — for the time being — is that we should not expect an [“Oracle-ized”](#) Talari, but rather a retention of channel managers and a continued focus on indirect sales. Partners will be watching. After all, there are plenty of SD-WAN options. —James Anderson



For [TBI](#), agility is key to staying on top. It's quite a feat to stay nimble when you're the largest master agent in the United States, but then being fast on the draw is how the Chicago company managed to attain that position to begin with.

Founded in 1991 — for perspective, that's the same year the World Wide Web became publicly available — Telecom Brokerage Inc. was focused on providing the best telecommunications available. In the years since then, TBI has made the pivot from pure telecom to technology, thus its "Technologically Brilliant" tagline, all the while adhering to its basic premise that their partners are their customers. Support services expand in

tandem with a growing portfolio of products. In November, for example, when [TBI became the first master agent to cover all of Verizon's customer-segmented portfolios](#), it bulked up its support staff for the program to include 35 members.

A blind [channelwide survey](#) TBI commissioned last year in conjunction with AT&T validated that the master agent is spot-on in its orientation and approach. Two of the top takeaways? That digital transformation initiatives undertaken by businesses are driving demand in the channel and that partners are looking to master agents for the spectrum of products, education and support they need to help their clients. TBI is sized to deliver. —*Buffy Naylor*



The [Telarus](#) universe is expanding. In July, the master agent [relaunched its website](#), marking the completion of its rebranding following the acquisition of the network diagnostic tool VXSuite in 2015 and fellow master agent CarrierSales in 2017. In announcing the [all-stock deal with CarrierSales](#) — which put the combined entity among the nation's largest master agencies — Telarus stated that its goal in undertaking the transaction was to help partners sell more and achieve more.

How? CEO Adam Edwards insists that the combination of the two companies not only increased Telarus' scale, it give partners a wealth of new resources — specifically, from CarrierSales' mobility, data center and UCaaS practices.

At the [Telarus Partner Xchange](#) in June, Edwards explained

to attendees in more detail how the move toward specialization among both vendors and partners has made it essential for Telarus to increase its own range of expertise. In addition to adding an array of new suppliers to its already extensive portfolio throughout the year, the master agent increased the range of its market footprint by [launching Tradewinds Brokerage](#) to distribute technology services in Australia and New Zealand. Tradewinds will focus on supporting local technology experts selling cloud-based services such as cybersecurity, contact center, unified communications and storage and CDN.

Telarus has its eye on becoming the leading master agent in the ANZ market. And that's just the first step. —*Buffy Naylor*



[Vonage](#) is more fun to watch than the average communications provider bear. It's always hustling, making moves to increase its capabilities and steal market share from rivals in the highly competitive cloud communications space. You might say it makes UC fun.

Last fall, in its biggest acquisition yet, [Vonage scooped up NewVoiceMedia](#), a cloud contact center-as-a-service (CCaaS) provider, for \$350 million in cash. The acquisition combines Vonage's UCaaS and CPaaS offerings with NewVoiceMedia's pure-play cloud contact center services, providing an "end-to-end communication experience for a company's employees and customers."

Vonage also gained video with its [acquisition of TokBox](#), a Telefónica subsidiary, for \$35 million.

And don't forget the [launch of the Nexmo Connect program](#) with a group of partners including Microsoft, Google, Amazon, Facebook and others. This followed the unveiling of the [Vonage](#)

[Partner Network](#) channel program in March.

To keep partners up to speed, Vonage has beefed up its channel leadership. In December, it [hired Greg Franzen](#) as director of strategic partners for North America, and before that [Mario DeRiggi](#) as senior vice president of national channel sales and operations. Both are Windstream alums. Bob Crissman, Vonage's always entertaining senior vice president and channel chief, has taken on a new role in which he is focused on building out the company's transactional channel and leading the western United States.

"Vonage has a tremendous channel program built on an extremely solid foundation," DeRiggi said. "My goal is to continue this momentum, building on this foundation to dramatically increase our distribution. I see areas of opportunity through both traditional partnerships and other channels, as well as going deeper with existing relationships."

—Edward Gately

ABOUT THE CHANNEL INFLUENCER AWARDS

Channel Partners and Channel Futures — home of MSP Mentor, The VAR Guy and Talkin' Cloud — present this year's Channel Influencer Awards recognizing the 55 people, technologies, trends and organizations that will shape the new channel in 2019.

THE CATEGORIES

- **25 ORGS TO WATCH:** Top suppliers, consultancies, distributors and master agents moving the channel forward in 2018, selected by the editors who know these beats inside and out.
- **10 TECHNOLOGIES FOR 2018:** Partners need to stay on top of the innovations that will move customers into the digital era. Look no further than our list.
- **10 BUSINESS TRENDS FOR 2018:** What topics will have customers buzzing from the C-suite on down? Here are the hot business trends that will shape the channel in 2018.
- **9 CHANNEL INNOVATORS:** These forces to be reckoned with include industry executives and thought leaders who are paving the way to the new channel.
- **OUR CHANNEL PERSON OF THE YEAR:** We'll name the individual who has done more than anyone to shake up our community.

Meet many of our winners during the world's largest channel event, Channel Partners Conference & Expo, where 6,000-plus partners and suppliers will converge April 9-12 at Mandalay Bay in Las Vegas.



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9 INNOVATORS TO WATCH

CHRIS ANISZCZYK



The open source community boasts thousands of talented and creative developers and project leaders, but there are few who have their hands in as many projects as [Chris Aniszczyk](#), CTO/COO of the [Cloud Native Computing Foundation](#) and co-founder of the Linux Foundation's [TODO Group](#). Aniszczyk is personable, passionate about open source and speaks regularly at a wide range of events. He also serves as developer relations vice president for the Linux Foundation and as the executive director and founder of the Open Container Initiative. He's a must-know fellow in the open source community. — *Todd R. Weiss*

SANDRA GLASER CHEEK



[Sandra Glaser Cheek](#) didn't get where she is by following the leader. So it came as little surprise last year when the [Ciena](#) channel chief unveiled one of the most innovative programs we've seen. Cheek's new [Ciena Partner Network](#) is among the industry's first "mass-customized" channel programs. There are

no tiered levels with precious-metal names or onerous certification and training requirements that don't align with partner business models. Instead, the CPN is a single, unified partner program that treats partners, no matter their size or business model, "personally," Cheek says. Under the new terms of the CPN, partners can opt to become "Professional" or "Elite" partners. Rather than sales volume, the key differentiator between the two designations is a partner's willingness to participate in joint business planning with Ciena. There are other adjuncts of the program that make it different than most, which is plenty of reason for us to recognize Cheek for her innovation. — *T.C. Doyle*



COLE CRAWFORD

Cole Crawford, CEO and founder of Vapor IO, has a long history in both telecom and data center. He was also there at the emergence of cloud computing. His latest venture as the [CEO and founder of Vapor IO](#) combines elements of all three by creating the hardware and software for an uber-distributed, AWS-like cloud. His goal at Vapor IO is nothing if not ambitious: "Build the world's largest network of distributed edge data centers by placing thousands of Vapor Chambers at the base of cell towers and directly cross-connecting them

to the wireless networks. This will make it possible to push true cloud capabilities to within yards of the end device or application, one hop from the wireless network."

How? Via modular (read: housed in shipping containers) micro-data centers filled with customized racks ([Vapor Chambers](#)) and controlled by a proprietary SDN overlay ([Kinetic Edge](#)) that are placed at cellular base stations or other high-traffic locations. Locating near base stations provides the perfect bridge between the new, wireless network edge fueled by LTE and 5G mobile users and the vast fiber backbones operated by wireless telcos. Vapor IO already has a partnership agreement, which includes an equity stake, with Crown Castle. — *Kurt Marko*

CASSIE KOZYRKOV



[Cassie Kozyrkov](#), chief decision scientist at [Google Cloud](#), is the innovator and driving force behind Decision Intelligence (DI), a new practice in machine learning-based, data-driven decision making. To date, Kozyrkov has guided more than 100 projects; designed Google's analytics program; and trained more than 15,000 Googlers in statistics, decision-making

and machine learning. As Google's DI lead, she is heavily influencing where AI is going next and shaping the decision-making process for every business on the planet.

While Google doesn't have partners specializing in data science specifically, it does have partners specializing in data analytics who help customers make the most of Google Cloud's analytics products, including [BigQuery](#). But with Cassie's leadership in breaking new ground via the emerging discipline of Decision Intelligence, there are plenty of opportunities for channel partners to deliver guidance on these innovations to their customers, including successful data democratization efforts and custom machine learning projects. Listen to her thoughts on DI in a Google Cloud Platform [Podcast](#). —Pam Baker

JO PETERSON



Don't take just our word for it: As alter-ego [@DigitalCloudGal](#), Jo Peterson is ranked No. 44 among the top 100 IoT Influencers on Twitter. Peterson, vice president of cloud services for [Clarify360](#), a boutique sourcing and benchmarking consultancy, is also a member of the [Channel Partners editorial advisory board](#); founder of [Cloud Girls](#), a group that unites women technology thought

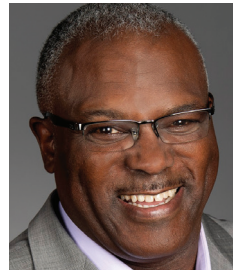
leaders; and a speaker at events ranging from PTC LiveWorx to IBM Think. While she'll be [delivering a keynote](#) at the 2019 Channel Partners Conference & Expo, by taking her expertise on the IT event circuit, she's raising the professional profile of the channel overall.

Oh, and she's mentored and supported some of the top women in the industry.

"Jo is a beacon of light in the industry," says Janet Schijns, CEO of consultancy JS Group. "She's beyond technically savvy and has a real gift for teaching people about technology. She's a cloud guru who despite a busy work life gives of herself through Cloud Girls and is always ready with help for anyone who needs it."

"Jo truly has 'the right stuff,'" says Tina Gravel, senior vice president of global channels for Cyxtera. "She is a thought leader, not simply an influencer, incredibly smart and a wonderful person with relationships; that makes her a triple threat." —Lorna Garey

KEN MCCRAY



[Ken McCray](#), McAfee's head of channels and operations for the Americas, has his work cut out in 2019 rebuilding the cybersecurity vendor's partner strategy. The revamped program's tenets: mind what customers are asking of their service providers, keep partners aligned with the McAfee product road map and reward loyalty. CEO Chris Young has

said that [McAfee's](#) realized its cloud-native vision, and the next few years will define where his company is going.

McCray's success will be McAfee's success.

With nearly 30 years of industry experience, he has what it takes. His achievements include creating the accelerated deal registration program and portal, which now is used globally by more than 30,000 partners; expanding routes to market via security innovation alliances and MSPs; and launching the Partner Care team in Bangalore to provide back-office support to more than 8,500 reseller partners and distributors. Now, he's at the helm during a time of rapid change for security-focused partners. If experience matters, McCray is the right man at the right time. —Edward Gately

PETE SORENSEN



Since channel luminary Arlin Sorensen founded [HTG Peer Groups](#) 18 years ago, hundreds of partners have attended the organization's workshops and participated in its business coaching programs. [ConnectWise](#) bought HTG last January, and the two groups merged into one,

dubbed [IT Nation](#), with a new generation of Sorensen at the helm. [Pete Sorensen](#) tells us that in 2019, they will bring HTG's deep-dive, numbers-based methodology to bear for ConnectWise's extensive community of partners to teach business owners how to "manage to what good looks like." Along the way, IT Nation will host roundtables and workshops to guide partners through modern day channel trends like M&A, managed security and peer-to-peer partnerships.

"There should be a good balance, I hope, between working to encourage partners to define what success looks like and to make sure they're investing in the areas that will make them hit the goals," says Sorensen.

—Kris Blackmon

DARRIN SWAN



When [Darrin Swan](#), CEO of [Infinit Consulting](#), joined the company in 2016, he was handed the assignment of helping to scale and accelerate the company's digital transformation business. Infinit focuses on helping clients identify business needs and developing plans for IT solutions that not

only maximize current operations but can evolve to address changing trends and meet future challenges as they arise. Swan put his passion for business process optimization and IT simplicity to work, directing Infinit's own digital transformation, which he believes gives Infinit ["the right and ability to transform our clients."](#) Swan's inside-out approach gives Infinit insights that enable them to translate the connection between business value and technology and adds an additional element to the concept of trusted adviser: expert facilitator. —*Buffy Naylor*

OLIVER TUSZIK



[Oliver Tuszik](#), senior vice president of the global partner organization at Cisco, is an amiable guy with experience on both the vendor side of the business — five years with Cisco — and the channel, thanks to a stint heading up Computa-center Germany, one of Cisco's biggest partners. [Tuszik](#), the vendor's pick to

lead its worldwide partner organization, is positioned to have a tremendous impact on Cisco's channel partners and brands himself as a transformational channel leader.

In November, he made his global debut at Cisco Partner Summit 2018, where he outlined a partner road map for the next 12 months as Cisco laid bare its business transformation go-to-market strategy, the creation of a combined global sales and marketing organization, and customer experience strategy. —*Lynn Haber*

WHO WILL BE THE 2019 CHANNEL INFLUENCER OF THE YEAR?

2019 promises to be another big year for the channel, one filled with disruption, innovation, transformation and opportunity. As always, technologies, trends, companies and partners will work to shape the new channel. In the Spring 2019 print issue of Channel Partners, we will recognize the one individual who we feel impacted the direction of the channel the most last year, and has more in store for the community. You won't want to miss our in-depth interview with our 2019 Channel Influencer of the Year.



10 TECHNOLOGIES THAT WILL TAKE OFF IN 2019

There's a lot at stake when choosing to sell a new technology. It's your reputation on the line with customers, and then there's the cost of vetting suppliers, training your team and marketing the offering. Here are 10 areas we think are worthy investments.

5G

Yes, we said it last year. And sorry, but you're going to see a nonstop flow of commentary about this technology in 2019. Note that we're not calling it "hype." [5G is going to be just as game-changing](#) as pundits predict. The new mobile standard's domino effect, driven by low latency, copious bandwidth and, of course, high speed, will transform wireless performance and open new opportunities for digital transformation. Add to that carriers dogpiling for the lead and partners can expect a bevy of new products and services available to help them monetize a 5G world. Just be grateful "5G" is a short and uncomplicated acronym.

—James Anderson



CONTACT CENTERS-AS-A-SERVICE

OK, so contact centers aren't new. But cloud and [integration with UCaaS systems](#) have put a new face on the cliché of rows of operators in bulky headsets fending off irate customers. Channel-centric suppliers including [Cisco BroadSoft](#), CoreDial and Evolve IP as well as orgs to watch [8x8](#) and Vonage provide CCaaS offerings that integrate with their UCaaS systems, delivering centralized provisioning, configuration and management for customers and [an upsell opportunity for resellers](#). Look for integration with the customer's CRM, support for nonvoice channels like IM and some ability to customize as well as a plan for how AI and chatbots can augment human agents now and as the technology advances. —Lorna Garey



DECEPTION TECHNOLOGY

Deception technology isn't widespread, but that's set to change in the coming year. The [technology](#) distributes throughout the network decoys that mimic genuine, high-value IT assets. When attackers are lured into scanning or attacking a decoy, it then notifies a dedicated server called an engagement or a deception server. [Rik Turner](#), principal analyst at [Ovum](#), said the technology is set to become more mainstream and integrated into detection and response systems, both operated by the customers themselves and delivered as a managed service.

—Edward Gately



GIGABIT COAX

The benefits of 5G are still largely a promise. Meanwhile, [gigabit coax](#) is becoming available in more and more areas, enabling channel partners to provide clients with “blazing fast” download speeds and increased upload speeds, usually over existing connections. Combining those faster speeds with SD-WAN and a suite of advanced products and services gives channel partners compelling options for businesses looking to enhance their broadband and telecom capabilities without the expense and inconvenience of moving to a dedicated fiber line.

—Buffy Naylor

HYPERLEDGER BLOCKCHAIN

Channel partners seeking intriguing open source opportunities in 2019 should be looking at [Hyperledger](#) blockchain. Hyperledger can help companies solve challenging security and authentication problems in a wide range of industries. Blockchains — distributed databases with no centralized authority or points of trust — can streamline business processes to save time and money while reducing risk, making the tech attractive to a variety of customers. Since it is still emerging, blockchain offers greenfield opportunities for channel partners to build compelling and buzz-worthy new services.

—Todd R. Weiss



INTENT-BASED NETWORKING

The notion of configuring and automating network operations using high-level language and by specifying goals, not specific actions, is gaining steam. Known as intent-based networking (IBN) and [popularized — but not originated — by Cisco](#) a couple of years ago, IBN promises to both drastically simplify network configuration while improving performance and security through self-correcting software that adapts to changing conditions. Despite Cisco's mindshare advantage, several startups including Apstra, Intentionet, Forward Networks and Veriflow are arguably the leaders in IBN technology and product development. In fact, IBN has rapidly moved from aspirational slideware to operational software with [Apstra already on version 2.3 of its software and touting](#) significant commercial deployments. [Cisco is using the technology its Network Assurance Engine](#) and other components of its application-centric infrastructure (ACI). This year, expect more networking vendors to adopt a form of network autopilot by incorporating IBN to their management software as pure-play vendors broaden the ecosystem of supported hardware to enable heterogenous IBN deployments. —Kurt Marko



WI-FI 6 AKA 802.11AX

Wireless networks are about to become faster and more reliable in dense environments – for those who deploy the latest infrastructure based on the new [Wi-Fi 6](#) standard, until recently known as 802.11ax. While companies including Cisco, D-Link and HPE's Aruba Networks are in the early stages of shipping the first [Wi-Fi 6](#)-based gear, until endpoints support it as well, users won't see the benefits. Still, customers with a need for speedy Wi-Fi will want to be ready when these new devices hit the market; partners should get ahead of the game and be prepared to deploy supporting Wi-Fi 6 infrastructure. —Jeffrey Schwartz

MSP MANAGEMENT TOOLS

There are a lot of sexy technology trends out there. Professional services tools ain't one of them. Still, top-notch management software platforms are increasingly in demand as MSPs scramble to trim the fat and increase [operational efficiencies](#). Some of the most exciting capabilities unveiled in 2018 came from PSA vendors, and we don't expect that to change this year.

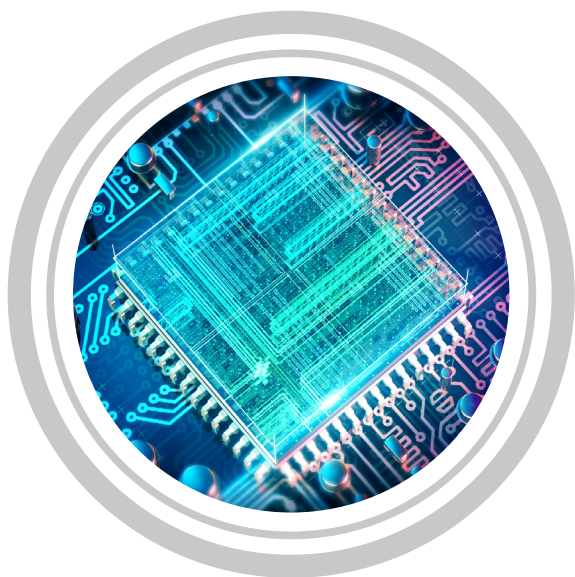
—Kris Blackmon



QUANTUM COMPUTING

Instead of using zeroes or ones, a quantum computer uses quantum bits, called qubits, that encode the zero and the one into two different quantum states, according [to the University of Waterloo](#). A quantum computer is to the PC on your desk as a 2019 Lamborghini is to a horse and wagon. [Here's a TED talk that will blow your mind](#). Widespread availability will have downsides — like cracking even the most advanced current cryptographic systems in subseconds. But for customers in the business of, say, chemical or medical research or predicting weather — anything that relies on simulations — it will be truly game-changing. IBM is already offering cloud-based quantum computing services, and Microsoft's [Quantum Katas Project](#) is teaching the basics of Q# quantum computing programming with online tutorials. In 2017 [Google promised](#) to commercialize quantum technology by 2022.

—Lorna Garey



STORAGE-CLASS MEMORY

Think of storage-class memory as a new storage tier that, from a performance point of view, sits between DRAM, or main memory, and SSDs built out of NAMB flash. SCM is persistent and poised to enable higher performance density compared with NVMe — a welcome advance for customers with demanding storage scenarios. While the vendor to generate the most interest is Intel, with [3D XPoint](#) and [Intel Optane](#) memory, the usual suspects in the storage arena are working on SCM: Dell EMC, Hitachi, [HPE](#), IBM and NetApp, to name a handful. There are also about a half-dozen startups building SCM, and then there's Pure Storage, not quite a startup anymore, but a leader in the technology space.

—Lynn Haber





10 BUSINESS TRENDS FOR 2019

WHAT BUSINESS TRENDS
WILL HAVE THE CHANNEL
COMMUNITY BUZZING IN 2019?

IP as Competitive Differentiator

One of the most significant trends in the channel has been the growing imperative to create [intellectual property](#). As partners move away from selling products to expanding services, it's a partner's IP that ups the ante for value and revenue. IP is also shaping up to be a specialized practice that significantly separates next-gen partners from legacy firms. —Lynn Haber

MSPs & Managed Security

The pressure is on for MSPs to beef up their [cyber-security](#) capabilities — many are already losing customers to MSSPs. Options include partnering with MSSPs, spinning off a separate business focused on managed security services or transitioning fully to an [MSSP](#) business model. Sounds doable enough until you realize that top security talent is scarce and expensive, the security tools landscape is one of the most crowded in the industry and the regulatory outlook is “complex with a chance of crippling fines.” Cybersecurity represents a massive opportunity for [MSPs](#) — but the road to MSSP shouldn't be taken lightly. —Edward Gately

Marketplaces Everywhere by Everyone

While SaaS marketplaces have been on the scene for some time, it feels as though every company is building one in 2019. This includes big software developers such as SAP and Salesforce (it has 5,000 apps in its AppExchange and counting); distributors such as Ingram Micro; and independent organizations such as [SaaS MAX](#) and [the Cloud Software Association](#). Even [end-user customers are building marketplaces](#). There's a good reason why, says Forrester Research: “[SaaS marketplaces are the future of software and services buying](#).” If you sell and/or integrate software, then online marketplaces are going to be a bigger part of your future. With your help, customers can avoid “SaaS sprawl” and get the right products to meet business needs in 2019. —T.C. Doyle

M&A Mania

There's no doubt that 2018 brought some of the most [frantic M&A activity](#) the channel has ever seen. On the partner side, we saw a ton of MSPs growing their managed security businesses and moving into new markets by acquiring other service providers and managed security shops. On

the vendor side, the list is dizzying: SAP acquired Qualtrics; AT&T bought Time Warner and AlienVault; Kaseya brought on Unitrends; Oracle bought both Talari and DataFox; Adobe scooped Marketo; and IBM acquired Red Hat, to name just a (very) few. Private equity also got busy, with deals like Vista Equity Partners buying Apptio and Thoma Bravo grabbing Barracuda Networks. —*Kris Blackmon*

Gig Economy

More than one-third (36 percent) of all U.S. workers are in the gig economy, according to [Forbes](#). [Intuit predicts](#) that number will reach 43 percent by the year 2020. The growth in gig workers is largely due to advances in technology. That means channel partners will be called upon increasingly to help clients with mobility, collaboration and cybersecurity challenges inherent with the increasing use of on-demand employees. The challenges of BYOD pale in comparison. —*Buffy Naylor*

Partners as Vendors

Partners, known for selling and implementing and managing the offerings of the manufacturer on behalf of the end-user customer, are doing some creation of their own. Beyond building [one's own intellectual property](#), a trend in itself, bundling a smart mix of products or specialized expertise can set partners above their peers, help the channel tackle niche verticals, add a new source of revenue and establish credibility with customers. Expect to see more blurring of the partner vs. supplier line as the new channel moves beyond transactional sales and break/fix. —*James Anderson*

Open Source as a Specialization

To help customers grow and mature their use of open source software to reach their business goals, channel partners in 2019 will have to be sure that their own IT staffers, consultants and sales staffs are [trained and up to date](#) on the key open source applications their customers want to use. That may be even more important due to [IBM's Red Hat acquisition](#), which perhaps will lead the way on this expected trend. —*Todd R. Weiss*

Partners Adopt Experience Management

Call it the culmination of the millennial generation's demand for personalization in exchange for brand loyalty crossed with what HBR coined "[The Experience Economy](#)."

[Experience management](#), or XM, is all about using technology and design thinking to ensure all customer interactions meet or exceed expectations. In an Apple/ Google/ Amazon world, complex tasks and concepts need to be made easy for end users.

You may think XM sounds like what you already do. Your marketing is personalized, and you train employees to put customers first, right? Maybe, maybe not. Can you honestly say a team member has never recommended a product that might not be the very best fit because the SPIFF was just too good to pass up, or your company needed a few more sales with a specific vendor for the quarter? We thought so. True XM is a discipline. It requires a mix of thoughtful processes, leadership buy-in, cultural change, ongoing measurement and marketing tech. And it's coming to a competitor near you in 2019. —*Lorna Garey*

Next-Level Mobility Threats, Opportunities

It's been a decade since the introduction of 4G (WiMaX vs. LTE anyone?) and it's become hard to image mobile devices without 4G network performance. Landlines are a perfect example of a technology displaced by 4G. Although the trend away from the home landlines started well before 4G, [today only 17 percent of Americans think their landline is indispensable](#). 5G is likely to be the final nudge that sends office phones off the same precipice. It's a process that's already underway thanks to the proliferation of soft phones, but 5G will do more than cut wires. In fact, [the phone may be one of the more passé 5G applications](#). Everything from autonomous vehicles to virtual reality to artificial intelligence will ride the 5G performance wagon into the mainstream. Augmented reality uses like remote surgery will be on the list too — you first on that one. —*Art Wittmann*

Artificial Intelligence Enters Our Daily Lives

Yes, the hype around [AI](#) has been out of control over the past several years. However, in 2019 it will [continue to emerge](#) more broadly in general-purpose tools. People will gradually start to become more comfortable with chatbot functionality in their everyday applications, especially as digital assistants and special-purpose bots answer questions with less friction. Where else will we see AI? Smart cars, drones, advanced navigation systems, [security](#) software, not to mention the banking and health care verticals. —*Jeffrey Schwartz*