FUJITSU

Media Backgrounder
Fujitsu's Service Provider Program

Munich, June 2018

The world has changed for Managed Service Providers (MSPs). According to research firm IDC[1], IT spending continues to shift from enterprises to service providers as customers pursue digital transformation to adapt to dynamic and disrupted markets. Resellers' traditional business models have had to adjust to offer services and solutions beyond the core innovative technology upon which they have built their businesses and Fujitsu is building partnerships with forward-thinking service providers who are realigning their business models.

Responding to change

We are already well past the point where digital transformation is just on the mind of every CEO - CIOs and their teams are now being challenged to actually deliver. From an MSP perspective this has created a new opportunity to become an integral part of the solution that helps businesses deliver digital transformation. But harvesting this opportunity is not straightforward: besides the heavy-duty investment needed to create new technological capability, it requires skills which IT teams of all sizes don't always have readily available. Recruiting the right talent into a team is hard, especially as technology moves so fast. And the attractiveness of the opportunity has resulted in the service provider market becoming more and more competitive. From the new 'born in the cloud' hyper-scale service providers, to the more mature MSPs and CSPs, right through to resellers wanting to (and being asked to) adapt their current models to help their customers in new ways, the market is crowded and cut-throat.

The challenge for MSPs - from service provider to service integrator

The key challenge for MSPs transitioning to this new model is risk, in terms of investment, skills availability, project management and price competition. Competing successfully in this market demands delivery of a highly personal and differentiated service – and a move from service provision to service integration, with the building blocks of that integration not necessarily always home-grown.

In response to these new dynamics and to help de-risk new business opportunities for MSPs, Fujitsu has launched a new Service Provider Program, designed for and by its MSP partners, and focused on enabling service providers to thrive in this market by differentiating their offerings through service integration. The new Fujitsu Service Provider Program is designed to de-risk the potential challenges involved in this transition, enabling service providers to compete better with hyperscale cloud operators, and addressing the growing shortage of specialized IT skills.

A key aspect of the new Program is a shift in focus away from products, towards the co-creation of next generation 'as-a-service' customer solutions. This approach leverages the combined expertise of Fujitsu, which is itself a leading managed service provider, and xSP partners, which might be telco-based, managed service providers, co-locators or resellers. Delivered from a new Fujitsu business unit headed by Rudi Frickenschmidt, the Program provides a complete portfolio of solutions tailored to xSP needs, including the right support and financial conditions. Service providers can choose between two different, cloud-like sourcing models to accommodate risk-profile options, based on 'growth' and 'de-risking' scenarios.

Given that one-size no longer fits all, Fujitsu's service provider experts work with xSP partners to co-create solutions and adapt them to end-customers' requirements. Not only will partners benefits from this tailored expert support, but Fujitsu's sales and marketing teams will help promote the sales of those co-created services. Working in partnership through co-creation is a core strategy for Fujitsu embedded in its Technology and Service Vision, which expounds partnerships based on shared risk and reward, working side-by-side to give partners the highly personalized and flexible differentiated approach they need to deliver to their customers, to de-risk their own business.

Flexible IT infrastructure capacity

The core of the new program was piloted in the UK with Fujitsu MSP partners such as Viadex and Wanstor and has been shaped for and by partners, who can buy both infrastructure and services from Fujitsu – including channel-ready service offerings – to either offer separately to their customers or integrate into their own service offering capabilities.

Both service providers and their customers benefit from flexible IT infrastructure capacity that adapts to business growth without interrupting operations. Fujitsu has identified a number of advantages from this approach that suit both service providers and end customers. Not only does the pay-as-you-use model reduce the requirements for capital investment in IT infrastructure, but also usage-based charging moves expensive hardware off the balance sheet. For customers, risk is also reduced, since there is a lower chance of technical lock-in or obsolescence of equipment, while planned and unplanned downtime is also lowered, thanks to the use of up-to-date technology. In turn, this helps service providers meet customer Service Level Agreements and avoid paying penalties for non-compliance. Additional benefits include the avoidance of failure through migration to new technologies, plus the outsourcing of service, maintenance, upgrades and technical recruitment and training.

Program offerings are split into three categories: Apps and Data, Hybrid Infrastructure and Next Generation solutions. Potential solutions in the application space could include modernizing data protection management or running a multi-tenant SAP environment. In the hybrid space, examples might include managing multiple cloud and on-premises environments, creating an app-store-like experience for multi-cloud access options or building an edge service to roll out to customer sites. Looking further ahead, a Next Generation solution could involve co-creating vertical solutions with quantum computing inspired technology based on Fujitsu's advanced Digital Annealer.

Other products and services available through the program include:

- Cloud building blocks and cloud & edge-ready solutions, which combine Fujitsu's server and storage (PRIMERGY, ETERNUS) and integrated systems (PRIMEFLEX) platforms with the service-provider focused commercial/logistics solutions and a wrapper of "as-a-Service".
- Fujitsu Enterprise Services Catalogue Manager, Fujitsu software - A single 'pane of glass' to manage cloud environments (including third party environments) and both on premises and off premises. This enables service providers to deliver an app-store-like experience to each of their customers.
- Virtual desktop-as-a-service (VDaaS) - a solution built on Fujitsu's infrastructure and cloud platform, enabling service providers to either buy in the cloud virtual desktops to deliver to their customers on a per-seat basis, or to put infrastructure on customer sites using an OPEX model.

Fujitsu's serious intent with the Service Provider Program is underlined by its ambition for up to 50 percent of its data center business EMEIA to be transacted with service providers by 2020, with target partners who want to differentiate and accelerate their 'aaS' offerings and to increase the level of annuity.

Notes to editors

[1] IDC press release, November 30, 2017: https://www.idc.com/url.do?url=/includes/pdf_download.jsp?containerId=prEMEA43262117&position=6

Online resources
- Fujitsu Service Provider Program microsite: http://www.fujitsu.com/global/microsite/service-providers/index.html
- Case studies
  - Data Continuity Group https://sp.ts.fujitsu.com/dmsp/Publications/public/cs-vshape-dcg-ww-en.pdf
  - Pea Soup http://www.fujitsu.com/global/documents/about/resources/case-studies/CS_2014Sep_PeaSoup_Eng_v0.1.pdf
  - Caplaser https://sp.ts.fujitsu.com/dmsp/Publications/public/cs-vshape-caplaser-em-en.pdf

- o Multipartner http://www.fujitsu.com/global/Images/CS_2017Nov_Multipartner.pdf
    - o AAG Systems http://www.fujitsu.com/fr/Images/CS_2014Nov_AAGSystems_Eng_v0.1.pdf
    - o iTAREX GmbH http://www.fujitsu.com/lu/Images/CS_2017Sep_iTAREX.pdf
    - o Mainstream http://www.fujitsu.com/hr/Images/CS_2014Jun_Mainstream.pdf
    - o WorldStream http://www.fujitsu.com/global/Images/CS_2018Mar_Worldstream.pdf
- Video references
    - o Cutter & Fujitsu https://www.youtube.com/watch?v=clDRhLaV16Y
    - o Make IT Case Study https://www.youtube.com/watch?v=kwe5CRtHldE
    - o iSphere & Fujitsu https://www.youtube.com/watch?v=5Jh4GuAkpzw
    - o CURAit & Fujitsu https://www.youtube.com/watch?v=Je9L0IPs5Yg
- White paper: Why PRIMEFLEX® Attracts Service Providers https://sp.ts.fujitsu.com/dmsp/Publications/public/wp-primeflex-service-providers.pdf
- Blog posts
    - o When the going gets tough... innovate http://blog.global.fujitsu.com/going-gets-tough-innovate/
    - o Removing the Dark Cloud Over Service Providers' Bright Future
      http://blog.global.fujitsu.com/removing-the-dark-cloud-over-service-providers-bright-future/
    - o How to move from a service provider to service integration in a hybrid world
      http://blog.global.fujitsu.com/how-to-move-from-a-service-provider-to-service-integration-in-a-hybrid-world/
    - o Why do we need servers if things work server-less? http://blog.global.fujitsu.com/why-do-we-need-servers-if-things-work-server-less/
    - o We are pleased to be Champions ... http://blog.global.fujitsu.com/we-are-the-champions/
- Link to infographic when published
- Read the Fujitsu blog: http://blog.ts.fujitsu.com
- Follow Fujitsu on Twitter: http://www.twitter.com/Fujitsu_Global
- Follow us on LinkedIn: http://www.linkedin.com/company/fujitsu
- Find Fujitsu on Facebook: http://www.facebook.com/FujitsuICT
- Fujitsu pictures and media server: http://mediaportal.ts.fujitsu.com/pages/portal.php
- For regular news updates, bookmark the Fujitsu newsroom: http://ts.fujitsu.com/ps2/nr/index.aspx

About Fujitsu
Fujitsu is the leading Japanese information and communication technology (ICT) company, offering a full range of technology products, solutions, and services. Approximately 140,000 Fujitsu people support customers in more than 100 countries. We use our experience and the power of ICT to shape the future of society with our customers. Fujitsu Limited (TSE: 6702) reported consolidated revenues of 4.1 trillion yen (US $39 billion) for the fiscal year ended March 31, 2018. For more information, please see http://www.fujitsu.com.

About Fujitsu EMEIA
Fujitsu promotes a Human Centric Intelligent Society, in which innovation is driven by the integration of people, information and infrastructure. In the Europe, Middle East, India and Africa region (EMEIA), our 28,000-strong workforce is committed to Digital Co-creation, blending business expertise with digital technology and creating new value with ecosystem partners and customers. We enable our customers to digitally transform with connected technology services, focused on Artificial Intelligence, the Internet of Things, and Cloud - all underpinned by Security. For more information, please visit http://www.fujitsu.com/fts/about/

All other company or product names mentioned herein are trademarks or registered trademarks of their respective owners. Information provided in this press release is accurate at time of publication and is subject to change without advance notice.