NetApp & AWS Expand Strategic Collaboration Agreement

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CONTEXT

NetApp recently announced the expansion of its long-standing partnership with Amazon Web Services. The new Strategic Collaboration Agreement (SCA) strengthens the relationship between the two companies, paving the way for enhanced generative AI capabilities and streamlined CloudOps for joint customers.

BACKGROUND: EXISTING NETAPP & AWS RELATIONSHIP

NetApp enjoys a long-standing partnership with AWS to deliver cloud-based solutions for customers globally. Its existing AWS offerings provide enhanced enterprise cloud environments, including data storage, management, and cloud operations (CloudOps).

NetApp's AWS offerings include:

1. **Amazon FSx for NetApp ONTAP**: This is a native AWS service that combines NetApp's ONTAP data management system with AWS's scalability and cloud infrastructure. This allows organizations to run fully managed, cloud-native file systems, simplifying data management, migration, and optimization across hybrid cloud environments.

2. **Spot by NetApp**: An AI-driven cloud infrastructure optimization tool that allows customers to reduce costs by automating resource allocation.

3. **NetApp Cloud Insights**: A cloud monitoring tool that provides full visibility into complex cloud infrastructure, enabling customers to detect issues, optimize usage, and enhance security across hybrid cloud environments.

4. **Instaclustr by NetApp**: A managed service offering for open-source data infrastructure that simplifies the management of open-source technologies like Apache Cassandra, Redis, and Kafka, crucial for running scalable, mission-critical workloads on the cloud.

EXPANDED RELATIONSHIP

NetApp's announcement of an expanded SCA with AWS advances the relationship between the companies, further positioning each company to support customers in AI innovation and cloud operations.

The impacts are wide-ranging:

ACCELERATION OF GENERATIVE AI

NetApp's **BlueXP workload factory**, in conjunction with **Amazon Bedrock**, will allow customers to extend their on-premises data estate for generative AI applications. By integrating proprietary enterprise data on **FSx for ONTAP** with retrieval-augmented generation (RAG) pipelines, NetApp and AWS will enable businesses to leverage foundation models (FMs) securely and at scale.

This integration allows organizations to build AI-driven applications and derive valuable insights from their proprietary data through retrieval-augmented generation (RAG).

The ability to run high-performance AI workloads securely on AWS with NetApp's data management capabilities addresses a critical need in AI adoption—combining secure, enterprise-grade data storage with AI models to enhance real-time decision-making.

CLOUDOPS AND COST OPTIMIZATION

The expanded collaboration extends NetApp's reach within AWS, including CloudOps. Leveraging solutions such as **Spot by NetApp** and **NetApp Cloud Insights** allows customers to optimize cloud performance, improve security, and reduce operational costs.

This allows NetApp to help companies undergoing cloud transformation manage cloud costs and optimize resource allocation, which are all primary concerns. NetApp's machine learning-driven solutions enable AWS customers to operate more efficiently while maintaining performance and security.

The expanded agreement makes NetApp's solutions more readily available on the AWS Marketplace, simplifying the customer procurement process.

This streamlined approach will make it easier for organizations to implement proof-of-concept projects and evaluate how NetApp's solutions can enhance their operations.

ANALYSIS

The broader implications of this announcement are clear. Enterprises face growing pressure to innovate, particularly with AI, while controlling cloud costs and ensuring operational efficiency. The expanded collaboration between NetApp and AWS directly addresses both challenges, making it easier for enterprises to integrate AI solutions into their cloud strategy while optimizing costs through advanced CloudOps tools.

It's important to highlight that NetApp is the only enterprise storage vendor with a first-party data storage service (Amazon FSx for NetApp ONTAP) natively built on AWS. This deep integration with AWS infrastructure positions NetApp as a trusted partner for enterprises looking to extend their data management capabilities into the cloud.

Additionally, NetApp has achieved over a dozen AWS competencies, reinforcing its expertise across multiple industry verticals like manufacturing, financial services, and industrial software.

These competencies validate NetApp's technical expertise, customer success, and ability to deliver enterprise-grade solutions on AWS. This long-term alignment gives customers confidence in NetApp's ability to support mission-critical workloads on AWS, making the expanded SCA even more impactful.

The updated Strategic Collaboration Agreement provides joint customers with a more comprehensive toolset for integrating AI into their cloud ecosystems while optimizing operational efficiency and reducing costs.

Partnerships like the one between NetApp and AWS are becoming increasingly vital for delivering the infrastructure, data management, and cloud services organizations need to stay competitive. This is a win-win for both companies, but more importantly, it's a win for enterprises that need advanced, integrated solutions to fuel their AI-driven growth and optimize their cloud operations.

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