Hitachi Vantara
Guides Customers Through
The New
Data Economy

I n September 2018, standing in front of hundreds of customers and partners, Brian Householder set the scene for the biggest threat and opportunity that businesses face in the coming years.

"I would argue these are the most disruptive times in history," he said. "Expectations have changed. No longer is the CIO just the custodian of the organization's technology assets. Instead, the role is transforming to be responsible for how the company leverages technology and their data to run their business."

Of course, this disruption from IoT, machine learning, artificial intelligence and other modern innovations will mean different things to different customers. This massive technological change presents an opportunity to improve the way we work, but it also challenges the way organizations currently do business.

"One customer told me, 'It's awesome,' with a big smile on his face," Householder said. "Almost simultaneously, another said, 'It's scary.'"

Householder was nearly 10 months into his job as CEO of Hitachi Vantara, the new Santa Clara, Calif.-based technology company under Hitachi, a Japan-based global conglomerate. Hitachi Vantara had combined its businesses in storage and data center infrastructure, IoT solutions and data analytics to enable customers to leverage data to deliver the best business outcomes for the customers.

In his keynote at Hitachi Vantara's annual NEXT conference, Householder discussed how technology is changing everything, forcing businesses to look at every part of their operations and imagine how they can transform every facet from customer experience

to compliance. Central to his message was how Hitachi Vantara and its partner ecosystem is uniquely positioned to help companies with their own digital transformation.

The Best Data Strategy Will Win

At the core of this transformation is data. Data creates a new basis of competition in the market.

"Those businesses with the best data strategy will win," said Householder.

The problem is that few companies are actually utilizing their data. Among the hurdles are the siloes companies build around their data and organizational issues, which hold them back from adopting the kinds of innovation they need to overcome disruption.

Overcoming these issues is no small task, but

Hitachi Vantara is working with a growing number of customers that are already making significant progress. The company has more than 10,000 customers and is trusted by 85 percent of Fortune 100 companies.

"We are trusted by some of the largest companies in the world with some of the most complex data challenges," he said.

Equally important are the partners helping Hitachi Vantara's customers along their journey. The company is embracing the partner ecosystem more than ever before.

"The game has changed," Householder said. "The customers with the right data solutions will be the ones in the best position to survive and thrive. Hitachi Vantara and our partners can provide those best-fit data solutions."

Ready for Technological Change

Just as many businesses are finding themselves at a crossroads, so too had Hitachi. The Japanese company, less than two years away from its 110th birthday, has defined itself by technological change, starting with

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the invention of Japan's first five-horsepower induction motor in 1910 and continuing through the decades with innovations in electric locomotives, diesel-electric engines and, eventually, computers.

By 2016, Hitachi had a massive storage and data center infrastructure business in Hitachi Data Systems, a fast-growing IoT solutions business in Hitachi Insight Group, and an emerging data analytics and integration practice in Pentaho. The emergence of digital transformation made clear the increasing need to

**BRIAN HOUSEHOLDER, CEO,
HITACHI VANTARA**

HITACHI VANTARA CEO:
We Are Embracing Partners 'More Than Ever Before'

A year after the formation of Hitachi Vantara, Brian Householder wants to make one of many things clear: Partners are a larger focus than ever before.

Householder, who became Hitachi Vantara's CEO in 2018, is fired up about the company's "massive progress" since the combination of Hitachi Data Systems, Hitachi's Pentaho data integration and analytics solution and Hitachi Insight Group IoT business was made official.

"We have a lot of work to do. Over the last 12 months, we've continued to add new solutions and services, new partners and

integrate the separate businesses as they each tackled the same problem from a different angle.

When Hitachi decided in 2017 to combine those businesses into a new venture called Hitachi Vantara, Toshiaki Higashihara, President & CEO, Hitachi, Ltd., called it a "monumental change for the company" as it sought to advance Hitachi's vision of Social Innovation— the idea that technological change can serve the evolving needs of businesses while making the world a better place.

"Now, as the world is being transformed by digital tools and processes, we are unifying our strongest digital solutions companies together as a new Hitachi company that delivers exponential business impact for our customers and the betterment of society," he said.

On stage at NEXT, Higashihara spotlighted why no other company is equipped to guide businesses through their digital transformation. Ultimately, what it comes down to is the company's decades of experience working in both operational technology (OT) and information technology and their cross-pollination.

"Hitachi has more than 100 years of experience in OT—operational technology—and more than 60 years of experience in IT," he said. "The power of our combined experience in OT, IT and IoT is unmatched."

As an example, Hitachi has played a leadership role with the Copenhagen Metro, the driverless train system in Denmark developed by Hitachi's locomotive and transport systems. Using sensors and Hitachi Vantara's Lumada IoT platform, the company developed a solution allowing the system to automatically adjust train schedules based on demand.

The power of "One Hitachi" collaboration across Hitachi business units or divisions is strong. Hitachi Vantara frequently works with Hitachi businesses for power systems, transportation, construction machinery, financial services and automotive systems.

This notion of One Hitachi is something that partners like Mark Boisvert, a channel development manager at Bedford, Mass.-based Continental Resources, recognize.

"I think Hitachi is uniquely positioned to smooth the digital transformation journey for customers," he said.

new customers so we've made good progress," said Householder. "We've got a great foundation to build from into 2019."

In this interview, Householder explored how the new data economy is changing the basis of competition, his priorities for partners and how he sees analytics as a way for partners to differentiate themselves.

Q **What are your top priorities for partners right now?**

First and foremost, we are embracing partners more than

ever before. Across all our geographies, we're much more focused on how we want to segment our customers and how we should leverage our partners' expertise and competencies.

With a shifting marketplace and big objectives around growth, it is not enough to be partner-friendly. We must continue to make partners core to our go-to-market thrust, introducing partners everywhere and anywhere it makes sense.

Of course, our ecosystem continues to change as we add partners

with new skills and solutions and partners with competencies around newer areas like data analytics, IoT and cloud services. We are working hard to quickly embrace and enable this ecosystem in the right way.

Q **What's your elevator pitch for prospective partners? Why should they partner with Hitachi Vantara?**

Today's fast-paced, highly competitive marketplace requires transformation and growth. It also requires the kind of flexibility and agility Hitachi Vantara affords you. We allow you to select how

Householder said the company's strategy is to work to the strengths of each partner. In April 2018, the company rolled out a new partner program that offers its partners flexibility and choice to engage how they wish based on their business objectives and their competencies. "We want to leverage the strengths of our partners, complementing our skills, capabilities and solutions for a stronger offering for our mutual customers," he said.

Strong Forward Momentum

Since the inception of Hitachi Vantara more than a year ago, the company has fueled significant momentum in multiple respects—from an organizational standpoint to its product roadmap and business and most importantly, an improved customer experience.

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TOSHIAKI HIGASHIHARA, PRESIDENT & CEO, HITACHI, LTD.

That includes adding and expanding key partnerships over the last year, including those with

you want to engage with us based on your competencies and your desired delivery models. You make the choices that determine the outcomes for your business.

Perhaps you are a reseller familiar with our core storage offerings, but your business is going through a transformation of its own, building up IoT and analytics practices. Hitachi Vantara gives you the opportunity to become a Data Infrastructure Resell partner today and quickly and easily become a Big Data Insights and IoT Resell partner tomorrow. You choose.

No other vendor or solution provider has the combined IT, OT and IoT expertise that Hitachi has. Leverage the power of One Hitachi to achieve your goals.

Together, we can do more. Together, we can win. Together, we can succeed.

Q **How important is it for partners to start embracing analytics and IoT?**

Certainly, analytics and IoT are in high demand from customers, but the prioritization of these capabilities and solutions will vary by partner based on their competencies and desired business models—from Resell or Deliver to Create or Manage.

That said, customer interest in data analytics, machine learning and predictive maintenance is increasing exponentially. Every customer wants to know how they can leverage the power of their data to make informed business decisions and/

or secure a competitive advantage. Therefore, at minimum, it will be important to engage with a partner, like Hitachi Vantara, who can help you have that conversation and address that need.

Q **This is your first year as CEO. What accomplishments are you most proud of so far?**

First and foremost, we've successfully integrated three organizations into one and have gotten the organization working from one strategy and using the same systems and processes. I'm also very proud of the leadership and the team we have assembled, including our partner ecosystem. A strong team has helped us double down in the areas we want to innovate in.

ecosystem partners like Tech Data, Arrow Electronics and Cognizant. It also includes the acquisition of REAN Cloud, the introduction of new products and new executive appointments.

Hitachi Vantara also made several new product announcements across its data center infrastructure, IoT and analytics portfolios.

On the data center infrastructure side, that included the company's first hyper-converged infrastructure appliance with all-NVMe storage for its Hitachi United Compute Platform. The company also made updates to its Hitachi Content Platform for object storage management, with new capabilities added for improved data protection and running the platform on hyper-converged systems.

On the IoT front, Hitachi Vantara revealed Lumada Maintenance Insights, an extension to its Lumada IoT platform that uses machine learning and data analytics to make smart repair recommendations in industrial IoT deployments. The company also increased its commitment to smart city initiatives by joining the Colorado Smart Cities Alliance to work with distribution partner Arrow.

While Hitachi Vantara has achieved a lot in a short period, the hard work is not over.

"We have made a massive amount of progress in the last 12 months," said Householder. "But we still have a lot of work to do. We intend to continue this momentum into the next fiscal year, creating more value for our customers and delivering positive economic and social impacts through innovations in IoT, smart cities and analytics." ▪

I'm also proud that we've continued to execute on our strategy—from continued growth in core infrastructure to the introduction of new services and solutions to our portfolio, such as REAN Cloud. With this acquisition, we can help customers leverage the power of data regardless of whether they choose to utilize public, private or hybrid cloud environments.

Q **What keeps you up at night?**

This fast-paced, competitive marketplace keeps me up at night. Like many other leaders, I ask myself: Are we transforming fast enough? Do we have the right solutions and services to address customer needs today and tomorrow? Are we offering the right consumption models to make it easy for customers? Do we have the right partners to help us deliver business outcomes for our customers? And, last but not least, what is next? How can we partner to anticipate the next wave, the next big thing?

Q **What are the primary revenue drivers for Hitachi Vantara right now? Where do you want those to be in the next five years?**

Our core infrastructure business continues to be important and foundational to our work in data governance, data analytics and IoT. More and more, customer conversations that start as an infrastructure refresh become conversations about how to address additional challenges with a comprehensive, integrated solution that includes elements like data analytics, object storage or data management and governance.

We see increasing interest in flexible consumption and as-a-service business models—from Infrastructure-as a-Service (IaaS) and Disaster-Recovery-as-a-Service (DRaaS) to IoT-as-a-Service. Our Services business, including our Hitachi Enterprise Cloud, REAN Cloud services, Maintenance Insights and Smart Data Center offerings, also are an increasing revenue driver.

More than anything, we want to be in the data business, helping customers solve their data challenges and maximize their data for business benefit. ▪