

## Making sense of NetApp and Data Domain

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NetApp's acquisition of Data Domain is interesting on a number of levels.

NetApp has always viewed Data Domain as a competitor in dedupe but rather than fight the battle, their strategy was to give it away for free as a feature. Now with the \$1.5 billion acquisition, all of a sudden dedupe is a revenue generator. Are NetApp customers who are deduping primary storage for free now going to pay a premium to dedupe backup data?

There is probably going to be a good dose of engineering to integrate the two dedupe systems. If you are a current NetApp customer deduping your primary storage today, what does the backup flow (with dedupe/rehydration) look like when you add a completely separate deduplication system for backup? This is further complicated by NetApp's WAFL file system.

Gone is Data Domain's disk storage. NetApp CEO Dan Warmenhoven made it pretty clear that Data Domain's gateway appliance was going to be the featured deliverable and specifically mentioned it's interoperability with multiple disk vendors. Data Domain has sold their gateway appliance for awhile, but it was never a focus of their direct sales team but was attractive to vendor resellers such as HDS. Coincidentally, HDS will surely flee Data Domain/NetApp just as they dumped Diligent after it was acquired by IBM.

The strength of the acquisition will rest with NetApp's ability to keep the two companies separate but complimentary to each other. Despite the denials, the culture of the two companies are very different - at least to the end user. If you've ever dealt with both companies, Data Domain has a distinct "box pusher" mentality while NetApp is very "solution" (engineering) focused. To succeed, they will have to leverage the strengths of both companies by keeping them separate.