

Independent Data Center Alliance: Transforming Challenge into Opportunity

By: Jeana Durst

Data is the new oil. You have heard this phrase circulating in the industry for a while, but have you considered the gravity of this new reality? In 2017, [The Economist](#) stated that data had officially surpassed oil as the world's most valuable resource. And the growth continues: According to [Forbes](#), humanity's current rate of data creation is doubling every two years, and by 2025 researchers expect that the amount of data will double every 12 hours. In Structure Research's [2019 Global Colocation Report](#), the global data center colocation and interconnection (DCI) market is set to grow at a rate of 10.4 percent to \$44 billion in 2019. In this type of environment, providing companies with access to independent data centers becomes absolutely essential.



Yet that access is not often easy to obtain. When only the largest data centers in the world have a resounding voice in the marketplace, finding equal opportunity can be a daunting challenge for emerging and independent data centers. Consider that “hyperscalers” such as Amazon and Microsoft hold the keys to about 70 percent of the current data center demand—and imagine the marketing and communication budgets they have. “The giants are growing and single owner-operator providers are struggling to find their voice in a market where competition is fierce,” says Ilissa Miller, one of the founders of the Independent Data Center Alliance and a 20-year industry veteran and CEO of iMiller Public Relations, a global public relations and marketing firm focused on the communications infrastructure sector.

An advertisement for Pipeline Dynamic Webinar Services. The background shows a group of business professionals in a meeting. The text is overlaid on the image. At the top, it says "Dynamic Webinar Services" in white. Below that is a list of bullet points: "Superior Production Quality", "Engage Executive Buyers", "Extensive Lead Generation", "Expert Moderation", "Speaker & Presentation Support", and "Advanced Webinar Platform". At the bottom of the list is an orange button that says "REQUEST WEBINAR INFO". The Pipeline logo is in the bottom left corner. At the very bottom, there is a line of text that says "Click this ad for more information" with a play button icon on the left and a close button icon on the right.

Establishing the Independent Data Center Alliance

This particular challenge provided the impetus for forming the Independent Data Center Alliance (IND-DCA), which officially kicked off at ITW 2019 on June 24, 2019 in Atlanta, Georgia. That launch was the fruit of rigorous conversations and extensive research between Miller and Tom Brown, president and CEO of DataGryd, who co-initiated this effort after recognizing and agreeing to the vital need. “We wanted to create an opportunity for independent operators to have a fair share of voice in the market so customers who are looking for good partners can consider them as well as the large partners,” Miller says. By definition, the IND-DCA is a consortium of independent data center and carrier hotel operators engaged in joint go-to-market

initiatives that include commercial agreements that co-market and co-promote their individual facilities as a collective.

Three other founding partners joined Brown and Miller to establish the initiative: Bluebird Underground, maincubes and Colocation Northwest. Together, these leaders designed the IND-DCA to allow member companies the space to promote specialized offerings while at the same time unifying to leverage the collective power of a network of partners throughout the world. Within this diverse member group, founding partner Michael Morey, President and CEO of the Bluebird Network and the Bluebird Underground Data Center, can promote the benefits of his security against natural disasters and uptime disruptions at his unique underground data center facility in Springfield, Missouri, alongside Brown at DataGryd, who leads a premier data center provider and international data network hub in New York City at 60 Hudson Street. Though the companies are distinctly individual—and intentionally geographically unique—they all share the similar goals and messaging challenges of operating in the dense market noise of industry titans. In addition, the concept of a grouping of independent data centers that can work together to create a service profile that matches one of a large company but that can provide a more personalized customer service experience appealed to founding partner Stephen Milton, CEO of Colocation Northwest (a division of Isofusion) and the largest independent data center and ISP in the Pacific Northwest.

Strengthening the marketing message

A sales advantage is a natural outgrowth of stronger messaging as the IND-DCA provides accessibility to independent operators for redundancy, resilience and boutique customer services. Operators, however, must be sure their messaging is also on point. Sue Schaefer, Director of Business Development at Bluebird Network and Bluebird Underground, underscores a problem common to smaller data center providers: “Unique challenges arise when your sales force is located in the Midwest and your customers are national,” she says. Many independent data service operators must focus precious time on technical capabilities rather than marketing and possess limited knowledge of how to effectively reach their target market, particularly where they are not physically located. Membership provides these operators access to marketing materials and plans designed by a public relations firm with deep reach and understanding of niche market locations, as well as access to the combined historical knowledge of the collective. In his 26 years in the industry, Brown has seen almost as many changes as the iconic 60 Hudson Street facility, which once housed Western Union in the 1930s. He explains that while today’s data center footprints may be smaller, the power needs of companies are growing substantially. “Another change that companies must contend with is the connectivity burden from a pricing perspective,” Brown says.

Sharing education and time-tested strategies with industry veterans is appealing to members like Schaefer, whose role requires a focus on how to best position her company for growth. “We need referrals, joint marketing campaigns and sharing from other members about how to improve visibility,” she says. The IND-DCA takes a collaborative approach to solving these types of problems, including others, like how to overcome the high cost and effort to identify leads and a restrained budget for hiring.

A priority of the IND-DCA is to seek increasingly innovative solutions that help smaller operators keep pace with an evolving corporate climate, in the same way the on-demand economy has evolved to serve individual consumers with brands like Lyft or Shipt. For instance, the IND-DCA hosts a member portal with resources for smaller companies that may prefer to “self-serve” themselves with tailored marketing solutions or a one-time campaign. This member-only portal includes services ranging from locating an up-and-coming expert speaker for events to accessing information that historically only individuals at large operators could obtain, like research, tech lists and market data. Miller explains, “I envision the IND-DCA to be a go-to for buyers, investors, and other major data center operators who are looking to partner or need secondary or tertiary sites in new markets. It should become a marketplace for anyone interested in the data center space to look at who are the emerging players from a variety of perspectives.” Centralizing resources is key to ease of access for members.

Finding opportunities in a growing market

With more extreme upticks in data demand just around the corner, the benefits of aligning will likely extend beyond marketing wins, too. For instance, Miller points to how the consortium can leverage opportunities in a growing market as companies are increasingly looking for acquisitions. Particularly important to those potential buyers will be the vetting process required for members to join the IND-DCA, which aims to assure buyers that member data centers are incorporating the highest standards. Common best practices examined for potential member companies include the use of biometric scanning, gated perimeters, multiple levels of authorization for access, and compliance with PCI-DSS and HIPPA, to name only a few metrics. This quality and security assurance is an asset that members appreciate. “We are proud to be part of a data center alliance where all members are committed to quality, availability, carrier neutrality, data protection and security,” says Joris te Lintelo, Vice President of Frankfurt, Germany-based maincubes and founding member of the Independent Data Center Alliance.

Milton emphasizes that the need for networking and finding the right types of customers remain two of the greatest challenges for most providers of their size. “We know customers in our region, but our centers are just as useful to people in Dallas or Florida, so we need good access to people outside our backyard,” he says. Much like the fiber that carries the data, the IND-DCA is a connector. For example, Chicago-area company Data Holdings, a Tier-III Enhanced commercial data center architected to provide colocation, cloud and web hosting solutions, has joined the ranks of the IND-DCA after engagement with the DataGryd team during an ITW networking event. “The differentiators with the IND-DCA are the key relationships you have with those companies, the unique locations, the details of types of service and capabilities,” Miller says. With every new member and each new event, the voice of the independent data center operators grows a little louder, garnering rightful attention in the marketplace.