



# Going global while staying local

Edarat Group brings hybrid multicloud services in house with IBM Cloud Satellite

by Kristin Fern Johnson

6-minute read

**K**eeping sensitive data safe is an ongoing challenge in today's global technology landscape. Every country has its own rules about how data is stored, managed and accessed. In Saudi Arabia, the government takes that responsibility very seriously.

So much so that its 2030 Vision, the country's strategic plan for economic and societal growth, stipulates that data from regulated industries — such as finance, healthcare, government, oil and gas, education and insurance — must reside in data centers within the country.



Edarat Group, a data center and information and communications technology (ICT) firm headquartered in Saudi Arabia, is well versed in that requirement. Founded in 2004, the company specializes in advisory and IT consulting, data center engineering, smart cities and smart building (IoT), data center relocation and workload migration. And in 2014, the company launched a new line of business as a local private cloud services provider.

“We were an early adopter,” says Jihad Nehme, Principal Consultant and Head of Cloud Services at Edarat Group. “At the time, the cloud wasn’t regulated in Saudi Arabia and companies were hesitant to move their customers to

it. So initially, we mostly provided disaster recovery as a service. Over the years, regulation started kicking in — data sovereignty integration appeared. Many people were using public cloud services and had to bring them in country. And this is where we started expanding.”

Fortunately, Edarat Group was well-equipped for the challenge. “We are registered as a Class C cloud services provider with the Communication Information Technology Commission (CITC), a Saudi Arabian governance agency and the cloud services regulator,” says Nehme. “It is the highest class of security and qualifies us to deal with all public and private

sectors qualified to deal with restricted, secret and top secret data.”

In 2021, Edarat Group was ready to move into the next phase as a cloud services provider. To do so, it sought to partner with a global cloud services provider that could enhance its private cloud offering with public cloud capabilities, thereby providing the flexibility, scalability and ease of a hybrid multicloud environment.

“Our model in Saudi Arabia is virtual private cloud for business,” says Nehme. “We weren’t looking to be a public cloud provider. We wanted to build our cloud in an agile model, providing multiple cloud services without comprising on security or availability.”

“With IBM Cloud Satellite, EdaratCloud has become a local CSP with international capabilities. And this is the major differentiator among all providers in Saudi Arabia.”

**Jihad Nehme**, Principal Consultant,  
Head of Cloud Services, Edarat Group

Edarat Group deployed  
the IBM Cloud Satellite  
solution in

3

data centers in Saudi Arabia

The solution was  
implemented in just

2

weeks

# Opening the doors to hybrid cloud

Edarat Group turned to IBM to provide the cloud services capabilities it sought. With the [IBM Cloud Satellite®](#) solution, the company can run workloads in hybrid cloud environments while keeping its data in Saudi Arabia. The company considered other international cloud services providers, but most either weren't available in Saudi Arabia or were hardware-intensive — and none featured IBM Cloud Satellite's robust set of capabilities.

“IBM Cloud Satellite enabled us to provide the experience of the public cloud while maintaining data



sovereignty as a local cloud service provider,” says Nehme. “We were able to open up the way to the IBM Cloud services catalog, including the [Red Hat® OpenShift®](#) containerized foundation, as well as the automation, integration and data management capabilities of the IBM Cloud Paks,” he continues.

With the IBM solution, Edarat Group now offers platform as a service (PaaS) capabilities on top of its existing infrastructure as a service (IaaS) offering. “This gave us a competitive advantage, because no other local cloud providers in Saudi Arabia have this type of integrated solution. Plus with a multicloud platform, we become a one-stop shop for providing cloud services to clients with workloads running in different types of

environments, so they don’t have to refactor or change their applications. They can just do a lift and shift — it becomes much easier.”

Implementing the solution within Edarat Group’s three data centers — geographically distributed between Riyadh and Jeddah and spanning a 950 km distance — took a mere two weeks. “It was a quick win for us,” says Nehme, “enabling us to rapidly expand our services catalog. If we were to do this internally, it would require a significant time investment. Achieving the same quality of service would have been nearly impossible in such a short time.”

For IBM, Edarat Group was also an excellent fit as a Saudi Arabian cloud

client and partner. “Our roots are in systems integration. We understand all the layers, from the data center to infrastructure to security to the application,” says Nehme. “We believe IBM recognized that we were ready to transform and grow quickly. We also were very familiar with the OpenShift platform and understood its strengths.”

“Many of our customers currently run traditional applications on virtual machines (VMs),” he continues. “Running many applications in this type of environment requires several types of testing environments for each application, which incurs costs for the VMs, hardware, operating systems and application licenses. By modernizing with OpenShift, the customer can have a multitenant development

environment all in a single OpenShift cluster. Customers save on hardware, software and operating systems, because they only have one operating system instead of potentially dozens.”

Customers also benefit from autoscaling capabilities. In a traditional setup, servers are sized based on the maximum load during peak times. With Red Hat OpenShift containerization, customers pay based on how much they consume, automatically scaling resources up and down to accommodate peak and low times. Customers also have a lot of agility in terms of deploying and rolling out changes quickly into production in a safe manner.

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**Jihad Nehme**, Principal Consultant, Head of Cloud Services, Edarat Group

# Partnering for the win-win

Moving forward, Edarat Group anticipates IBM Cloud Satellite will help open the way for the company's customers to undergo their own digital transformations and spur new ways of doing business. Currently two customers have completed successful proofs of concept (POCs) and are poised to begin using the solution. And there are many other opportunities on the horizon.

One such opportunity is in digital banking. "This is an area that is really picking up in Saudi Arabia," says Nehme. "We recently did a POC for



a bank and were able to demonstrate how containers as a service works. It's a fully managed platform as a service using OpenShift." Edarat Group also was able to demonstrate the potential benefits of IBM Cloud Pak® technology as well as IBM AI solutions.

The company is working on a "bank in a box" solution for small banks that want to enter the digital banking market. To that end, Edarat Group is mapping the capabilities digital banks require to its own and packaging relevant IBM Cloud® services to provide them as a service in a timely and cost-effective way.

"But it's not just digital banking," says Nehme. "IBM is a pillar in the financial sector. Many larger banks already use IBM Cloud Paks and other IBM services. With IBM Cloud Satellite, they can

offload those workloads from their on-premises data centers to the cloud."

The company also foresees the possibility of working with the government on its plan to develop an IaaS offering, ultimately expanding it to PaaS and eventually software as a service (SaaS) — capabilities currently only possible in Saudi Arabia through the IBM Cloud Satellite partnership.

Even some smaller, non-regulated businesses can benefit from the solution. In Saudi Arabia, no other provider offers cloud-native managed platform services. With the Edarat Cloud solution, an online food ordering or ride-sharing application, for example, could access IBM Cloud services to run the cloud-native application locally.

The teamwork between Edarat Group and IBM doesn't stop with its joint offerings. Edarat Group is slated to become a publicly traded company on the Saudi Arabian Stock Exchange in 2022. Throughout the approval process in 2021, IBM assisted the company in meeting the application requirements and building a winning case.

That collaboration has been a win-win for the two companies — and for their future partnership. "It's a good fit. With IBM Cloud Satellite, EdaratCloud has become a local CSP with international capabilities," concludes Nehme. "This is something I always emphasize because it is really what the partnership has led to. And this is the major differentiator among all providers in Saudi Arabia."



### About Edarat Group

[Edarat Group](#) (external link) is a data center and ICT firm headquartered in Riyadh, Saudi Arabia. Founded in 2004, the company provides IT consulting, data center engineering, smart city and smart building technology (IoT), workload migration and cloud services. Its primary customers include financial institutions, telecom operators, government organizations, healthcare providers and colocation service providers. In addition to Saudi Arabia, it has locations in the UAE, France and Lebanon.

### Solution components

- IBM Cloud Satellite®
- Red Hat® OpenShift®

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