

# Today's Cloud services can be as secure, resilient and flexible as you need them to be. Just beware of hidden catches.

Cloud computing is evolving fast. Today, organisations understand that they can use the model to cut costs, increase efficiency and be more responsive to changing market demands. They also know that the Cloud, with a range of 'public' and 'private' solutions available, can offer the security and information assurance to meet a range of needs.

By Darren Ratcliffe, Fujitsu

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So what, exactly, is holding back a more rapid and widespread deployment of the Cloud?

Darren Ratcliffe, Fujitsu's Offering Manager for Infrastructure as a Service, believes that part of the answer lies in the contracts that many organisations are being offered – and advises on the pitfalls to look out for.

The conversations that I currently have with customers about Cloud (or utility) computing are very different from those I was having only a few months ago. Once, the discussion was all about security, transparency and availability. Our customers, quite rightly, wanted to know that their data was safe, that it would not be exported and that the service would have at least 99.9% availability.

Today, the situation has changed. At Fujitsu, for example, we have pioneered the development of a range of flexible services – including 'shared', 'private off-premise' and 'private on-premise' versions – that make it clear that we can meet the full range of security and performance demands of most organisations.

The result? We are moving on from a dialogue about what the Cloud can deliver, to how it is delivered.

## It's all about the contract

It may sound surprising, but organisations today are worried about getting locked into contracts with Cloud providers. In our recent poll, 85% of responders said they were concerned about entering into contracts for Cloud services.

Really, it's disappointing that this situation could ever have come about. Utility computing, by definition, is a service that organisations should be able to make use of whenever they have a requirement, and then close when the need is over. This is the Cloud's greatest strength – the ability to allow business to become more flexible, agile and responsive to changing markets.

There is also concern that Cloud contracts lack clarity, which is making organisations unsure as to what they're paying for, and wary of the 'hidden' costs in any additional services that go beyond the basic provision of computing resource.

### Checking the small print

Clearly, there is a need for greater transparency on the part of service providers. Similarly, there needs to be better understanding for customers as to what they should be paying for, and what represents real business value.

In developing our own Cloud services, and in a spirit of openness with our customers, my team at Fujitsu has created a simple 5-point checklist for organisations to consider before entering into any contractual agreement:

#### 1. What is the minimum length of contract on offer?

A significant proportion of enterprises are approaching Cloud service providers only to find that they are being offered a minimum three month contract. This is a major warning sign. While it is reasonable to want to buy compute capacity for live production systems in units of one month, the kind of resources that medium and large organisations need to tap into mean a three month contract is often more than is required.

#### 2. Is there an unfair financial penalty for termination?

Ensure you know what financial penalties there may be for terminating a service. Check to see what the charges will be and what activities the provider will perform on your behalf.

When relocating applications and data from a Cloud provider, there are some activities that you might want the Cloud provider to perform – at a reasonable price. These may include the transfer of data and system images to your premises or another provider by network or by physical media. You may also want some technical assistance and an assurance that your data has been securely deleted from the Cloud provider's systems. Ensure that such assistance is available and that the associated fees are acceptable.

#### 3. How will the provider handle discount refunds?

In the agreement of discounts for long-term usage (typically a year or more), check what happens when the service is terminated before the contracted period. Ensure that the charge for early termination is not disproportionate. It should be a fair recovery of the actual discounted value for the period used. This would be the difference between the normal and discount rates for the term.

#### 4. Who's responsible for what?

Customers should also establish who is responsible for what's in a Cloud service. It is different from a traditional IT managed service. Cloud services tend to be based on the premise that the buyer is responsible and that the customer manages the use of the Cloud service. Cloud services are most often a bare minimum computing function without technical assistance. This provides a highly cost effective alternative to IT ownership, but just like IT sold as a product, the customer is responsible for how much IT they buy and how it is used.

For example, when an organisation places its data into a Cloud environment, it is the responsibility of that organisation to decide if it wants that data removed and returned at the end of the agreement. Failing to take a copy of the data before requesting termination would lead to data loss. If the customer wants the service provider to perform the task, then the customer would be expected to have not only requested it before termination, but to have checked that the returned data was safely installed and uncorrupted before terminating their Cloud service.

#### 5. Can you be sure that only bona fide organisations are in the Cloud you select?

Enterprises and public sector organisations should also think about whether their shared Cloud provider is carrying out sufficient checks on who is allowed to use the shared environment. A shared Community Cloud is not open to the public, so how will the provider protect the integrity of the environment? If a provider says that they can add a new customer immediately, then it is unlikely that they are performing any checks at all. Ask how the provider will protect the Shared Community Cloud from use by inappropriate organisations.

### The Fujitsu Point of View

Although Cloud contracts today are seen by some as unfamiliar, and hence a barrier to adoption, they needn't be. If an enterprise knows what to look for in the small print, then they will be well equipped to protect themselves from any surprises. At the same time, the onus should be on service providers to make their terms and conditions clearer, and so help their customer to make a fully informed decision.

At Fujitsu, we strive to be fully transparent in all our Cloud services, making sure our customers are not locked into our services, with greater freedom to quickly ramp up or down the Cloud service without unfair penalties. Also, we do not pretend that one size will ever 'fit all' and don't seek to prescribe the kind of services our customers should take up.

The advantage of the Cloud model today is that there are a range of options to suit everyone. Just consider your requirements carefully – and check that the details of the contract you are being offered match those requirements closely.

- About the author: Darren Ratcliffe is the Service Offering Manager for Infrastructure as a Service at Fujitsu UK & Ireland.

### Why Fujitsu for the Cloud?

Fujitsu Infrastructure as Service is a new, third way between traditional infrastructure ownership and the Public Cloud. It's a service designed solely for medium and large organisations – delivered with enterprise class security, high availability and contractual transparency.

- provided from known data centre locations which can be audited by you and your regulator
- delivered via our secure Private Cloud model with options for shared, off-premise and on-premise environments
- comprehensive range of options to fit to your needs.

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### What next?

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