IBM Stabs at Amazon Cloud

Written by Marco Attard
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"Whose cloud powers 270,000 more websites than Amazon?" IBM asks in a recent advert nestled within the Wall Street Journal. Apparently the answer is no other than IBM. But is Big Blue really bigger than the seemingly unbeatable Amazon?

"IBM cloud offerings also support 30% more of the most popular websites than anyone else in the world," the ad continues to claim.

But is the SoftLayer-powered IBM cloud truly larger than Amazon's AWS? According to Gartner the short answer is "yes." The long answer? SoftLayer underpins a number of shared hosting providers, such as GoDaddy and HostGator. Such hosts might not count as "cloud," but their numerous, small sites make up for sheer volume on the "long tail" of the market.

Thus, if one is to use the Big Blue yardstick GoDaddy alone hosts more sites than Amazon and SoftLayer combined, with 431087 sites compared to the 358532 on SoftLayer servers and 73821 on Amazon.

Then again, even if such marketing is technically accurate, the analyst still insists Amazon is the cloud provider to look out for. After all AWS powers 10% of the top 5000 websites in N. America, not to mention cloud capacity means more than mere hosting capability.

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But why is IBM campaigning directly against Amazon? Forbes points out a very possible answer-- IBM is crying foul over a recently stolen lunch. Back in October 2013, as per Bloomberg report, the US Court of Federal Claims decided against IBM following pleas for the CIA to reopen bidding on building its private cloud
. Oh, and the lucrative $600 million contract was won by none other than Amazon. Ouch!

"We are disappointed with the ruling from the US Court of Federal Claims, reversing the GAO's recommendation to reopen the competition and correct flaws in the bidding process," Big Blue stated back then, before claiming its offer "was superior in many ways, including being substantially more cost-effective."

Either way, Big Blue's recent take on market sounds somewhat petty. Will Amazon respond inkind, or will it retain some dignity?

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