

FROST & SULLIVAN

BEST PRACTICES

AWARDS

FROST & SULLIVAN

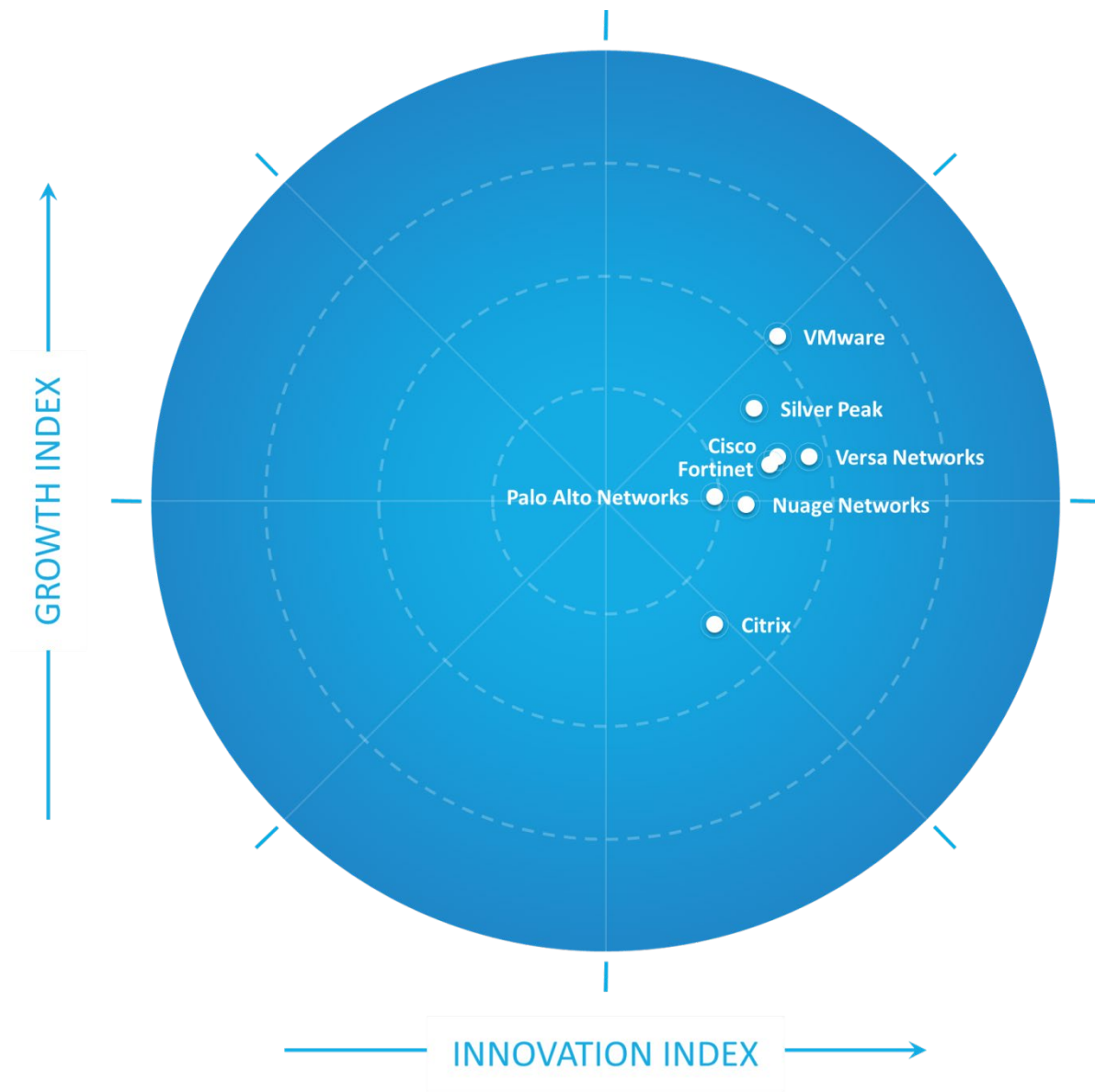
2020 BEST PRACTICES AWARD



**2020 GLOBAL SD-WAN VENDOR
GROWTH EXCELLENCE FROST RADAR AWARD**

The Frost Radar™

Global SD-WAN Vendor Market



Source: Frost & Sullivan

In a field of 25 global industry participants, Frost & Sullivan has independently ranked the top 8 companies in the above Frost Radar™ analysis.

The key parameters independently analyzed by Frost & Sullivan include:

- Innovation Scalability
- R&D
- Product Portfolio
- Mega Trends Leverage
- Customer Alignment
- Growth Pipeline

- Vision and Strategy
- Sales and Marketing
- Revenue Growth
- Market Share Growth

Frost & Sullivan studies related to this independent analysis:

- Global SD-WAN Vendor Market (2020)

The Growth Environment

The global SD-WAN market revenue crossed the \$1 billion mark in 2019, with revenue and customer sites growing more than 100% from 2018 to 2019. While Frost & Sullivan expects that the economic downturn due to COVID-19 will affect SD-WAN spending in the near term, as businesses reassess their technology spend, SD-WAN will emerge as a top choice for their networking needs, which will contribute to higher growth rates beyond 2022.

Hybrid cloud/multi-cloud connectivity continues to be huge focus for SD-WAN vendors, with most announcing integration with leading cloud platforms. As enterprise applications are distributed across multiple clouds, the traditional WAN architecture of backhauling traffic to a hub site and then routing to cloud is inefficient and expensive. The hub-and-spoke model is especially inefficient considering the growth in remote working, which is here to stay in the long run. SD-WAN enables enterprise IT to predefine business policies through the SD-WAN controller, to specify which cloud applications is suitably accessed directly through the internet versus backhauled to a hub site.

North America continues to lead in terms of global SD-WAN revenue share, albeit lower than that in 2018, with Europe gaining traction, followed by Asia-Pacific and Japan, and Latin America. Globally, businesses are showing a preference for managed SD-WAN solutions. This is pushing SD-WAN vendors to build partnerships to help tap into the market potential. The SD-WAN vendor partner channel typically includes NSPs, MSPs, system integrators, application service providers, and VARs.

Silver Peak is a Growth leader on the Frost Radar™ based on its ability to stay independent and grow in an organic manner. The company has more than 2,000 production customers so far, and is expanding its reach rapidly across the globe through partners. Frost Radar™ Growth Excellence Award

Silver Peak

Growth

- Silver Peak has seen tremendous success with more than 2,000 production customers so far, owing largely to its extensive channel partnerships. The company has managed to remain independent in the market, and grow organically.¹

¹ On September 21, HPE/Aruba completes acquisition of Silver Peak.

- To simplify the deployment process for businesses, Silver Peak offers the Authorized Deployment Partner (ADP) Program specifically designed to train, certify, and authorize partners with the capability to unify and manage all facets of the design, deployment, and management of the Unity EdgeConnect™ SD-WAN edge platform.
- Silver Peak continues to expand its sales and marketing efforts globally, and also to invest in R&D to evolve its WAN edge platform to compete effectively in the market.

Innovation

The Silver Peak Unity EdgeConnect™ SD-WAN edge platform unifies SD-WAN, firewall, segmentation, routing, WAN optimization, and application visibility and control in a single, centrally managed system to deliver on the promise of a self-driving WAN. The EdgeConnect VNF unifies all these features, dramatically simplifying managed SD-WAN service deployment for its system integrator and service provider partners.

To support enterprises' cloud-first strategy, Silver Peak has integrated EdgeConnect with leading clouds:

- Microsoft Azure for automated and optimized connectivity to Office 365 and Azure Virtual WAN
- AWS Transit Gateway Network Manager to enable network managers to create a single consolidated global view of all sites and connections between AWS and their on-premise locations.
- EdgeConnect is certified and available for download from the Google Cloud Platform Marketplace using a "bring your own license" (BYOL) model.
- EdgeConnect is certified with Oracle Cloud Infrastructure (dedicated bare-metal & Classic) and available for download from the Oracle Marketplace using a "bring your own license" (BYOL) model.

The company's edge-to-edge segmentation capabilities allow network administrators to centrally segment applications and WAN services into secure zones and automate application traffic steering across the LAN and WAN, in compliance with predefined security policies, regulatory mandates, and business intent.

Frost Perspective

- Frost & Sullivan believes the universal CPE approach will gain traction in the future as it eliminates the need for multiple dedicated hardware appliances to run various network functions. Silver Peak has partnered with Ciena to deliver its EdgeConnect VNF on Ciena uCPE to further penetrate the service provider channel and compete more effectively in the market.
- While there is a huge focus on integrated security with SD-WAN, and there are vendors whose platform inherently integrates security, Silver Peak continues to partner with leading security solution vendors, which enables the company to deliver best-of-breed security functions to businesses. The Silver Peak EdgeConnect platform unifies security functions required at the

WAN edge, including a stateful zone-based firewall along with advanced micro-segmentation capabilities. Further, the company has automated the integration of cloud-delivered security services within the Unity Orchestrator management console with cloud-delivered security service partners that include: Zscaler, Check Point and Netskope.

What is the Frost Radar™?

Companies to Action – Benchmarking Future Growth Potential

What is it?

A robust analytical tool that benchmarks companies' innovation focus and growth performance in a given market.

How is it built?

Through in-depth analysis built on Frost & Sullivan's 360-degree research methodology (primary and secondary research) and objective rating of companies in a given market.

Why do you need it?

To understand how companies benchmark against each other in their ability to innovate and grow against a backdrop of industry transformation.

What will it accomplish?

Companies can gain an objective, independent perspective of their innovation and growth strategies, including their robustness, effectiveness, relative competitive strength, and implications for their long-term success.

How to use it?

The Frost Radar™ is a dynamic tracking tool that offers frequent rating and positioning of companies that are leading the industry in growth, innovation, or both. Because of changes in the operating environment and internal organizational changes, their positioning in the Frost Radar™ will change over time. It is important to leverage the Frost Radar™ to ensure that companies are aware of changes to their ecosystem and their relative positions to it.

What does it mean to be on the Frost Radar™?

Companies have been chosen to be in the Frost Radar™ because they have proven themselves to be worthy by demonstrating excellence in growth, innovation, or both, and are able to translate that into proven solutions that benefit their clients. At times, companies with high market share may not place on the Radar. Companies are chosen because they are already doing great things or are poised to do great things.

All companies on the Frost Radar™ could be Companies to Action. Best Practice recipients are the companies that Frost & Sullivan considers the **Companies to Act On Now**.

Growth Excellence Award

The Growth Excellence best practice award is bestowed upon companies that are achieving high growth in an intensely competitive industry. This includes emerging companies making great strides in market penetration and seasoned incumbents holding on to their perch at the pinnacle of the industry.

Innovation Excellence Award

The Innovation Excellence best practice award is bestowed upon companies that are industry leaders outperforming their competitors in this area, or new market entrants contending for leadership through heavy investment in R&D and innovation.

Growth, Innovation & Leadership Award

The Growth Innovation Leadership (GIL) best practice award is bestowed on companies that are market leaders at the forefront of innovation. These companies consolidate or grow their leadership position by continuously innovating and creating new products and solutions that serve the evolving needs of the customer base. These companies are also best positioned to expand the market by strategically broadening their product portfolio.

Frost Radar™ – Benchmarking Future Growth Potential

2 Major Indices, 10 Analytical Ingredients, 1 Platform

Vertical Axis – The Growth Index

Growth index is a measure of a company's growth performance and track record, along with its ability to develop and execute a fully aligned growth strategy and vision; a robust growth pipeline system; and effective market, competitor, and end-user focused sales and marketing strategies. The elements of this index include:

- **GI1: Market Share (previous 3 years):** This is a comparison of a company's market share relative to its competitors in a given market space for the previous 3 years.
- **GI2: Revenue Growth (previous 3 years):** This is a look at a company's revenue growth rate for the previous 3 years in the market/ industry/category that forms the context for the given Frost Radar.
- **GI3: Growth Pipeline:** This is an evaluation of the strength and leverage of a company's growth pipeline system to continuously capture, analyze and prioritize its universe of growth opportunities.
- **GI4: Vision and Strategy:** This is an assessment of how well a company's growth strategy is aligned with its vision. Are the investments the company is making in new products and markets consistent with the stated vision?
- **GI5: Sales and Marketing:** This is a measure of the effectiveness of a company's sales and marketing efforts in helping it drive demand and achieve its growth objectives.

Horizontal Axis – The Innovation Index

Innovation index is a measure of a company's ability to innovate products/services/solutions (with a clear understanding of disruptive Mega Trends) that are globally applicable, are able to evolve and expand to serve multiple markets, and are aligned to customers' changing needs. The elements of this index include:

- **II1: Innovation Scalability:** This determines whether an organization's innovations are globally scalable and applicable in both developing and mature markets, and also in adjacent and non-adjacent industry verticals.
- **II2: Research and Development:** This is a measure of the efficacy of a company's R&D strategy, as determined by the size of its R&D investment and how it feeds the innovation pipeline.
- **II3: Product Portfolio:** This is a measure of a company's product portfolio, focusing on the relative contribution of new products to its annual revenue.
- **II4: Mega Trends Leverage:** This is an assessment of a company's proactive leverage of evolving, long-term opportunities and new business models, as the foundation of its innovation pipeline.
- **II5: Customer Alignment:** This evaluates the applicability of a company's products/ services/ solutions to current and potential customers, as well as how its innovation strategy is influenced by evolving customer needs.