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## **“Chance of Clouds” is Long Term Forecast as More Small Businesses Turn to Cloud Based Services and Solutions**

***Survey Shows Majority of Small-to-Medium Enterprises Plan to Increase Cloud Software Spending in 2011***

**Mountain View, Calif., March 1, 2011** - In the cloud is where you will find many small-to-medium enterprises (SMEs) as they increasingly embrace cloud based services to meet the demands of today’s dynamic business environment. A recent survey of resellers commissioned by Egnyte, a leading provider of [cloud file server](#) solutions, revealed that a majority (74 percent) of SMEs plan to increase cloud software spending in 2011 and more than half (52 percent) plan to increase collaboration software spending.

“Cloud services provide the flexibility and mobility required in today’s business environment,” said Vineet Jain, CEO of Egnyte. “As organizations increasingly employ virtual and remote work models, in addition to coordination with vendors and other stakeholders, cloud services provide the tools and access they need to remain connected and productive.”

“Everywhere” is the new work location and “anytime access” to business data is a growing need. Thirty-eight percent of resellers indicated that all of their customers would benefit from cloud storage services. Another 40 percent indicated that half of their customer base would benefit and only 2 percent of resellers believed that cloud storage does not offer any benefits to their customers.

The business landscape today is extremely dynamic and projects require coordination between multiple locations and/or companies. Cloud services facilitate data access and collaboration for onsite and remote work teams without the prohibitive costs associated with purchasing and maintaining on-premise file servers. The survey revealed that 78 percent of respondents believe hybrid cloud storage solutions are viable file server replacements for SMEs, particularly as SMEs address key concerns including reliability, off-line access, security and latency issues associated with pure cloud-based solutions.

The top SME industries buying cloud services are Professional Services (79 percent), Financial Services (60 percent) and Healthcare (42 percent).

### **About the Study**

Egnyte conducted the study from January 19, 2011 to February 19, 2011. Over 125 resellers answered an online survey by Zoomerang.



## About Egnyte

Egnyte addresses the critical infrastructure needs of enterprises, small businesses and professionals - [file storage](#), [backup](#), [sharing and collaboration](#) - in one secure, [centrally-managed](#) and easy-to-use solution. The company's hybrid cloud technology combines the accessibility and flexibility of cloud storage with the robust performance and speed of local storage, and automatically synchronizes changes made to local and cloud files. Egnyte Cloud File Server ensures that users have reliable and fast access to the files they need – anytime and anywhere. Egnyte is based in Mountain View, California, was founded in 2006 and is privately financed. For more information, please visit [www.egnyte.com](http://www.egnyte.com) or call 1-877-7EGNYTE.

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