



THE OFFICIAL SHOW DAILY CHANNEL

# XChange Daily

NEWS AND EVENTS FROM XCHANGE TECH INNOVATORS

DAY ONE



Tuesday, Nov. 17, 2009

JW Marriott Resort & Spa  
Las Vegas, Nev.

## IBM: Channeling A Smarter Planet

*Vendor enlists partners for its ambitious initiative, putting resources into the midmarket*

By Damon Poeter

When it comes to a “smarter planet,” IBM wants it all. The twist is that the Armonk, N.Y.-based computing giant realizes it can’t achieve its ambitious, transformative goals without channel partners.

“You’ll see from IBM a lot of things that are changing the world. The world is about to get a whole lot smarter,” said Rich Michos, vice president of channel strategy at IBM, during a Monday keynote at XChange Tech Innovators in Las Vegas. “But for you, the question is, how does this relate to the technology we’re developing and how does it relate to your business and how can it help you grow?”

IBM believes that growth areas in

the coming years are generally well understood—virtualization, services and cloud computing were three areas of opportunity highlighted by Michos. But what might be less well-known is



**Zero In:** Virtualization, services, cloud computing are key areas of partner opportunity, says IBM’s Michos.

that IBM is betting that midmarket companies adopt cloud-based solutions

faster than enterprises.

“That’s why we’re putting more resources into helping our midmarket partners. We are admitting that the expertise in the midmarket is with you, not with us,” he said. “Partners are driving 89 percent of our midmarket revenue.”

Michos said IBM has made financing more available to its Business Partners in that effort, suggesting that “if you go into a deal and include financing at the outset, the odds of closing that deal increase two-fold.”

Other changes at IBM include a reduction of channel promotions in particular countries from as many as 40 in any given quarter to just five, while on the technology front, Michos said that at IBM, “we like to eat our own cooking.” To wit—IBM has managed to reduce its global data centers from 155 to five, using its own consolidation and cloud computing formulas.

### Today's Events

- Tech Superstars Panel  
Marquis Ballroom 5-8  
9:00 a.m.-9:45 a.m.
- CRN Test Center Presentation  
Marquis Ballroom 5-8  
3:30 p.m.-4:30 p.m.
- Solutions Pavilion  
Grand Ballroom A-C  
4:30 p.m.-6:00 p.m.
- Tech Innovator Awards Gala  
Marquis Ballroom 5-8  
8:00 p.m.-10:00 p.m.

That effort has also reduced the number of applications running at IBM from 16,000 to 4,500, and represents a savings of \$1.5 billion for the computing giant.

The upshot for solution providers, Michos said, is that while the IT landscape is evolving quickly, providing end-to-end solutions that address the changing needs of customers is “what you folks know how to do.”

“This is right in your wheelhouse,” he said.

## Dawn Of The Age Of Ubiquitous Computing

By Steven Burke

The seismic changes sparked by the cloud and mobile computing revolutions have opened the door for solution providers to drive “exponential sales growth and higher margins.”

That was the word from technology visionary Kim Polese, CEO of SpikeSource, in her opening keynote Monday.

“The future could not be brighter for the channel at the dawn of the age of ubiquitous computing,” said Polese. “It is actually a wonderful time to be in the business you are in.”

Polese, one of the driving forces behind the Java programming language that forever changed Web application development, said the pace of technological change has never been faster. What’s more, she said economic pressures are pushing businesses to adopt cloud and mobile innovations at a rapid pace.

But that blistering pace of change is opening new doors. “The opportunities for the channel have never been greater,” she said. “We are dealing with disparate technologies and businesses are rushing to leverage the power of

ubiquitous computing. And the channel is in the driver’s seat.”

First off, Polese said solution



**Rapid Change:** ‘The channel is in the driver’s seat,’ says SpikeSource’s Polese.

providers are needed to integrate the disparate technologies as businesses move from on-site premise computing to the cloud and are grappling with a wide array of mobile devices where there is not one dominant industry leader.

Apple’s App Store model is now being adopted by a number of players, enabling VARs to make money selling their apps online. Polese cited Cloud-Trigger, which has taken that model to drive astronomical growth through its Cloud2Mail application, which enables users to send hard-copy mail via the U.S. Postal Service with the click of a button via the Salesforce.com platform.



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## We Must Take The Time To Innovate



**Peter Valters**, General Mgr.,  
Professional Services, Empowered

Three questions I often hear are:

- 1) How has the climate influenced your priorities?
- 2) What initiatives are seeing return on investment?
- 3) What is everyone else doing?

Why I am mentioning these? If I look around most IT conferences, most of the attendees are older (my age, unfortunately) and the key advantage of youth is the lack of experience. Since they don't know how it has always been done, they question everything, which is the first step to innovation. If you look at successful entrepreneurs, they push the boundaries or approach an issue with a different viewpoint.

We are our own worst enemies as we are so busy working on today that we fail to take enough time to innovate. My view used to be that innovation needed to be a breakthrough change, but as I have aged, I have realized the value of evolutionary change. What everyone else is doing should not set your course or direction, but should be used as the starting point for an innovation. Innovation typically means that you are at the forefront of an initiative, not just another option for your client to choose from.

As an example, a lot of you should remember the days when getting cash meant going to the bank, usually between 10 a.m. and 3 p.m., standing in line to see a teller and then getting your cash. The ATM is a great example of innovation that improved customer service but did not change the underlying process.

We are hearing from our customers that we are approaching that point in IT—point technical products or requirement fulfillment are becoming like the old approach to banking. What customers are saying is that they want business solutions and for vendors to show them the path to these new solutions.

When I started in IT back in the early '80s, being able to spell "IT" was all that was required to get a job in the industry. Much like the banks, we have had a pretty good run in the product-based marketplace, but that is coming to an end. A number of IT professionals are approaching the end of their careers and, unfortunately, a number of them hold fairly significant management positions. With a few years left to retirement, the challenges of changing to the new business model are complex, time-consuming, and the payback is likely to arrive after they retire.

Technology is, or some people may say it already has become, commoditized and this will have a strong downward pressure on prices and margins. Single-digit margins are a difficult business model to sustain. Innovation is not without risk, but in my opinion if I have to be a member of the pack, the lead dog has a much better view than the rest of the pack.

Contact Peter at [Peter.Valters@empowerednetworks.com](mailto:Peter.Valters@empowerednetworks.com)

# Want To Think Differently? Bypass Your Brain Biases

*Best business practices mean you have to move beyond 'current thinking'*

By Steven Burke

The key to driving exceptional sales growth is understanding the biases of the brain so you can think differently.

That was the takeaway from a rousing 60-minute interactive session Monday evening with Steve Rosenthal, vice president of Gap International, a global management consulting company based in Philadelphia that works with executives to drive extraordinary sales growth.

First off, executives must realize that the human brain is wired for certainty and predictability, a desired expected emotional outcome and to avoid threat, said Rosenthal. "Anything with a threat or a fear factor you are likely to avoid," emphasized Rosenthal.

With that understood, solution providers that want to drive extraordinary sales growth need to "interrupt and bypass the brain system," said Rosenthal. That can happen with as simple a task as opting not to order dessert if you watching your weight, he said.

Putting that into business practice means moving beyond the "current thinking" that

translates into "current actions" and "current results," said Rosenthal.

One example of the extraordinary thinking is the case of Parrish Galliher, founder and CTO of Xcellerex, which has come up with breakthrough next-generation vaccine manufacturing, he said.



**Change It Up:** *Our brains are wired for certainty, predictability, says Rosenthal.*

Galliher only came up with the breakthrough idea while in a swimming pool looking up at the stars with a cigar in one hand and a martini in the other, said Rosenthal. The key, he said, was Galliher's ability to "challenge his current thinking." That led to the breakthrough thought that pharmaceutical manufacturing could be done via a "portable manufacturing" anywhere in the world.

That has led to a large contract for Xcellerex with the U.S. government to bring its portable manufacturing process to Nigeria where it will be used to prevent illnesses like Malaria that are preventable with vaccines, said Rosenthal.

"If first base is current thinking and second base is extraordinary thinking, you can't steal second base without taking your foot off first," said Rosenthal.

## Making The Right Moves With MSP Partners



**Smile For The Camera:** *At last night's Solutions Pavilion showcase, Jim Hamilton of MSP Partners takes time out of his busy booth-bonding-with-show-attendees schedule to pose for our photographer.*



**Clockwise from top left:** Making a technology connection in the Brother demo room; look who's ready for his close-up—it's Fortinet's Kostas Sfakiotakis hamming it up in the company's demo room; Everything Channel's Sonja Williams takes to the stage to open this year's XChange Tech Innovators event; IBM Hardware's Rusty Pierce carefully takes a seat on an IBM BladeCenter server; Digium's Shannon Clemons has the balloons and is ready to start the party for Switchvox; feeling blue, but in a good way, is IBM Software's Stephanie Falzon; show-goers David Klein (l.) and Lee Weinstein are all ears for a Monday presentation; Lenovo's Scott Swailes certainly looks like he has innovation in hand; Everything Channel's Edward F. Moltzen introduces SpikeSource CEO and technology visionary Kim Polese before her Monday opening keynote.



Photography by Kim Kulish



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## Let's build a smarter planet.

As we move toward a globally integrated economy and society, we find ourselves at a moment of enormous challenge—and of even greater opportunity.

The world isn't just getting smaller and flatter, it is actually becoming *smarter*. Today, almost anything—any physical object, process or system—can be instrumented, interconnected and infused with intelligence.

The question is, what will we do with that? Beginning last fall, IBM launched an ongoing conversation about some of the most critical issues and most promising opportunities facing our planet. We have explored what it means to make the systems by which our world works, work better—our energy, our medicine, our food, our water, our supply chains, our roads, our cities...everything. The list is long, and the dialogue has just begun.

We believe that smarter systems can and will make a meaningful difference to the prosperity of the global economy, the sustainability of our planet and the health of global society. We also believe that IBM is uniquely positioned to help—thanks to our depth of resources, expertise and experience. We can help provide enterprises, institutions and governments of all sizes around the world with the tools and thinking necessary to build a planet of smarter systems.

The future now beckoning to us is one of enormous promise—a future we can build now if we open our minds and let ourselves think about what our world could be.

Let's build a smarter planet. Join us and see what others are thinking at [ibm.com/think](http://ibm.com/think)



*“I found the entire event extremely professional, exciting and empowering. I marveled at how easy it was to talk to vendors and get answers to some difficult questions.”*



Photos: Gene Fedele

**2009 XChange Events' mission:** To be the premier channel events company providing vendors and prequalified solution providers with the unique opportunity to meet face-to-face, establish new business partnerships and gain strategic insight through content delivered by *CRN* and *ChannelWeb*.

**Key Benefits of Everything Channel Events:**

- Growing your business with new and existing partners.
- Access to new technology and partner programs.
- Gaining market intelligence through educational seminars.
- Networking with key industry peers and editors.

**Upcoming Everything Channel Events:**

**IT ChannelVision: Government**  
December 6-8, 2009  
Boca Raton Resort & Club  
Boca Raton, FL

**MES East 2010**  
April 18-21, 2010  
Boca Raton Resort & Club  
Boca Raton, FL

**Print & Imaging Summit**  
December 6-8, 2009  
Hyatt Regency Century Plaza  
Los Angeles, CA

**VAR500 Event**  
June 8, 2010  
Mariott Downtown  
New York, NY

**Women of the Channel Winter Workshop**  
December 10, 2009  
New York, NY

**Government Integrator**  
June 2010  
Washington, DC

**XChange Solution Provider**  
March 8-11, 2010  
Hyatt Regency Century Plaza  
Los Angeles, CA

**XChange Americas**  
August 22-25, 2010  
Gaylord Texan Hotel  
Dallas, TX

**XChange Tech Innovators Events Agenda**

Day-to-day calendar of events  
November 16-18, 2009  
JW Marriot Resort & Spa  
Las Vegas



**Monday, November 16**

- 11:30 a.m. - 7:00 p.m. . . . . Registration
- 12:00 p.m. - 2:00 p.m. . . . . Demo Rooms
- 2:00 p.m. - 2:15 p.m. . . . . Opening Remarks
- 2:15 p.m. - 3:00 p.m. . . . . Keynote
- 3:00 p.m. - 6:00 p.m. . . . . Exhibitor Setup
- 3:15 p.m. - 4:00 p.m. . . . . **Vendor World Premiere - IBM**
- 4:15 p.m. - 5:25 p.m. . . . . Private Boardroom Appointments
- 4:15 p.m. - 5:15 p.m. . . . . Vendor Content Session
- 5:45 p.m. - 6:45 p.m. . . . . General Session
- 6:45 p.m. - 9:00 p.m. . . . . Solutions Pavilion/CRN Test Center/Reception

**Tuesday, November 17**

- 7:30 a.m. - 5:00 p.m. . . . . Assistance Desk/Registration Open
- 8:00 a.m. - 8:45 a.m. . . . . Solution Provider Breakfast
- 9:00 a.m. - 9:45 a.m. . . . . General Session
- 10:00 a.m. - 11:00 a.m. . . . . Private Boardroom Appointments
- 11:15 p.m. - 12:15 p.m. . . . . Partner Development Discussions
- 12:15 p.m. - 1:15 p.m. . . . . Vendor Luncheon - *MarketStar*
- 12:15 p.m. - 1:15 p.m. . . . . MSP Partners 2009 Industry Awards Luncheon  
(Solution Providers only)
- 1:30 p.m. - 3:15 p.m. . . . . Private Boardroom Appointments
- 3:30 p.m. - 4:30 p.m. . . . . CRN Test Center Review
- 4:30 p.m. - 6:00 p.m. . . . . Solutions Pavilion/CRN Test Center
- 6:00 p.m. - 7:00 p.m. . . . . Exhibitor Teardown
- 6:00 p.m. - 7:00 p.m. . . . . Demo Rooms
- 7:30 p.m. - 8:00 p.m. . . . . Tech Innovator Awards Reception
- 8:00 p.m. - 10:00 p.m. . . . . Tech Innovator Awards Gala  
*Panasonic Toughbook & Toshiba*

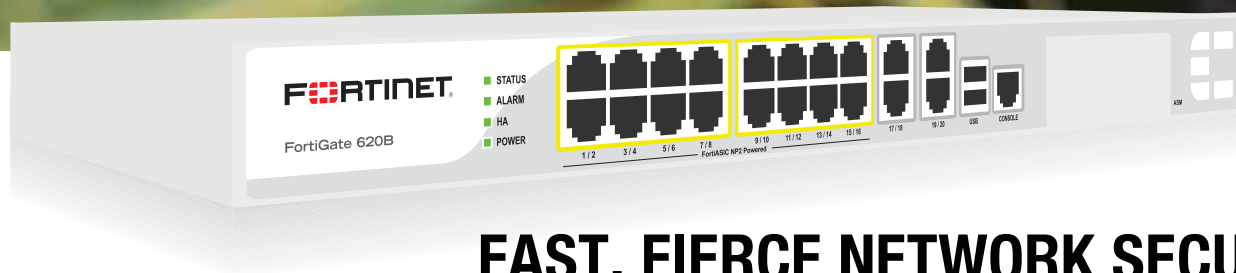
**Wednesday, November 18**

- 7:30 a.m. - 2:00 p.m. . . . . Assistance Desk/Registration Open
- 7:30 a.m. - 8:15 a.m. . . . . Solution Provider Breakfast
- 8:30 a.m. - 9:15 a.m. . . . . Concurrent Session: Security Trendspotting
- 8:30 a.m. - 9:15 a.m. . . . . Concurrent Session: Opportunity 2010: Mobility
- 9:30 a.m. - 10:00 a.m. . . . . Vendor Keynote - *Lenovo*
- 10:15 a.m. - 11:15 a.m. . . . . Speed networking
- 11:30 a.m. - 12:15 p.m. . . . . General Session
- 12:15 p.m. - 1:30 p.m. . . . . XCellence Awards Luncheon - *Zenith Infotech*

**Exhibitor's List** (Vendor - Booth #)

AllenPort . . . . . 411	LongJump . . . . . 410
Data Robotics . . . . . 205	MSP Partners . . . . . 213
Eaton . . . . . 306/308	MTC . . . . . 407
eFolder . . . . . 413	Novell . . . . . 307
Everything Channel . . . . . 207	Panda Security . . . . . 408
FalconStor . . . . . 309	Reldata . . . . . 211
Lenovo . . . . . 305	SunGuard . . . . . 313
IBM . . . . . 310/312	Sutus . . . . . 304
Intronis . . . . . 209	Zenith Infotech . . . . . 311
Itavos . . . . . 406	

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# Which Security Threats Keep You Up At Night?

*Solution providers in an Everything Channel survey reveal what they see as the biggest dangers facing businesses today*

By Stefanie Hoffman

## Data Breaches

Far and away, the largest percentage of partners—39.7 percent—cited data breaches as the biggest security threat facing customers in Everything Channel’s State of Technology Survey. Customers are scared of losing critical data—and they have good reason to be. An updated Ponemon study, “The Cost of A Data Breach,” estimated that the average cost of a data breach grew to \$202 per record compromised, an increase of 2.5 percent since 2007 (\$197 per record). The average total cost per reporting company was more than \$6.6 million per breach. For large enterprises, data breaches often constitute an expensive headache. But for midtier organizations and smaller, a data breach may represent the end of business altogether. Meanwhile, this constant threat is continually underscored by high-profile data breaches, such as the attacks on credit card processor Heartland Payment Systems in January, which are regularly splashed across headlines on what seems like almost a daily basis.



Following a close second to data breaches was internal threats, which 35.9 percent of solution providers ranked as one of the most serious security threats on the Top 10 list. The increasing “insider threat” is illustrated by the attack on Fannie May in January, in which a former engineer at the mortgage finance company allegedly planted a logic bomb that, if it was not discovered, would have shut down the company for at least a week by decimating all 4,000 of its servers, and costing the company millions in lost productivity and damages. Internal threats range from losing a laptop or leaving a smartphone in a taxi cab to maliciously sending confidential documents outside an organization or

## Internal Threats

stealing sensitive corporate data for personal gain.

Unbeknownst to many, internal threats constitute the lion’s share of security breaches and can be just as costly as external malware attacks. Solution providers say that as companies are forced to further reduce staff and resources in light of the weakened economy, more disgruntled workers will find ways to seek retribution from their employers, which will often come in the form of taking valuable data, trading company secrets with competitors or pilfering money from the company. (Remember the film “Office Space?”) Meanwhile, companies that conduct massive layoffs will also have to deal with an onslaught of access issues and open accounts that will open up the door for both internal and external attacks.

## Social Networking Threats

Social networking threats made the Top 10 list for the first time, coming in third place with 34.4 percent of the vote. But solution providers have acknowledged that social networking attacks pose a very real and serious threat. End users have been exposed to countless Trojans, Internet worms and phishing attacks targeting social networking sites such as Facebook and Twitter. Attackers have exploited a wealth of personal and identifying information that users freely share online to commit identity theft crimes. In addition, social networking sites carry with them a strong trust component. Unlike spam attacks, which typically originate from an unfamiliar or suspicious source, social networking attacks often appear to come from someone the user knows and trusts, compelling them to click on infected links or malicious files that ultimately download malware onto their systems.

The market for hackers has also been flung wide open as more businesses utilize social networking sites to promote their business and establish impor-

tant contacts. And there appears to be no reprieve in sight as the social networking market continues to expand.

## Trojans/Information Stealing Keyloggers/Fast Flux Botnets

Coming in at No. 4 on the list are Trojans and lots of other standard malware. These are the most malicious and frightening types of malware—mostly due to the fact that they stealthily sit on infected machines—unbeknownst to the users—and silently pilfer any and all financial and identifying data, as well as login credentials and other sensitive information. Once acquired, users’ data is harvested and stored on illicit Web sites that auction identities to the highest bidder. Many organizations—especially SMBs and the lower markets—are abysmally under-equipped to deal with the sheer volume and technical sophistication of the latest Trojans and keyloggers. And despite the spate of security threats that have graced the headlines and swept through enterprises, solution providers say that the majority of end users still remain unaware that they are at risk of attack.



## Phishing/Social Engineering

Almost one-quarter—22.5 percent—of partners polled said that phishing was a top security threat, putting it at No. 5 on the list. This year, social networking sites such as Facebook and Twitter proved to be fertile ground for attack venues, exploiting users’ trust and familiarity by impersonating friends on contact lists. This year, Facebook users were pummeled with a barrage of phishing attacks that lured users to a fake login site in an attempt to steal login credentials. And, of course, phishers employed their tried-and-true techniques to entice users to click on malicious embedded links, filling users’ e-mail inboxes with phony news headlines



*continued on page 10*

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# Security Threats That Can Keep You Tossing And Turning

*continued from page 8*

about President Obama, swine flu and Michael Jackson's death, along with the usual array of tax-time scams and phony donation sites exploiting natural disasters.

## Viruses

Tried and true, viruses ended up as No. 6 on the Top 10 list with 21.1 percent of the channel vote. While viruses have been superseded by more sophisticated threats in recent years, they can still wreak havoc on users' computers. Meanwhile, viruses have new avenues by which to infect users, including USB sticks, P2P networks and infected links. Like other malware, viruses can propagate through a network to infect every contact a user has—from e-mail to social networking lists. Meanwhile, viruses also continue to plague users in the form of scareware—fake antivirus software that conducts a bogus scan of a user's system and then promises to eradicate any "malware"—for a small fee, of course.



## Internet Worms

Remember Conficker? Well, how could you forget? Which is why 20.6 percent of partners ranked Internet worms as the biggest security threat out there, putting it at No. 7 on the list. Conficker's authors unleashed the notorious worm in October 2008 by exploiting a critical Microsoft vulnerability in the



way the Server Service handles RPC requests. Since then, Conficker has infected millions of PCs around the globe, spreading like wildfire on peer-to-peer networks and USB sticks. The most recent variant—version C—contained numerous defensive measures designed

to evade detection and removal by disabling Windows Automatic Updates and Windows Security Center, along with the ability to block access to several security vendors' Web sites and rendering numerous antivirus products useless.

The world-renowned worm splashed across every headline last spring when it was set to receive an update with a changed domain generation algorithm that opened up unfettered communication to hundreds of the 50,000 potential newly generated domains. The latest variant also had the ability to

contact its command and control centers for further instructions, while circumventing interference from the security community. News of Conficker eventually fizzled under the prolonged global scrutiny and media attention, but the world still waits for another Conficker-like worm to emerge.

## Organized Cybercrime Networks

They're the men (and women) behind the mask. Organized cybercrime networks power the majority of malware on the Web, and they're not going away any time soon, which is why 20.6 percent of partners ranked them as one of the most serious security threats. Last year, the FBI reported that for the first time ever, revenue from cybercrime had exceeded drug trafficking as the most lucrative illegal global business, estimated at reaping in more than \$1 trillion annually in illegal profits.

Individuals or groups of hackers loosely tied together with common goals have coalesced into an organized criminal hierarchy, and like a cyber Corleone family, come complete with defined roles and system of rewards. Underground organizations such as the Russian Business Network, the Gray Pigeons and Honkers Union of China, continue to pummel users with phishing attacks, spam campaigns and targeted malware that infect users, steal their personal and financial data and connect them to armies of compromised drone computers known as botnets. As well-funded, well-managed businesses, they are growing at breakneck speed, continuing to evolve with complex ecosystems and technologies.



## Cyberespionage

Many partners would contend that while still in its infancy, cyberespionage is a rapidly emerging threat, and gaining momentum as a viable tactic that often precipitates cyberwarfare. Consequently, 13.9 percent of solution providers surveyed ranked cyberespionage as a top security threat. This year alone has seen a copious amount of denial-of-service attacks, with an especially damaging DoS campaign targeting South Korea and a slew of U.S. government and corporate Web sites, including those of the White House, Pentagon and New York Stock Exchange.

Meanwhile, hackers also targeted a pro-Georgian hacker on the one-year anniversary of Russia's invasion of Georgia by launching a massive denial-of-service attack on Twitter and other blogging sites to which he belonged. Meanwhile, Iran protesters also used the micro-blogging site to make political statements by flooding the site with requests in an effort to shut it down. But perhaps the most frightening cyberespionage incident was a suspected attack last April on the U.S. electrical grid by hackers who installed malicious software that could be used to stop power or disrupt



the system. And, no doubt, political hacktivism and cyberespionage will likely be a primary political tool in subsequent years as more of the international community puts its critical infrastructure on the Web.

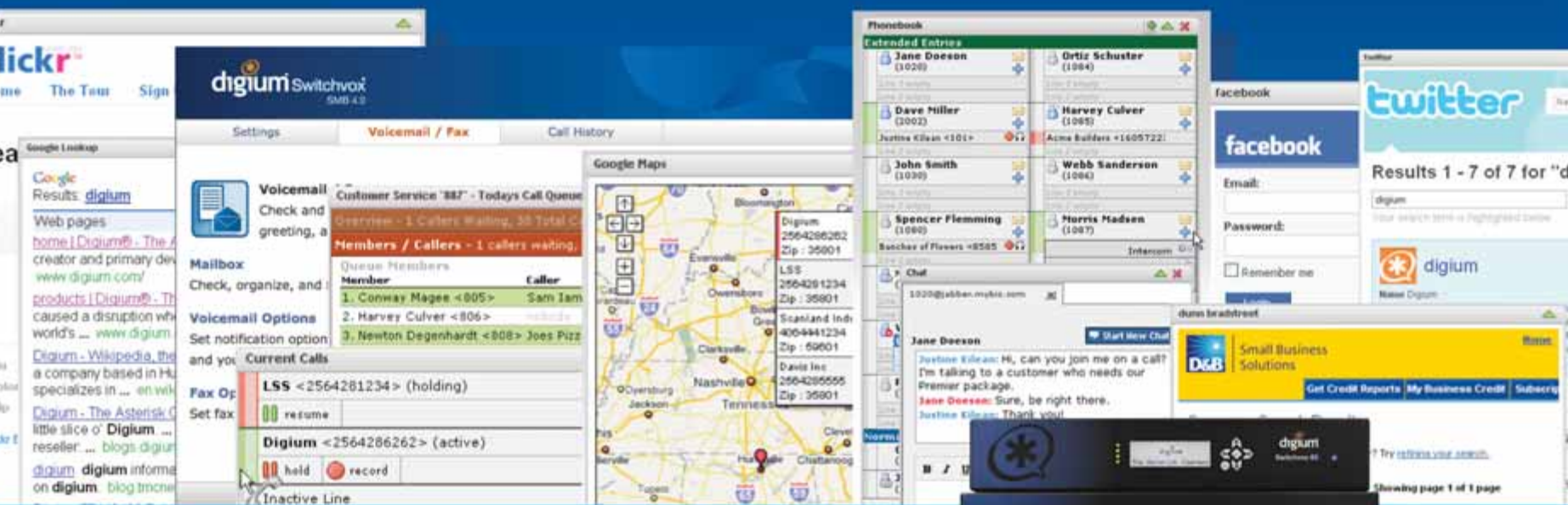
## Zero-Day Exploits

Ten percent of solution providers ranked zero-day exploits as one of the biggest security threats out there, putting it at No. 10 on the Top 10 Security Threats list. Granted, many of these partners are likely the ones to grumble while patching scads of vulnerable systems in an effort to

prevent attackers from exploiting the reported zero-day vulnerabilities when Microsoft issues a security advisory or its monthly Patch Tuesday security update. And in recent months Microsoft has seemed to get a handle on zero-day exploits, perhaps due to its recent investment in its own security offerings and increased need to for credibility in the security space. But despite this fact, zero-days, if left unpatched, still have the ability to cause untold damage once exploited (Conficker ring any bells?). It only takes one vulnerable system for attackers to launch an attack that can spread to infect millions of computers around the world.



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## 2009/2010 Everything Channel Events Calendar

### Channel Events

Everything Channel's IT Channel events deliver new markets, customers and revenue opportunities for Solution Providers and Vendors. These events offer numerous recruiting, training, education and networking opportunities during three and four-day events filled with keynotes, lectures, debates and discussions revolving around critical Channel issues and trends.

Event Name	Location	Start Date	End Date
<b>2009 Events</b>			
IT ChannelVision: Government	Boca Raton, FL	December 6	December 8
<b>2010 Events</b>			
XChange Solution Provider	Los Angeles, CA	March 8	March 11
VAR500 Event	New York City, NY	June 8	June 8
Government Integrator	Washington, DC	June	June
XChange Americas	Dallas, TX	August 22	August 25
CRN Fast Growth	Boston, MA	October 21	October 21
XChange Tech Innovators	Huntington Beach, CA	November 3	November 5

### IT Executive

Everything Channel's IT Executive events provide private One-on-One Meetings, workshops and other formal and informal venues in which IT Executives have access to industry Analysts to discuss critical issues unique to their markets. These events offer the best recruiting, training, education and networking opportunities in the market today.

Event Name	Location	Start Date	End Date
<b>2009 Events</b>			
Print & Imaging Summit	Los Angeles, CA	December 6	December 8
<b>2010 Events</b>			
Midsize Enterprise Summit East 2010	Boca Raton, FL	April 18	April 21
Midsize Enterprise Summit West 2010	San Antonio, TX	September 19	September 22
Print & Imaging Summit 2010	Miami, FL	October 24	October 26
Healthcare IT Summit	Washington, DC	November 14	November 16

# On Location

New products launched or unveiled at Tech Innovators:



**Tech Watch:** Joseph Caouette of ITavos is hands-on.



**Game On:** David Hirschman (l.) and Cary Goldman of Spiffs.com want attendees to be high rollers.



**Portrait Mode:** Solution provider Phil Cardone is thinking of the Tech Innovators big picture.



**Panda Power:** Raffi Sepanian puts the squeeze on two of Panda Security's cute and cuddly give-aways.



**You Can Put A Face On Networking:** Lenovo booth is full up with attendees looking for the latest and greatest.



**Something To Talk About:** Incentra's Chris Piecukonis and Sungard's Tobey Jenkins get chatty.

## The Buzz Around XChange

*What innovation really means to the solution providers here at XChange Tech Innovators:*



"We are going to embrace new technologies. We are going to think out of the box. We have inside knowledge of our customers' networks of yesterday and we have to guide them to their networks of tomorrow. We'll embrace these technologies as an industry, and our customers must also. They don't know how to budget it, they don't know how to plan for it, they don't know how to do it. And they're going to rely on the channel."

—Robert Cohen, CGAtlantic, New York

"I expect to see a lot more focus on services and cloud computing. Software-as-a-Service and Platforms-as-a-

Service. I've been in the channel a long time, and I personally am very focused on these things, building out projects in Texas and California. I'm here to basically network with other solution providers."

—Randy Premont, Spacecycles Net, Redondo Beach, Calif.

"I think innovation means taking advantage of this lull in the marketplace, and instead of just coming up the bell curve on a slow turn, it's actually working toward having a multiplier effect. So if you can align yourself with an innovative company, an innovative idea or process or whatever the case may be, you can actually see more of a spike out of this [economic] rebound. So that's why we're here at Tech



Innovators—we're really looking for the companies who are saying, OK, here's how we're going to differentiate ourselves in the marketplace."

—Patrick Ciccarelli, Varsity Technologies, San Francisco

"What innovation is to my customers is continually driving down prices, year upon year upon year, while at the same time bringing in new features and capabilities. So some of the challenges that we've had to deal with in these times is customers whose budgets are getting squashed, yet they're expecting more. They're expecting more user support, more location support, more capabilities. So for us as a company, innovation means automation, it means consolidation, it's giving them the service levels that they need."

—Sonia Schmitt, Lockheed Martin, Bethesda, Md.



## Figuring Out The Fundamentals



**Koji Mori**, General Manager, Network Services, CalSoft Systems

You may wonder how you go about innovating the fundamentals of business. Aren't they already well defined? There must be a hundred books out there that claim to have the magic pill to solve all the world's business problems. But I believe that it all depends on how one views what really makes business happen.

In our industry, some would argue that technology innovations in performance, efficiency and value define the leaders and successful companies, but lately that doesn't seem to be the case. This past year has been particularly challenging for many solution providers and manufacturers, which are facing delayed projects, layoffs, shrinking budgets and declining revenue.

Advances in technology are no doubt at the core of what makes our industry so exciting and challenging but, being a solution provider, it is sometimes difficult to step away from the products that we are so well trained to implement and spend time focusing on the people rather than the technology.

I was inspired by one company we partner with that has taken the pause in the current economy to actively reinvest in their people in an innovative way. This company is in the automotive industry and was having a particularly rough year. Rather than layoffs, it chose to furlough employees 20 percent of their work hours. But, instead of just letting the employees take the "time off," it helped coordinate training classes for them to improve their skill sets in anticipation for when they would be able to return to full-time work. Participation was almost 100 percent and actually increased employee morale.

By getting furloughed employees back together in a productive environment and leveraging the power of people working together toward a common goal was for me one of the most incredibly innovative business ideas I've seen this year.

I often get questioned on the value of attending long-distance events. Recently there seems to be even more resistance to spending time away from the office rather than just "focusing on business." But to me, XChange has always been about relationships. Spending time at a show to experience new products and technologies is great, but by the end of the event I always realize that the main reason why I try to attend XChange events is the people. The ideas and opportunities we gain from meeting people from so many different companies, backgrounds and experiences only helps to fuel the creativity necessary to be able to improve the way we run our businesses.

Whether we sell or use the latest technology, we should remember that it is just a tool for us to improve what is most important: relationships.

Contact Koji at: [koji@calsoft.com](mailto:koji@calsoft.com)

# Who's The Real Power Behind The World's Fastest Supercomputers?

*More of the top machines are running AMD, but Intel still dominates*

By Joseph F. Kovar

More of the top supercomputers in the world are running AMD processor or graphics technology than ever before, but Intel continues to dominate the space.

Five of the world's fastest supercomputers utilize AMD processors or the vendor's ATI graphics. In total, however, 402 of the world's top 500 systems utilize Intel processors. IBM Power processors are the second most common chips among the top systems, appearing in 52 of the top 500 supercomputers, followed by AMD's Opteron family, which resides in 42 systems.

AMD recently said that the top three supercomputers in the world run on the company's Opteron processors, pointing to the semiannual list published by the Top500 Project.

They include the world's fastest supercomputer, a Cray XT5 system known as "Jaguar" in use at the Oak Ridge National Laboratory, that was recently upgraded to six-core processors from the computer's previous quad-core architecture.

Jaguar knocked the previous No. 1 supercomputer, "Roadrunner," from the top spot on the list.

Now the No. 2 computer on the list, the Department of Energy's "Roadrunner" features an IBM chip as its primary processor and also utilizes AMD Opteron technology.

No. 3 on the list, a Cray XT5 system named "Kraken" that's in use at the University of Tennessee's National Institute for Computational Sciences, also uses AMD Opteron processors, said John Fruehe, director of product marketing at AMD's Servers and Workstations division.

Altogether, Fruehe said, AMD technology was a part of five of the top 10, 10 of the top 20 and 42 of the top 500 supercomputers, according to

the Top500 Organization.

Jaguar and Kraken both took their positions in the list of fastest supercomputers because they were upgraded from AMD's Barcelona processors to the latest six-core processors, Fruehe said. "They both have new performance and better cooling," he said. "This is very important when dealing with thousands of processors."

While the older Cray systems were upgraded to new six-core processors, the next generation of AMD-based supercomputers will eventually be the company's new "Bulldozer" architecture, which includes processors with 16 cores, Fruehe said. Servers built on new processors slated to be released by AMD next year will have the ability to be upgraded to the Bulldozer processors, he said.

While AMD could brag about its showing at the very top of the list of world's fastest supercomputers, Fruehe did say that the company's presence in 42 of the top 500 was one less than last year. Intel, meanwhile, grew its presence to 402 systems, up from 399 on the June edition of the list.

## Fortinet Deals The Cards



**Good Odds:** Fortinet hopes to draw a crowd of XChange Tech Innovator attendees to its FortiOS 4.0 gathering.



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