

## North American Managed Remote Access Magic Quadrant

**Users and businesses want maximum flexibility to make connections anywhere, anytime. This level of convenience and privacy will be delivered by hybrid managed service providers.**

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### Core Topic

Enterprise Networking: Network Service Providers and Services

### Key Issue

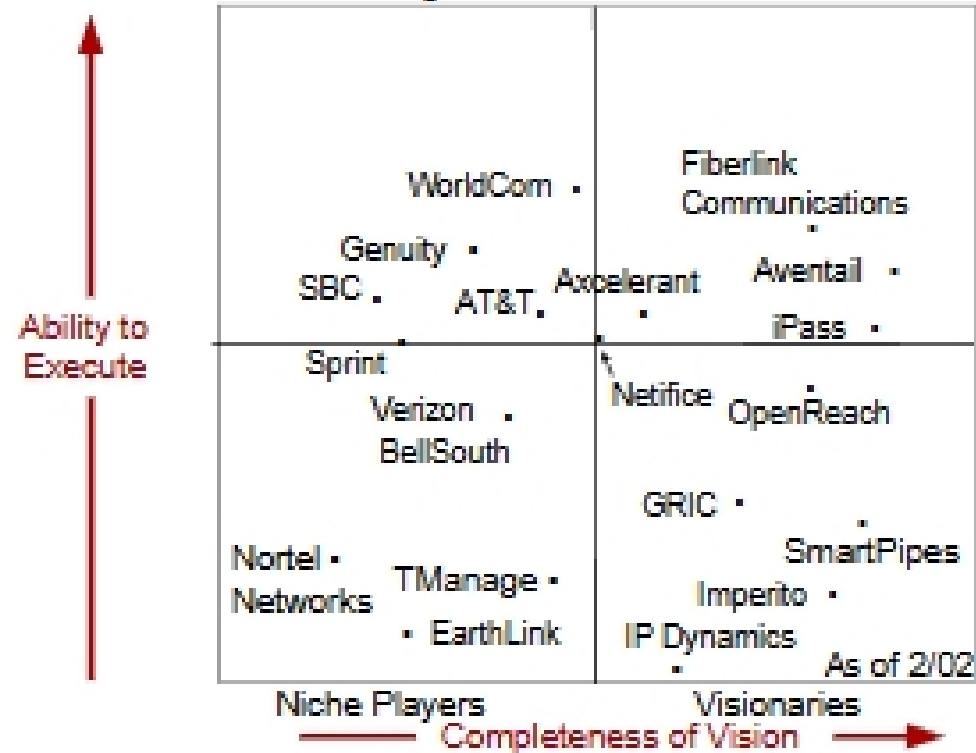
Which network service providers can enterprises depend on for essential network services?

The managed remote access market has evolved in the last two years from roaming analog dial service to a broad portfolio of virtual private network (VPN), Internet, dial and broadband technologies, with expanding options for wired and wireless travelers. Enterprises want supported, managed access that works over any network, anytime, anywhere. Thousands of vendors claim to be remote access providers to varying degrees. Many of these claims are true but superficial — an attempt to attract business by riding the Internet and VPN hype cycles.

Vendors in this study have generated visibility with North-American-based enterprise clients by cultivating reputations for managed remote access services, which include combinations of edge access, network backbone services, configuration assistance, reports and help desk. Not all of the companies reported in our Magic Quadrant (see Figure 1) have identical business models. Instead, the market has been segmented, by quadrant, according to the breadth of services that vendors are effectively delivering to Gartner clients. The criteria for each of the four quadrants follow.

### Gartner

**Figure 1**  
**Remote Access Managed Service Providers Magic Quadrant**



**Legend**

- GRIC = GRIC Communications
- Imperito = Imperito Networks
- Netifice = Netifice Communications
- SBC = SBC Communications

Source: Gartner Research

**Defining Leadership.** To be defined as a North American leader, remote access vendors must follow a primary business model that recognizes the inevitability of multivendor remote access solutions. Gartner clients overwhelmingly prefer vendors that offer tailored, rather than template, solutions. Leaders must be flexible enough to create a hybrid solution from a nonexclusive portfolio, and to manage and support the solution so that the client receives the expected service-level agreements.

A leader must also be ready to substitute an alternate service if any element in the portfolio, such as a data local-exchange carrier (DLEC), might cease operations. Leaders in this definition tend to be startup companies with minimal investments in physical networking equipment, real estate and employees.

Leaders will select the best combination of product and service providers that they can deliver for the needs of a particular client. Leaders can and will contract for services and partner with other vendors in all areas of the Magic Quadrant. Leaders have earned important contracts with Gartner clients, and have demonstrated outstanding flexibility — although as smaller companies and startups, they may have limited local support outside North America and represent a higher risk than a legacy network service provider.

Feedback from clients must be overwhelmingly positive. Leading vendors should be on the short list for clients that seek a single point of contact to manage and provision broad remote access projects. Prominent in this quadrant are Fiberlink Communications, Axcelerant, iPass and Aventail. Fiberlink and Axcelerant have solid, growing client lists for site-to-site and individual remote access contracts. iPass and Aventail are pioneers in executing visionary remote access. Aventail focuses on providing managed secure Web portals or thin client access — which Gartner believes will eventually surpass full VPN. iPass has broken new ground by creating a managed virtual footprint of visitor-based points of presence that rivals dedicated equipment — a trend that Gartner believes is strategic to mobile and wireless computing. Netifice has made progress in delivering its vision, but faces a strong showing from competitors winning new business.

**Challengers**, in this analysis, tend to be incumbent telco service providers or Internet service providers that appeal to risk-averse enterprises because of larger size, established network services and long history. Challengers are constrained by their size, larger business issues and long-term capital investments, which make it difficult to offer detailed personal and custom attention to remote access in a rapidly changing market.

Challengers may arrange for hybrid, third-party service, but with limited accountability for coordination, support and billing. However, behind the scenes, Challengers are cutting deals with startups to fill gaps in their offerings. Prominent in this quadrant is WorldCom, which, among legacy providers, is exceptionally assertive, competitive and visible in North America. WorldCom was among the first major service providers to sign a deal with a pure-play VPN management vendor, SmartPipes, which enhances the ability of WorldCom clients to configure multisite VPNs.

SBC Communications' influence as a Challenger is growing through expansion by acquisition of other local-exchange carriers and by closer relationships with Covad Communications. AT&T held on to a Challenger position by acquiring digital subscriber line (DSL) footprint from NorthPoint Communications, expanding its commitment to IPVPN and MPLS, and by increasing focus on customer service throughout 2H01.

Gartner client interest and follow-up regarding Sprint's remote access services trailed WorldCom, Genuity and AT&T in 2001. Execution could improve as a result of being relaunched in 2002 under Sprint's Managed Network Services umbrella.