Embotics tools up for automating hybrid cloud with 'new stack' technologies

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VMware lifecycle management firm Embotics pivoted toward being a cloud management platform company in 2013, and in 2017 has evolved from the traditional CMP model, extending its platform to support 'new stack' technologies such as containers and microservices. The platform now facilitates the adoption of DevOps processes in enterprises, which, it believes, are as important as the role automation played in the buildout of initial CMP services.

The 451 Take

As IT becomes a broker of hosting services – both internal and external – rather than a purveyor of specific technology platforms, a cloud management platform enables companies to exploit the benefits of cloud (speed, agility, scale) to deliver improved user experience, get to customers faster and innovate more rapidly. Embotics’ vCommander has matured with the market and is being tooled to support the 'new stack,' while continuing to provide all its value as a cloud management platform for IaaS environments.

Context
Embotics believes the current focus of enterprise IaaS and virtualization management tends to be more around legacy operation, rather than embracing and addressing cloud-native technologies – in particular with cloud-native applications and microservices, the applications provision their hardware and middleware via APIs (infrastructure as code). This is the new paradigm that cloud management platforms and IT organizations need to address. Embotics believes that in order to fulfil the promise of DevOps, organizations need to embrace a 'shift left' posture with quality assurance and performance testing, so that higher quality and better user experience are addressed early and most effectively.

**Technology**

By year-end the vCommander product (now at v6.5) will broaden its IaaS/VM-oriented automation, orchestration and governance while optimizing delivery of traditional, cloud-native and microservices-based applications across hybrid clouds. This will facilitate DevOps methodologies. Its key investments are in Kubernetes and DevOps.

Embotics' vision is to enable DevOps adoption with continuous, automated system sanity and unit testing; developer sandboxing with network fencing; and workflow templates for staging through to production deployment automation. It also supports application modernization, with containers and microservice blueprints as first-class objects in the service catalog, with a managed Kubernetes service and the provisioning of containers to new and existing clusters.

Embotics sees Swarm and Kubernetes as the key technologies in containers and microservices management. Docker is effectively mimicking VMware's business model by delivering a completely integrated stack for all features. Kubernetes seems to have the momentum, where Swarm seems to be used more in PoCs. Kubernetes has momentum as the enterprise-grade container clustering and orchestration technology, but it is also harder to use and is a relative science project (if you are not a former Googler). The point is that there is a lot of 'folklore' around how to deploy and use Kubernetes, and how its predecessor, Borg, is used at Google. It is complex for other organizations to achieve this same value as an enterprise platform.

This is precisely why Embotics is offering a managed Kubernetes service within vCommander, abstracting the complexity away from users. Embotics already integrates with Chef and Puppet, and will also integrate with Ansible and Terraform. It doesn't believe that it suffers from the least-common-denominator problem, which means CMPs are often restricted to being able to manage only services that are common across each of the platforms being managed. It enables and supports customers using native APIs and constructs. It says
vCommander fetches metadata and tags from the platform and exposes them natively, with an orchestration engine that enables customers to manage them. It will provide a high-level catalog of all services, which then call dedicated images underneath.

**Business model**

Embotics started life in 2006 as a Symbium spinoff focused on VMware lifecycle management, helping customers to plan for consolidation and manage virtual sprawl. As its customers moved from server virtualization projects toward private cloud automation, the company added capacity and performance management, as well as lifecycle, change and configuration management features. Embotics pivoted in 2013 to focus on enterprise and service-provider sales (from SMBs), and hired Mike Torto as CEO. VCommander evolved into a full-service public and hybrid cloud management platform that supports cloud service brokering by enterprises (as internal service providers) and for service providers (as hosted broker services). It hired VMware's Scott Davis as CTO and is adding support for containers as first-class objects in 2017.

In 2016 Embotics raised $12.4m in funding from Arrowroot Capital to accelerate its growth plan, bringing total funding to more than $40m. The 50-person firm claimed 100 customers, and to be profitable on revenue close to $10m, when we spoke with it earlier this year. Deal sizes go to $1m-plus, and it has a mix of large enterprise, midmarket and service-provider customers, including Nordstrom, NASA, Informatica, CareFusion, Peak 10 and Charter Communications. Seventy percent (70%) of customers are private cloud customers; the remaining 30% are public cloud.

**Competition**

Embotics claims that vCommander is easier to set up than its chief competitor, VMware vRealize, and is suitable for brownfield deployments. It also claims to be able to show value immediately and iteratively. Moreover, vRealize has been assembled via the use of multiple acquired products and tools (for example, for cost visibility) and is complex to deploy and use, Embotics believes. VCommander was purpose-built from the ground up as an integrated entity. Other competitors in the enterprise are Accenture, IBM, BMC, CA Technologies, RightScale, Scalr, Cisco, DivvyCloud, SixSq, Abiquo, Quali, Morpheus Data, Oracle and Hewlett Packard Enterprise Hybrid Cloud Manager.
SWOT Analysis

Strengths

As hybrid strategies combining on-premises and cloud-hosted resources become normal operating conditions, tools that can combine workload assessment, service selection, migration planning, cost analytics and optimization across multiple providers will be needed. Organizations are increasing their use of third-party clouds, and to manage these efficiently, cloud management platforms are becoming a business imperative, not an option.

Weaknesses

As Embotics transitions toward a second-generation CMP product, it will need to ensure that it can insert itself into those ‘new stack’ markets and bring existing customers along with it.

Opportunities

The current vCommander product is at release 6.5; however, it's likely that, as the CMP market matures to also support the 'new stack' of containers, microservices and Kubernetes, the firm may decide to move away from virtualization toward a brand that is agnostic in terms of the abstraction and oriented toward the automation capabilities.

Threats

With the major vendors and integrators now up and running with full-service CMPs, it will be harder for independent firms such as Embotics to compete for enterprise business.

William Fellows

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M&A ACTIVITY BY SECTOR
M&A ACTIVITY BY ACQUIRER
FIGURES SHOWN INDICATE NUMBER OF TRANSACTIONS

COMPANY MENTIONS (PRIMARY)
- Embotics

COMPANY MENTIONS (OTHER)
- Abiquo
- Accenture
- Ansible
- Arrowroot Capital Management
- BMC
- CA Technologies
- CareFusion
- Charter Communications
- Chef
- Cisco
- Cloud Manager
- DivvyCloud
- Docker
- Hewlett Packard Enterprise
- IBM
- Informatica
- Morpheus Data
- NASA
- Nordstrom
- Oracle