Data Expedition, Inc. aims to help enterprises get data into the cloud faster

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From 'sneaker net' to Snowball, large-scale data migration is a pain, but DEI offers a networking twist to help enterprises transfer data faster. The long-standing software company is trying to capitalize on its strengths to gain traction in the cloud transformation and cloud migration market.

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Introduction

From 'sneaker net' to Snowball, large-scale data migration is a pain, but Data Expedition, Inc. (DEI) offers a networking twist to help enterprises transfer data faster. DEI is a long-standing software company that is trying to capitalize on its strengths – its patented file-transfer technology, profitability and strong partner uptake – to gain traction in the cloud transformation and cloud migration market. It sells a proprietary technology, not based on WAN acceleration, that it says can transit data much faster than regular network speeds. It reports recent rapid growth based on demand from partners, and it is looking to get in front of more potential enterprise customers.

451 TAKE

It bears repeating that the network is the current choke point for development and service delivery. CPU and storage are (relatively) limitless and cheap in the cloud, but the minute you try to send data over the network to other environments or to applications or customers over the internet, things slow to a relative crawl. This is compounded by the fact that we are drowning in new and superabundant sources of data that has the potential to be valuable if only it can be moved at the speed of cloud. This dynamic explains DEI's recent good fortune, and it is pursuing a sound strategy for a small software house to expand its footprint. Working with partners to drive adoption either in their products or services or through app marketplaces will let DEI explore its enterprise potential beyond its initial stronghold of media and content firms. It tackles a problem many organizations have given up on or solved with expensive solutions and says it offers a demonstrable improvement to operations without much disruption, which should help it close some sales.

Context

Founded in 2000, DEI sells an array of lightweight file-transfer software products for use on-premises and across multiple cloud computing environments. The company reports that it is profitable and has hundreds of customers representing thousands of users. It has partnerships with four of the major cloud providers – Amazon Web Services, Microsoft Azure, Google Cloud and Oracle Cloud – as well as an array of smaller providers, integrators, telecommunications companies and content service providers.

Strategy

DEI's primary strategy is to gain new partners to augment its existing sales avenues. The company says its partner revenue has grown to more than 50%, driving substantial growth overall, and it wants to build on that rather than try to plump up its staffing for direct sales, which it will continue to offer. It also intends to keep its software products lightweight and focused entirely on file transfer so they will be simple to use and easy to integrate into existing infrastructure operations.

Some of its provider partners are also customers, such as VoIP telecom provider 8K Miles and streaming content services provider Amagi. Other partners are storage players, like Cloudian and StorageDNA, that have integrated DEI software into their products. Most of DEI's notable direct customers – like Disney, ABC and the Associated Press – are media and content producers that

prioritize streaming content and data management of very large amounts of data. Other customers include the US Army, US Air Force, law firms and enterprise software makers. DEI reports that some customers regularly move as much as 15TB across their networks and into remote environments in a working day.

Technology

The (not so) secret sauce in DEI's products is its patented Multipurpose Transfer Protocol (MTP) that replaces the standard Transmission Control Protocol (TCP) in the networking stack. The great majority of networks, as well as the internet, use TCP/IP and have done so for decades. It is reliable and robust but not built for speed. DEI's MTP/IP stack is built for speed; it is based on the User Datagram Protocol (UDP), another long-standing networking protocol. DEI uses proprietary algorithms to manage and optimize its network traffic to maximize speed. Because it is based on standard network protocols, the company says it will work with most networking technologies, including WAN acceleration appliances and security appliances that monitor network traffic. DEI has three products:

- ExpeDat: file transfer servers
- CloudDat: the same, configured for use with AWS and so forth
- SyncDat: file syncing for backups and other purposes

DEI also offers development and integration support. The software has been developed for Windows, Linux, Solaris, FreeBSD and AIX operating systems and runs as a lightweight stand-alone server with a simple user interface and open APIs.

Competition

There are a lot of companies finding creative ways to get around the sluggish nature of the internet – to speed up the massive amounts of data that are becoming the norm for every vertical. DEI says it competes with companies like IBM Aspera, Signiant, FileCatalyst, Google Cloud's Storage Transfer Service, and the QUIC file transfer protocol, also based on UDP and targeted initially at browsers to speed up streaming and downloads. CDN Akamai supports QUIC, and Facebook uses it as well.

SWOT Analysis

STRENGTHS	WEAKNESSES
Its patented technology remains tightly focused and effective over a long period. DEI is a profitable, experienced company with strong partner uptake.	It is a small software shop without a lot of resources for large-scale outreach or visibility.

OPPORTUNITIES	THREATS
Fixing the bottleneck that is the network is a virtually boundless opportunity, especially as data quantities continue to balloon.	DEI runs the risk of getting lost in the scrum or being 'out-innovated' by other file-transfer-acceleration products.