

## Gartner slams Cisco's single-vendor network vision

Gartner says multivendor networks provide cost savings with no increase in complexity or unreliability

BY JIM DUFFY

**B**usinesses are better off deploying multivendor networks, no matter what Cisco and other large network vendors may tell you, according to a recent report from Gartner.

Vendors who want customers to put all their network eggs in their basket will argue that single-vendor, end-to-end networks yield operational consistency, higher service quality and better reliability. But that's just not true — enterprises can significantly reduce their costs and simplify their operations by deploying gear from at least two vendors in their networks, according to a November 2010 report from Gartner.

Gartner compiled its data from “hundreds” of client interactions and in-depth interviews with nine public- and private-sector organizations ranging in size from 1,000 users to more than 10,000 employees in 1,000 locations.

In the report, Gartner takes specific aim at Cisco and its proclamations that an “end-to-end” Cisco network is simpler, cheaper and more reliable.

“The idea of a single-vendor network has been promoted by Cisco (just like strong vendors in other market areas) as a way to simplify operations, ensure reliability and lower the TCO [total cost of ownership] for a network infrastructure,” state Gartner analysts Mark Fabbi and Debra Curtis in the report. “However, after interviewing various organizations that have introduced a second vendor into their Cisco infrastructures, it is clear that in most cases today there is no financial, operational or functional basis for this argument. The reality is that a single-vendor Cisco network isn't necessarily less complex, easier to manage or more reliable than a network with multiple vendors when implemented with best practices.”

Gartner found that introducing a second networking vendor into an enterprise infrastructure will reduce total cost of ownership for most organizations by at least 15% to 25% over five years. And most organizations that introduced a second vendor reported a “lasting decrease” in network complexity “compared to an all-Cisco network,” Gartner found.

“We did not encounter one example where [sic] operational cost savings would offset the equipment cost premium that Cisco generally charges,” Fabbi and Curtis state in their report.

In every case reviewed by Gartner, the firm found that organizations did not require additional staff to manage a dual-vendor network compared with a Cisco network. Also, total initial capital costs and ongoing maintenance expenses were “clearly higher” in a Cisco-only network — the interviewed organizations achieved capital cost savings of 30% to 50% less than

competitive bids from Cisco; and savings on maintenance costs ranged from 40% to as much as 95% less than what was previously paid for Cisco's SMART-net services for similar infrastructure and coverage, Gartner found.

“Sole-sourcing with any vendor will cost a minimum 20% premium, with potential savings generally reaching 30% to 50% or more of capital budgets when dealing with premium-priced vendors,” Fabbi and Curtis state in the report. “Network architects and CIOs who don't re-evaluate long-held incumbent vendor decisions (with any vendor) on a periodic basis are not living up to fiduciary responsibilities to their organization.”

In an e-mailed response, a Cisco spokesperson defended the company's single-vendor strategy:

“Cisco believes that an architectural approach provides substantial operational benefits for organizations looking to leverage the network to seize tomorrow's business opportunities. These organizations require an agile, robust, secure, and reliable information infrastructure — one that can, for instance, ensure the quality of video communications, enforce consistent policies across employees, partners, and customers and enable secure, transparent mobility while reducing energy costs. For these organizations, the benefits of access to highly skilled network engineers (through our CCIEs) are key and an end-to-end architecture is critical.”

The Cisco spokesperson also attached a November 2010 document to the e-mail, prepared for the company by Forrester Research, which Cisco claims supports its stance. In the document, entitled “The Total Economic Impact of Cisco's Borderless Networks,” Forrester notes that a North American organization employing 5,000 people with 50 global branch offices can achieve \$5.4 million in mobility productivity savings; \$700,000 in security benefits and cost savings; and \$2.4 million in Wide Area Applications Services benefits and cost savings.

Cisco Borderless Networks is an enterprise architecture that includes routing, switching, mobility, security and wide-area network optimization.

That same organization can gain a breakeven payback in 12 months, and a risk-adjusted ROI of 163% over three years, Forrester found.

On the other hand, Gartner says that Cisco, because of its profit margin structure and other circumstances, will be “unable to make sufficient changes” to deliver a lower five-year TCO for network infrastructure and operations than dual-vendor approaches.

“Perceptions concerning adding a vendor to a single-vendor network are unfounded,” Fabbi and Curtis state. “We find no need to add staff, retraining is a minor issue, and interoperability and complexity are easily managed... and will make the network easier to deal with in the long run.” ■

