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## Egnyte Survey Reveals SMBs Lead In Cloud Storage With Enterprises Now Following

*Cloud Storage Technology Gaining Trust at Enterprise Level; Larger Businesses Embrace Security, Control and Reliability of Cloud Technologies*

**Mountain View, Calif., May 24, 2011** – [Egnyte](#), a leading provider of [cloud file server](#) solutions, today unveiled survey data showing that increasingly large businesses are relying on the cloud for file storage and collaboration. The Egnyte survey showed that while entrepreneurs and small businesses still comprise the largest faction of cloud users, larger companies increasingly trust the cloud to meet their business infrastructure needs in today's global, distributed business environment.

Businesses have always had the need to store, share and back up data. Traditionally, this was done with on-site physical file servers, tape backups, file transfer protocol ([FTP](#)) and virtual private network (VPN) systems. However, while these methods offer high speed and performance, they are expensive, and increasingly impractical and cumbersome in today's collaborative business world. Today, companies need to manage and share their data across geographically distributed teams as well as across partner and customer ecosystems. They also need to ensure they have access to the data they need, anytime and anywhere.

Cloud computing has become a significant technology trend to this end, and many experts have said that it will reshape information technology processes and the IT marketplace in the next five years. Market research firm IDC expects IT cloud services spending to grow from roughly \$16 billion in 2008 to approximately \$42 billion by 2012<sup>1</sup>. IDC also predicts cloud spending will account for 25 percent of annual IT expenditure growth by 2012, and nearly one-third of growth the following year<sup>2</sup>.

SMBs have been quick to embrace the cloud, paving the way in cloud adoption and enjoying the cost-benefits and efficiencies of a dynamic business infrastructure. However larger enterprises have, until recently, been more reluctant to adopt cloud services. This is partly due to their greater sums of money and resources at stake, as well as concerns over security, visibility and control, and the reliability of a relatively new technology.

Egnyte's survey shows that this trend is changing as increasingly large companies gain trust in the cloud and therefore, in adopting cloud services. For example, trials of Egnyte's cloud storage technology by small companies tripled year-over-year from March 2010 to March 2011, but trials of larger companies were close behind, increasing 2.5 times from the previous year. A

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<sup>1</sup> "IT Cloud Services Forecast — 2008-2012: A Key Driver of New Growth," Frank Gens, IDC Exchange, 8 October 2008 <<http://blogs.idc.com/ie/?p=224>>.

<sup>2</sup> Ibid.

recent report by Storage Strategies NOW<sup>3</sup> further adds fuel to this trend, stating that 57 percent of [large companies](#) plan to adopt cloud services in the near future. These statistics are in line with findings by technology reporter Beth Schultz who states that “you can already find notable organizations using cloud storage in a variety of industries<sup>4</sup>.”

AMAG Pharmaceuticals is one such company, now tapping Egnyte’s [cloud storage solution](#) to move all of its storage to the cloud environment. “We work in a space with complex compliance and security mandates at the federal and state levels, including the Sarbanes-Oxley Act,” said Nate McBride, executive IT director for the 230-employee biopharmaceutical company based in Lexington, Mass. “Egnyte’s cloud-based file servers have helped us drastically cut our storage and backup expenses by over 50 percent, and streamlined our collaboration and access to file data. Ultimately we are able to pay these savings forward to our customers,” he said.

The significant increase in larger companies tapping the cloud across North America reflects a desire to maximize ROI and accommodate a distributed team, while leveraging a secure resource. One of the primary driving forces within this context is the growth of the [mobile workforce](#). With servers accessible via the cloud, mobile workers can easily perform file operations regardless of location.

The Egnyte survey suggests that these mobile workers are wasting no time making use of the cloud. According to the survey, small businesses conducted more than 4.5 million file operations in a 24-hour period, an average of more than 3,000 file uploads, downloads and edits per minute. Nearly 15 percent of these were conducted over a mobile device, with iPads used the most (36 percent), and iPhones and Androids tied for second (30 percent each). While, according to Egnyte’s data, small businesses of five employees are the most likely to access files in the cloud from mobile devices (39 percent), larger companies employing more than 50 people were close behind at 30 percent, and midsize organizations with 25 employees came in third at 28 percent.

For additional data, and to read the survey in its entirety, please visit [http://portal.sliderocket.com/ARLBA/Infographic-Data\\_1](http://portal.sliderocket.com/ARLBA/Infographic-Data_1). For more information on Egnyte and its cloud file server solutions, please visit [www.egnyte.com](http://www.egnyte.com).

## **Survey Methodology**

Egnyte surveyed 6,500 users across the United States, and tracked 4.5 million file operations in a 24-hour period — an average of more than 3,000 file uploads, downloads and edits per minute. Within the user set, Egnyte analyzed data from three team sizes — comprising five, 25 and 50 people — to determine how many files were accessed multiple times and from which access route, such as desktops versus mobile devices.

## **About Egnyte**

Egnyte addresses the critical infrastructure needs of business - [file storage](#), [sharing and collaboration](#) - in one secure, [centrally-managed](#) and easy-to-use solution. The company’s hybrid cloud technology combines the accessibility and flexibility of cloud storage with the robust performance and speed of local storage, and automatically synchronizes changes made to local

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<sup>3</sup> “Most IT managers plan to adopt cloud storage,” by Lucas Mearian, *Computerworld*, 5 April 2011.

<sup>4</sup> “Cloud storage, a steep climb,” by Beth Schultz, *Computerworld*, 11 March 2011.

and cloud files. [Egnyte Cloud File Server](#) ensures that users have [reliable and fast access](#) to the files they need anytime, anywhere. Egnyte, based in Mountain View, California, is a privately held company backed by venture capital firms Kleiner Perkins Caufield & Byers, Floodgate Fund, and Polaris Venture Partners. For more information, please visit [www.egnyte.com](http://www.egnyte.com) or call 1-877-7EGNYTE.

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