



*July 2011*

***CTERA Networks Presents:***

***How to Make Money from The Cloud  
While Staying Firmly on The Ground***



# CTERA Networks

*The Leader in Hybrid Cloud Storage Solutions*



*2011 ChannelWeb Emerging Vendor*



*Named Champion of Cloud Gateway Market by Info-Tech Research*



*2010 CRN XChange Cloud Tech Innovator of The Year*



*2010 ChannelWeb Cool Storage Vendor and Emerging Vendor*



*On Demand Top 100*



*eWEEK 2010 Products to Watch*



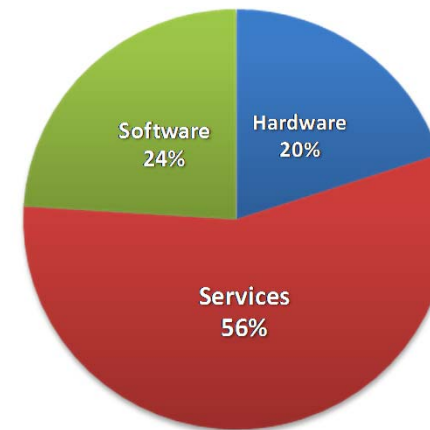
*ChannelWeb 's Top 10 Systems & Peripherals the Midmarket Needs Right Now*

# Why Should You Care About Cloud?

- *Spending on IT cloud services growing at 5 x rate of traditional IT*
- *Cloud storage spending to grow from \$810m in 2008 to \$5.5bn in 2012 (60% CAGR)*
- *SMB sector will be the hot spot market for Cloud Services over the next 5 years*



Reseller Revenue Mix  
in the cloudy future (est)



- ➔ *Cloud accelerates channel transition to services oriented business model*
- ➔ *Resellers need to offer high margin services to offset declining hardware revenue*
- ➔ *>50% of SMBs turn to their existing IT provider for managed cloud services\**

\*2010 CompTIA Survey



***CTERA Cloud Attached Storage®:  
Local/Cloud Managed Storage & Backup for SMB's  
Up and running solution***



**NAS**

*RAID, CIFS, NFS, rsync,  
WebDAV, FTP, Snapshots*



**Backup**

*File/Disk-level, Exchange  
Brick-level, deduplication*



**Cloud**

*Offsite DR, collaboration,  
versions, WAN optimized*

**All-in-one Appliance. Unified Management.**

# The CTERA Product Family

*Datcenter (P1200) / SaaS*

## **CTERA Portal**

*Central Management and Service Provisioning Software*



*SOHO*



## **CTERA CloudPlug**

*Turns USB /eSATA HDD into NAS with Cloud Services*

*SB / Small Branch*



## **CTERA C200 (6TB)**

*2-bay RAID-1, Managed NAS with Cloud Services*

*SMB / Branch*



## **CTERA C400 (12TB)**

*4-bay RAID-5, Managed NAS with Cloud Services*

*SMB / Branch*



## **CTERA C800 (24TB)**

*8-bay RAID-5, Managed NAS with Cloud Services*



## **Workstation Agent**

*Laptop/PC backup of open/locked files, bare metal*



## **Server Agent**

*Application-aware for MS servers, Linux, bare metal*

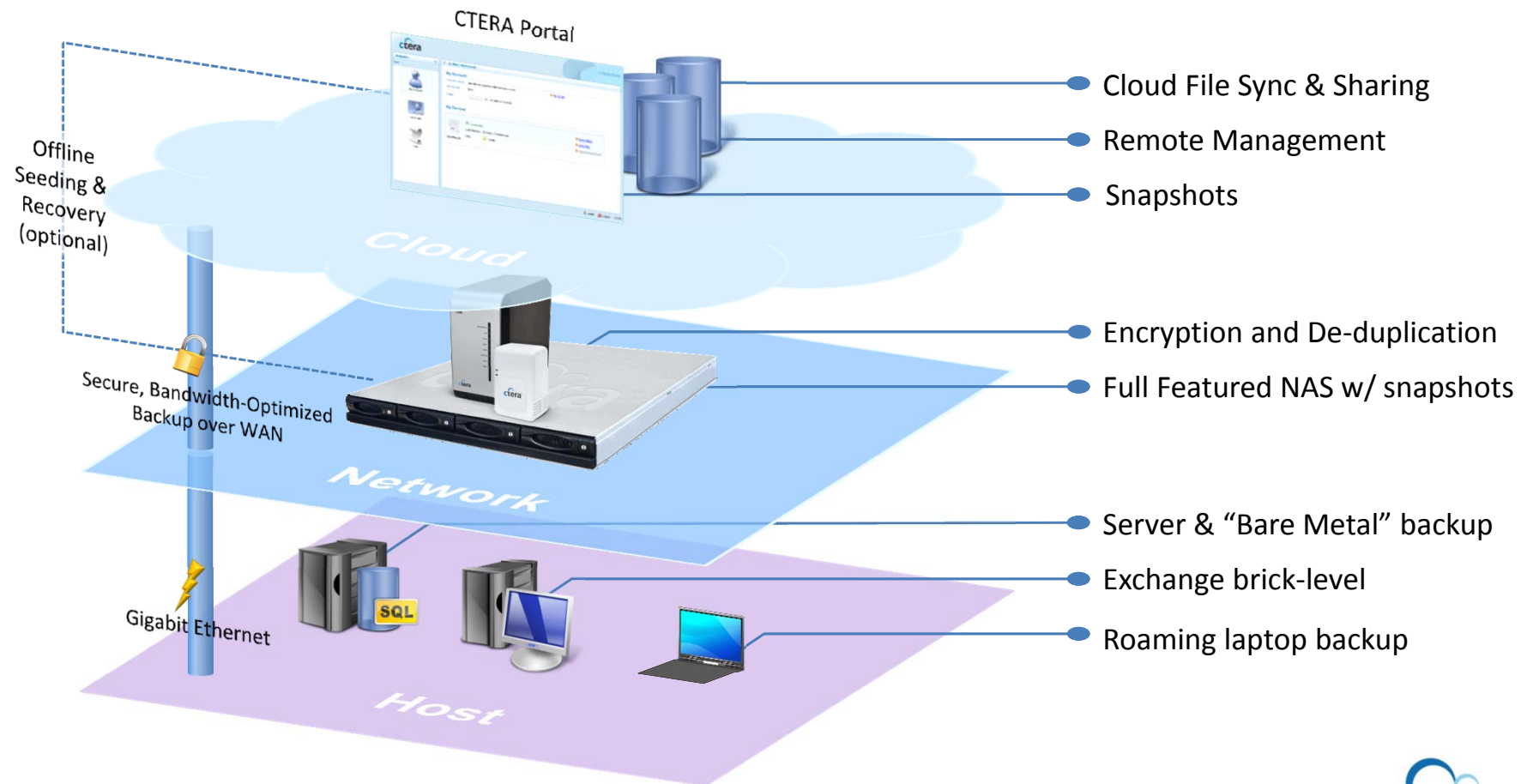


## **Cloud Agent**





















*Backup direct to CTERA Portal, global de-dupe*

# Multi-Layered Data Protection

Optimized for Performance, Security and Ease of Use



# Feature Comparison

	CTERA Cloud Attached Storage®	Online Backup	Tape Backup	NAS + Backup SW
<b>Backup</b>	 			
<b>Remote Access</b>	 			
<b>File Sharing</b>	 			
<b>MSP Management</b>	 			

 = local storage

 = cloud storage



# Competitive Price Comparison

End User Case Study: 20 PCs, 1 Server, 1TB Local / 100GB Online Backup

	Cloud Attached Storage* <i>Local &amp; Online</i>	PC Online Backup** <i>Online Only</i>	Tape Backup*** <i>Local Only</i>
<b>End-User Price Analysis</b>	\$500 C200 with 20 PC Agents \$150 2x1TB HDDs \$200 Server Agent \$100/m 100GB Cloud Service	\$80/m 20 PC Agents \$8/m 1 Server \$50/m 100GB Backup	\$2,740 Tape Drive \$500 Media \$879 3-Yr Warranty \$500 Server Backup Software \$50/m Offsite Vaulting Service
<b>Total Over 3 Years</b>	<b>\$4,450</b>	<b>\$4,968</b>	<b>\$6,419</b>

\* Reference Pricing, partners can set their own pricing

\*\* MozyPro pricing

\*\*\* HP LTO-3 (400GB)



## ***Comprehensive, Cost Effective, Automated & Managed***

- ***No more tape***
- ***No more manual intervention***
- ***No more expensive file servers***
- ***No more disparate solutions***
- ***No 4 hour restores for a single file***



# *So What's in It for You?*

- ✓ *Build high-margin recurring revenues\**
- ✓ *Offer your customers tremendous value*
- ✓ *Reduce data protection headache and cost*
- ✓ *Run cloud services (before your competitors do)*
- ✓ *Start at your own pace, easily scale up*



*\* Actual money tree not included*



# *Two Options for Building your Cloud Storage Offering with CTERA*



***Your Hosted  
Cloud***



***Your Private  
Cloud***

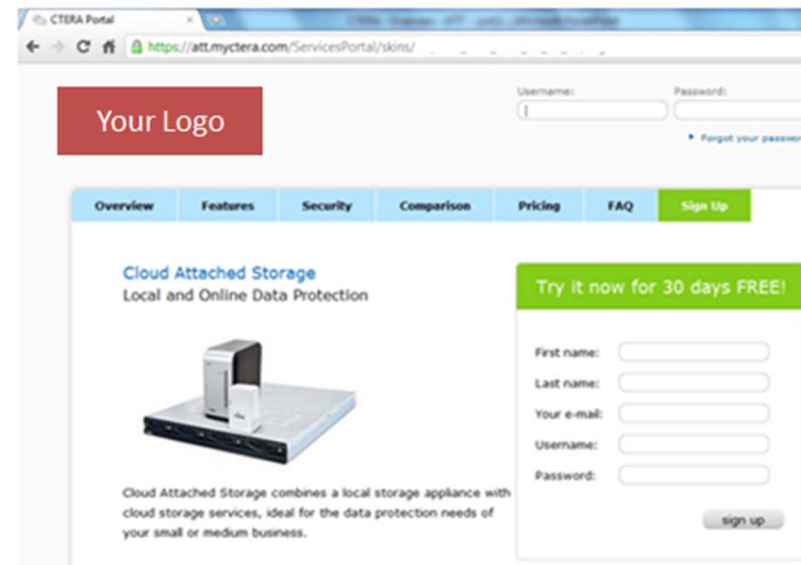




## Your Hosted Cloud Portal

- *Hosted at a SAS70 datacenter*
- *Use Your Private Brand*
- *Create Custom service plans*
- *Centrally manage*
- *No CAPEX, minimum €225/m*
- *Enjoy bulk storage pricing discounts as your grow*

**40%+ gross profit !**





# Hosted Cloud Portal Business Model

Customer	Solution	One-time		Monthly		3-Yr Reseller Profit
		End User Price	Reseller Cost	End User Price	Reseller Cost	
<20 user office with 1 server	CTERA C200 w/ 2x1TB, 20 Workstation Agents, 1 Server Agent, 3-Yr Cloud Care, 100GB Cloud Storage Service	€800	€640	€80/m	€40/m	€1,600
<40 user office with 2 servers	CTERA C400 w/ 4x2TB, 50 Workstation Agents, 2 Server Agents, 3-Yr Cloud Care, 200GB Cloud Storage Service	€2,400	€1,920	€160/m	€80/m	€3,360
<80 user office with 4 servers	CTERA C800 w/ 8x2TB, 50 Workstation Agents, 4 Server Agents, 3-Yr Cloud Care, 400GB Cloud Storage Service	€4,800	€3,840	€320/m	€160/m	€6,720

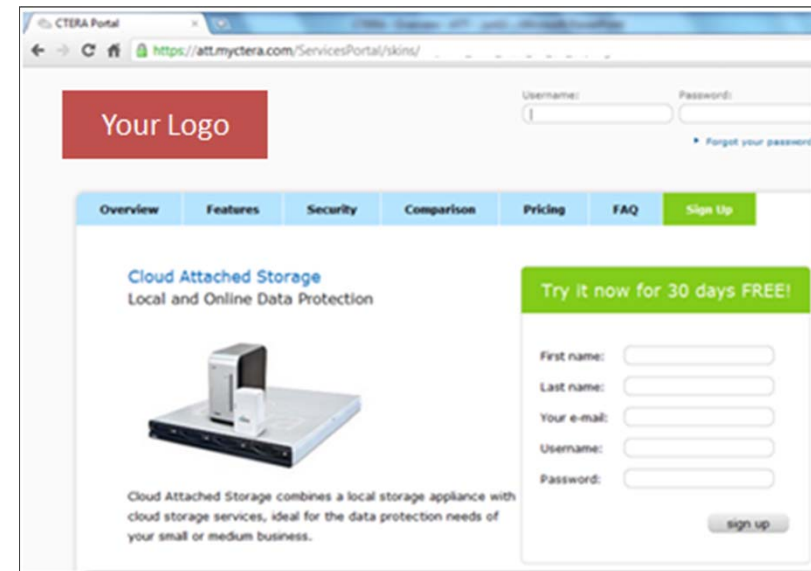
**40%+ Reseller Gross Profit !!**





## *Your Private Cloud Portal*

- *CTERA P1200, 12-HDD's 2U system, with up to 36TB raw storage, SSD acceleration and redundant power supplies*
- *Pre-loaded with CTERA Portal software for out-of-the-box cloud services (includes also options of the hosted portal)*
- *Optional 2<sup>nd</sup> fail-over appliance*
- *\$10,000 minimum CAPEX*
- *Sub- € 0.1/GB/m in 50+ sites*



**80%+ gross profit !**

# How to Build Your Recurring Revenue Cloud Business

New units installed monthly

Month	1	2	3	4	5	6	7	8	9	10	12	1-Yr Total
<b>C200</b>	1	1	1	2	2	2	3	3	3	4	4	<b>26</b>
<b>C400</b>	1	1	1	1	1	1	2	2	2	2	2	<b>16</b>
<b>C800</b>				1	1	1	1	1	1	1	1	<b>8</b>
<b>Total</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>7</b>	<b>7</b>	<b>50</b>

One time Revenue												1-Yr Total
<b>C200</b>	€ 800	€ 800	€ 800	€ 1,600	€ 1,600	€ 1,600	€ 2,400	€ 2,400	€ 2,400	€ 3,200	€ 3,200	<b>€ 20,800</b>
<b>C400</b>	€ 2,400	€ 2,400	€ 2,400	€ 2,400	€ 2,400	€ 2,400	€ 4,800	€ 4,800	€ 4,800	€ 4,800	€ 4,800	<b>€ 38,400</b>
<b>C800</b>	€ 0	€ 0	€ 0	€ 4,800	€ 4,800	€ 4,800	€ 4,800	€ 4,800	€ 4,800	€ 4,800	€ 4,800	<b>€ 38,400</b>
<b>Total</b>	<b>€ 3,200</b>	<b>€ 3,200</b>	<b>€ 3,200</b>	<b>€ 8,800</b>	<b>€ 8,800</b>	<b>€ 8,800</b>	<b>€ 12,000</b>	<b>€ 12,000</b>	<b>€ 12,000</b>	<b>€ 12,800</b>	<b>€ 12,800</b>	<b>€ 97,600</b>

Monthly Revenue												1-Yr Total
<b>C200</b>	€ 80	€ 160	€ 240	€ 400	€ 560	€ 720	€ 960	€ 1,200	€ 1,440	€ 1,760	€ 2,080	<b>€ 9,600</b>
<b>C400</b>	€ 160	€ 320	€ 480	€ 640	€ 800	€ 960	€ 1,280	€ 1,600	€ 1,920	€ 2,240	€ 2,560	<b>€ 12,960</b>
<b>C800</b>	€ 0	€ 0	€ 0	€ 320	€ 640	€ 960	€ 1,280	€ 1,600	€ 1,920	€ 2,240	€ 2,560	<b>€ 11,520</b>
<b>Total</b>	<b>€ 240</b>	<b>€ 480</b>	<b>€ 720</b>	<b>€ 1,360</b>	<b>€ 2,000</b>	<b>€ 2,640</b>	<b>€ 3,520</b>	<b>€ 4,400</b>	<b>€ 5,280</b>	<b>€ 6,240</b>	<b>€ 7,200</b>	<b>€ 34,080</b>

**Sign 50 customers in Yr-1  
and Start Yr-2 with €86K Recurring Revenue!**



*[Partner]*

## ***CTERA Cloud Jumpstart Promotion***

***Free 500GB cloud storage until the end of 2011!***

### **To Qualify:**

- ***Own at least 5 CTERA appliances***
- ***Sign-up to CTERA Cloud Program***
- ***Complete partner training (free)***
- ***Enjoy waiver of minimum € 225/m = free 500GB cloud storage until the end of 2011***



# Join a Recognized Leader

## NETWORKWORLD

### **Network World Rates CTERA 4.5 out of 5 stars**

*"A SAN, NAS and cloud storage solution that's simple to use, simple to manage and has very good performance, all at a reasonable price."*



### **"CTERA C200 Is What Cloud IT Should Be"**

*"CTERA's technology and service are elegant, easy and fast to deploy, flexible and cost-effective"*

## Ptak / Noel

*"By combining on-site data protection appliances with a flexible cloud-based back end, CTERA is leading the cloud market in a whole new direction."*



### **Cloud Backup Vendor Landscape:**

#### **Best Product, Best Value**

*"CTERA's solution is the most comprehensive in the marketplace, and worth a look from any SME."*



### **Winner of the CRN 2010 Tech Innovator Award, Cloud Solutions category**



*"CTERA provides a fast and easy way for service providers to enter the market with a compelling combination of data protection, collaboration capabilities and on-demand shared storage."*