Managed Remote-Access 1H03 Visionaries, Niche Players

Niche and visionary vendors on the North American Managed Remote-Access 1H03 Magic Quadrant can offer innovative services. Enterprises must evaluate if these vendors' execution is good enough to meet their needs.

Vendors on the North American Managed Remote-Access 1H03 Magic Quadrant (see Figure 1) serve enterprises that want partial or full help to connect, secure and support users who are outside the traditional enterprise boundary. The scope of our evaluation is based on North American enterprises as a buying center. Evaluation criteria for establishing Magic Quadrant positions are based on comparing data about vendor customer references, Gartner inquiry activity and other data sources to define a two-dimensional score for execution and vision (see "Managed Remote-Access 1H03 Magic Quadrant Criteria").
Figure 1
North American Managed Remote-Access 1H03 Magic Quadrant

Challengers

Leaders

Ability to Execute

Completeness of Vision

iPass
Fiberlink Communications
Aventail

TManage

Netifice Communications

Gric Communications
Axcelerant
OpenReach

As of March 2003

Source: Gartner Research (March 2003)

Visionaries

These vendors provide better-than-average breadth and quality of services, but they cannot compete as strongly as vendors ranked as leaders.

Gric Communications closely resembles iPass in terms of its business model and types of service. Gric is less visible because of its modest marketing and because it usually assumes a background role when partnering with other vendors to provide roaming dial-up services. In contrast, iPass aggressively portrays its role in any partnership. Most North American Gartner clients see Gric as a fill-in partner, rather than as a stand-alone player. In 2003, Gric is focusing more attention on building wireless coverage (it has a well-designed roaming client) and brand marketing. We believe that Gric should reduce efforts to develop bundled Gric Mobile Office applications, such as expense reporting and conferencing, because enterprises prefer and, in most cases, have already selected their office applications from leading application vendors.

Netifice Communications transformed from a hybrid service vendor (see Note 1) to a full-service data service provider with its 2002 acquisition of Epoch Networks. The acquisition generated a new sales channel because most of Epoch's legacy customer

Note 1
Hybrid Service Provider
A hybrid service provider is a carrier-independent vendor that creates a hybrid or mixed solution from a nonexclusive portfolio, and manages and supports the solution to achieve its clients' service-level agreements. Hybrid service providers can substitute an alternate service if any element in the portfolio, such as a data local-exchange carrier, ceases operations.

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base had not been exposed to Netifice. Netifice rebounded from challenges in 2001 that were caused by the expense of switching customers from failed digital subscriber line local exchange carriers. In 2002, Netifice won new business by selling traditional remote dial-up, frame-relay replacement and individual broadband access. Although Netifice shows continuing excellent vision, its execution ranking is lower than in 2002 because of rebuilding, and, relative to other players, it did not increase its brand awareness. Netifice is a worthy candidate for enterprises seeking a data service provider with a broad portfolio.

**OpenReach** is on the leading edge of network-independent managed access. OpenReach offers a pure software solution that appeals to enterprises wanting an open system that will run on any hardware platform, anywhere in the world, without depending on proprietary hardware. Hardware independence can speed up repairs because enterprises do not have to wait for hardware to be shipped; any local source for PC hardware is sufficient. The breadth and function of OpenReach's managed security, quality-of-service monitoring and real-time topology configuration controls are strong enough to earn the vendor a visionary ranking, although it does not have a roaming individual access solution. In 2003, OpenReach must line up some major systems integrators to represent it in high-value channels. Also, it must seek partners to add roaming-user access support.

**Axcelerant** has a well-designed service model for provisioning wireline broadband remote access with strong value adds for security, quality-of-service monitoring, billing consolidation and billing analysis. Axcelerant proved capable of winning managed service deals for clients that only want wireline broadband services. Client feedback has been positive. Axcelerant's breadth of value-added support was sufficient to place it in the Visionaries quadrant. Axcelerant's execution was not sufficient to earn a leadership ranking because, although feedback is positive, its public visibility in the market is poor. Enterprises reported that Axcelerant was their choice when they wanted less management and fewer features than offerings from FiberLink Communications or Netifice. Axcelerant's complete focus on broadband also means that it only provides a partial solution for enterprises still focused on dial-up services. In 2003, Axcelerant should build more remote-access partnerships and market aggressively to raise brand awareness.

**Niche Players**

These vendors deliver good value for limited-scope, access service needs. However, they do not drive changes in market vision or compete with the execution styles of challengers and leaders.
Sprint’s visibility as a managed remote-service provider was muted and did not increase through 2002. Sprint often tends to bid very low when appearing in contracts, but clients reported that the breadth of service initially offered often is limited. In addition, Sprint’s aggressive focus on personal communications services (PCS) solutions was promoted a little too heavily to enterprises focusing on wireline dial-up and broadband access. A strategic relationship with iPass has helped Sprint to bolster wireline points of presence in competitive evaluations. In terms of general visibility, Sprint does not focus much marketing on its nonwireless managed remote-access offering, which is buried in the company Web site and poorly promoted by sales. In 2003, Sprint needs to back away from hyping PCS, and concentrate on mainstream technologies for fixed and roaming remote access.

Other Vendors

Several vendors were not ranked in the 1H03 Magic Quadrant because they generate little or no client inquiry for the context of this research, although they offer remote-access solutions. These include EarthLink, Exario Networks, Focal Communications, Infonet Services, IP Dynamics, McLeodUSA (formerly Intelispan), Atrion (formerly mVPN), Qwest Communications and SmartPipes. Genuity and SBC Communications did not respond to requests for information, and Verizon declined to participate. Imperito no longer focuses on managed services.

Leaders and Challengers

"Managed Remote-Access 1H03 Leaders, Challengers" examines vendors in the Leaders and Challengers quadrants.

Bottom Line: In a hybrid remote-access market, no single service provider or access technology will meet all of an enterprise’s remote-work needs. Therefore, enterprises should plan for a multicarrier solution, and should evaluate new services based on the quality of hybrid proposals. Niche and visionary vendors often will play an important secondary role, either with unique technologies or specific geographic coverage. Therefore, enterprise should craft their remote-access requests for proposal to clarify if all or part of the total requirements will be awarded to a particular vendor, and to ensure that prices cannot be changed if a vendor gets only a small piece of the business.