

MAYER • BROWN

Cloud Computing

Six Reasons to be Skeptical

Howard Niden

CIO

hlniden@mayerbrown.com

June 2010

Mayer Brown is a global legal services organization comprising legal practices that are separate entities ("Mayer Brown Practices"). The Mayer Brown Practices are: Mayer Brown LLP, a limited liability partnership established in the United States; Mayer Brown International LLP, a limited liability partnership incorporated in England and Wales; Mayer Brown JSM, a Hong Kong partnership, and its associated entities in Asia; and Tauil & Chequer Advogados, a Brazilian law partnership with which Mayer Brown is associated. "Mayer Brown" and the Mayer Brown logo are the trademarks of the Mayer Brown Practices in their respective jurisdictions.

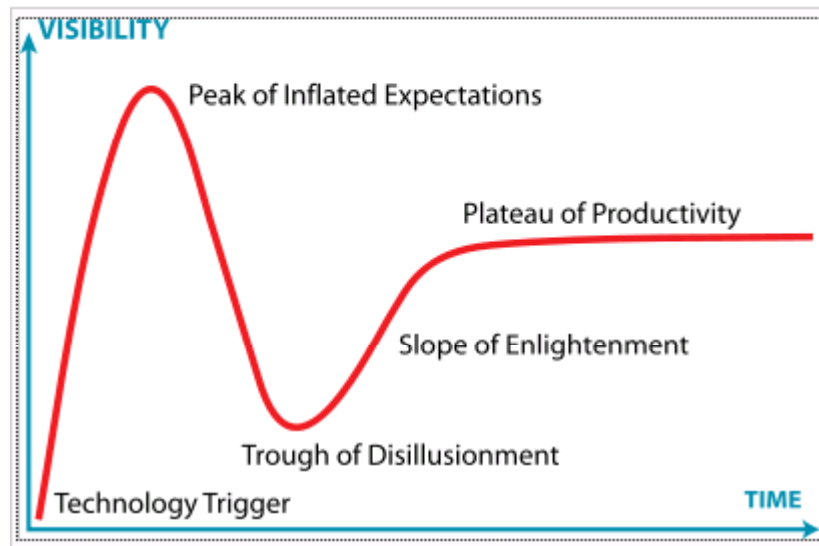
Objective

- I am here to present a point of view
- I will share with your some of the pain the I have endured
- I am also provide a juxtaposition for Mike's pro-Cloud position
- Unfortunately (for someone who has been charged with articulating a point of view) this isn't a black and white situation
- All of this has caused quite a bit of cognitive dissonance on my part



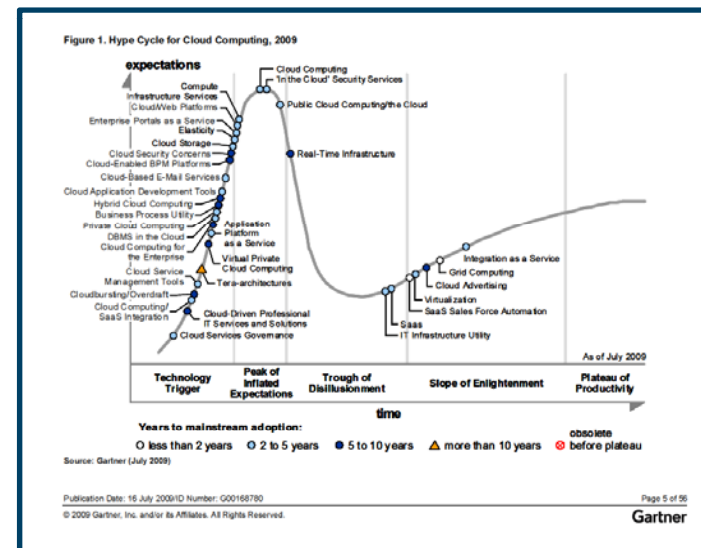
Gartner's Hype Cycle

- The concept is clear
- The implementation hasn't caught up with the concept
- If you aren't careful, a lot of time can be spent finding this out
- I think I am generally at trough of the Gartner “hype cycle”



What is Cloud Computing?

- The definition is too complicated!
- This is the trademark of an immature industry
- And, just like any new industry, there will be fallout
- That said, I can find Cloud solutions that add value and meet expectations
- I can also find many more that ride on the reputation of a few that do, but don't themselves



Security

- Many vendors have security in place
- But, they can't articulate a security strategy and demonstrate how the implementation conforms to a strategy
- Most can't even provide a reasonable description of their security implementation
- The descriptions that you do hear, don't seem to describe security that is purpose built for a shared environment
- This demonstrates a real lack of maturity in this space

Integration

- Technical
 - These can get very complicated very quickly
 - What does complications does the “network” introduce into the equation
 - Even when it is possible, how good are the tools
 - How is integration achieved?
- Organizational
 - Most Cloud providers are mass market players
 - Arrangements for dealing with first, second and third level support are not always mapped out

Customization

- While some of the more mature vendors will support customizations or configuration changes, many will not
- Cloud applications are generally not good candidates for customization
- There are a couple of types of customization that you have to worry about:
 - Firm Specific
 - Industry “Standard”
- Generally The Cloud works best in less complicated environments

Levels of Service

- Monitoring and managing the service
- Measuring the SLA
 - Availability
 - General Issues with solutions that are delivered via the “Network”
 - Does the general
 - Response time (technical)
 - Response time (turnaround time for issue resolution)
- Contingency planning with the Cloud

Summary

- There are places where the Cloud works and works well
- There are real reasons to be skeptical about many current service offerings
- Unless the project is really mainstream (Salesforce.com), it is better to spend the time doing lots of homework
- Expect to take more time than you think reasonable to get a solution up and running
- There will be casualties, be careful who you choose
- Get yourself a good lawyer. The contracting issues are not generally well understood