IBM

Worldgate finds winning ISP strategy with IBM and Linux.

Overview

- **Application**
  Infrastructure for B2B and B2C Internet access service
- **Business Benefits**
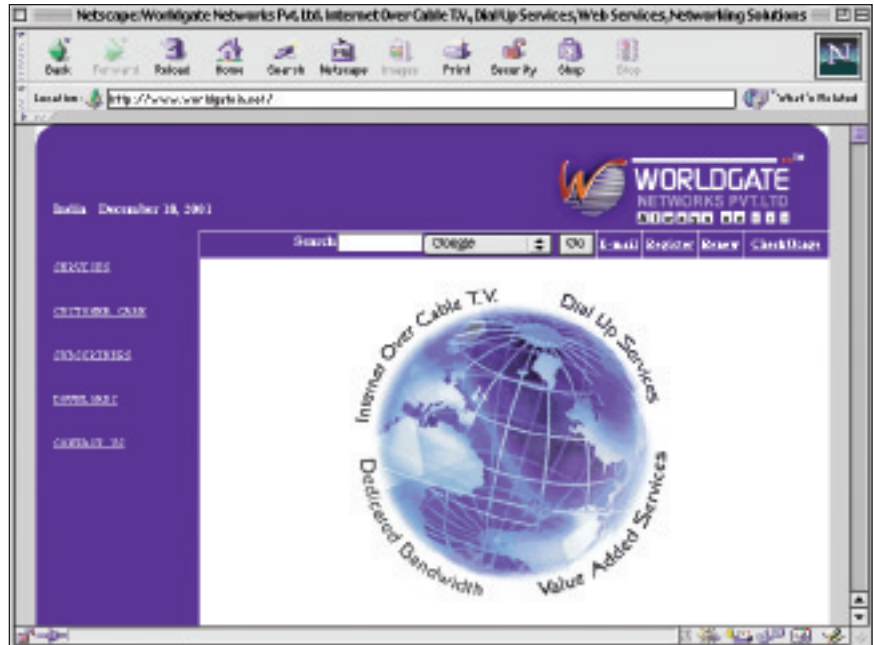 100% availability during 18-month period; performance benchmarked at 10,000 hits in 4 hours; ability to start small and grow fast
- **Software**
  Red Hat Linux®
- **Servers**
  IBM Netfinity®; IBM RS/6000®

IBM provided Indian ISP Worldgate with the technology platform it needed — Netfinity servers running Linux — to successfully navigate the competitive market.

The free market for Internet services has existed in India for only three years, but that has been enough time for enterprising ISPs like Worldgate Networks, Pvt. Ltd. (Worldgate) to discover what to do, and what not to do, to succeed in this competitive marketplace.

Says Kailesh Rajdev, managing director of Worldgate, "We had to change direction almost immediately after we started up. For a while, we weren't sure if we would be able to acquire the IT capabilities we needed fast enough to keep our business operating."

"Thanks to Linux and IBM, we have a cost-effective, manageable infrastructure and a roadmap for future development."

– Kailesh Rajdev, Managing Director, Worldgate Networks, Pvt. Ltd.

An experienced cable TV provider in Surat, Gujarat, since the early 1990s, Worldgate quickly went to market with cable modem Internet service when the Indian government ended its monopoly on Internet services in 1998. But the Internet for cable TV

was too costly for the local market, and there were problems with India's cable infrastructure. It was necessary to switch quickly to dial-up Internet services, an area in which the company had no IT experience, and no infrastructure at all.

With the help of IBM, however, Worldgate found the infrastructure it needed as well as an experienced mentor that could help the company avoid mistakes, minimize its costs and create a successful business strategy. The IBM solution consists of scalable, reliable IBM Netfinity servers running Red Hat Linux.

Since Worldgate launched its dial-up ISP business, it has experienced 100 percent availability with the Netfinity servers running Linux. And the performance of its Internet access service has been benchmarked at up to 10,000 server hits in four hours. "Thanks to Linux and IBM," says Rajdev, "we have a cost-effective, manageable infrastructure and a roadmap for future development."

Building a future on Linux and Netfinity
Now the company has five Netfinity appliance servers, each running a different service: network, domain name server (DNS), e-mail, caching, and network monitoring service (NMS) and Web serving using Apache. An IBM RS/6000 server running Linux

houses the firewall. Using Java™ technology and open source software such as, PERL PHP, Sendmail and Jabber, Worldgate has developed an e-mail client, an auto-provisioning product (customers buy a CD-ROM from a store and set up their own accounts online), instant messaging, a chat client and Web mail for corporate clients. The company has 3,000 subscribers and earned US$212,000 in revenues in its first year.

With IBM's assistance, Worldgate will expand into four additional cities in the state of Gujarat, where it hopes to quickly add 12,000 subscribers. The company is now focusing on selling its customer base higher-margin products, such as Web mail, virtual private network (VPN) service, enhanced security and virus scanning for e-mail. In the future, Worldgate plans to offer Web site hosting and e-commerce services. When it does, it will evaluate IBM software for Linux, including IBM WebSphere® Application Server and IBM WebSphere Commerce Suite.

Discovering IBM's resources
A trade show exhibition turned out to be the defining moment for Worldgate's future. That was when Rajdev discovered the richness of IBM's product and service offerings. Comments Rajdev, "I realized that IBM had a whole range of resources that could help us. In fact, IBM proved an indispensable guide on how to do ISP business in India's new Internet marketplace."

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