



Phase II Consulting

Dear: Industry Players

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Who interest in Japanese High Tech Market

Market Update in Japan

Growth of Load Balancer is driven by Growth of Cloud Computing

The Cloud market is showing continuous growth in high technology market, and it is only growing segment among others.

Cloud market produced new growth segments such as virtual software and equipment. We notified about Virtualization on last Market Update, but we can see other aspects of changings in market on this report.

Regardless Cloud is less innovation other than marketing buzz word, acceptance of Cloud is real trend in users, because less cost and more service than current solutions. This promotes additional investment for IDC and Service Provider to upgrade their service infrastructures.

Load Balancer is one of equipment for these investment and employee enterprise load balancer in backbone network. High end load balancers such as F5, A10 or Citrix are major players for enterprise environment so far.

Market move from vender to end users

However demand of Load Balancer at Cloud users are getting high, especially Private Cloud users for enterprise business systems applications.

Potential size of end user market is 100x time bigger than IDC and ISP's vender market, but complete different requirement in end user market.

One of key requirement is **Price** that must reasonable and affordable for Cloud users. No Cloud users expect to pay more than their Cloud server price, so that there is no way to offer F5, A10 nor Citrix.

We expect that 1/10 of priced low cost Load Balancer is only the answer to meet end user's requirements.

It's emerging!

About us

Phase 2 Consulting Ltd. (Ph2) is specialized on high tech IT business in Japan and Asia. Ph2 offers unique service for clients not only for provide analytical information, Strategy and Implementation plan, but also execute Plan till mission is completed. Ph2 initiate project as "Free of Charge" until certain view becomes on visible for client.

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