



PRODUCTS

PERSPECTIVES

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PROFILES

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01.16.04

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01.08.04

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01.07.04

Perspective: The Value of Desktop Blades

Desktop blades are computers which were based on server technology that rapidly advanced to respond to demand for large number of hosted servers in the .COM heyday.

The products are based on a re-engineered PC which is put on a card, then placed in a rack which is in a secure central raised floor environment where it can be centrally managed.

Currently there are two basic types, one connects the desktop "physically" with the bladed desktop via category 5 cable and the other "virtually" over a wired or wireless network.

The physical connection increases performance but is more difficult to implement (because of the direct wiring needed between the desktop and blade components). While the virtual connection can use any network, including a WAN, but takes a performance hit due to latency and the inability to send high resolution images over the network quickly enough.

The performance of the virtual solution has improved a great deal and now encompasses the performance needs of about 97% of the corporate users, while the direct solution remains a requirement for 1% to 2% of the power users with about 1% still requiring a local high performance PC for their work.

The roving worker simply signs into a local desktop appliance and is virtually connected to his or her PC transparently. This solution could be wedded to something like Microsoft's now discontinued smart display technology, or a wireless hand held computer, for a more mobile solution.

The two vendors currently supplying branded solutions are Clear Cube, who was first to market and sells both types of offerings, and HP who, today, only has the virtual solution.

Both vendors have advantages over the other, but they can be bid against each other which is more important because that validates the solution.

Recently Health Care turned up as a primary customer for this kind of product eclipsing the interest by trading floor due to the size of the engagements and the benefits received.

One of those benefits is that current Health Care PC deployments that use desktop computers or Tablet PCs turned out to be much more costly than Blades. This is because of new rules that require PCs in examining rooms be replaced after the room is used by a contagious patient (the fans suck in and then blow out the contagion) and because the shrinkage (theft) of tablet computers have made the more traditional approaches to this problem excessively expensive.

Northwester Memorial Physicians Group (NMPG) just finished a [cost of ownership study](#) and found that after replacing PCs with PC blades they will save \$3,000 per PC over a four-year period by using blades. That equates to \$3M for 1,000 PCs or serious money.

Details were a 75% reduction on help desk calls, 50% reduction on moves ads and changes (which we believe is understated), and a near 70% reduction in user downtime (which, in a hospital, could mean the solution saves lives). This suggests an increase in productivity (due to less downtime) that could mirror the cost savings for an aggregated number much higher than

the potential for \$3M in savings formally in the study.

The solution has also increased NMPG's overall security and helped them comply with the new regulations surrounding patent record confidentiality.

The study took place over 12 months and evidently mirrors anecdotal information from the 6 other medical institutions using a desktop blade solution.

These appear to be solid results and testimony to the fact that bladed solutions, for many, are the most cost effective solution on the market today regardless of whether they come from HP or ClearCube.

This is one of two emerging technology platforms we are watching very closely, the other is Modular Computers. Of the two, this one has the most potential to provide financial benefits and reduce security exposures.

We feel this clearly demonstrates that it is about time the desktop industry stopped re-inventing the 80's.

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