

'Cloud' computing market 14 bln dollars by 2014: Gartner

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A man uses a laptop computer at a wireless cafe. Industry tracker Gartner forecast on Monday that revenue from Internet-based "cloud computing" will top 14 billion dollars annually by the end of 2013.

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Revenue from businesses using software programs hosted online as services in the Internet "cloud" should tally 7.5 billion dollars this year, a 17.7 percent leap from 2008, according to Gartner.

The trend toward cloud computing, or Software-as-a-Service (SaaS), has accelerated during the economic crisis.

Cloud computing lets firms essentially rent text, spreadsheet, calendar or other programs as needed and avoid the cost of buying, installing, updating and maintaining software on workplace machines.

"The adoption of SaaS continues to grow and evolve within the enterprise application markets," Gartner research director Sharon Mertz said, referring to business computer networks.

Vendors are responding to the growing market by expanding the kinds of business computing services hosted online, according to Mertz.

Microsoft on Monday announced a pact with Taiwan's Chunghwa Telecom Co. (CHT) to collaborate on cloud computing services.

The companies will work together to "deliver a new generation of seamless, connected experiences that bring the power of [cloud computing](#) to consumers and to business" in Taiwan, said Microsoft [chief executive Steve Ballmer](#).

Joint efforts will include a datacenter optimized to host online services for businesses and new cloud offerings for users of personal computers, smartphones, and televisions, Ballmer said in a statement.

"We hope that our strategic alliance with [Microsoft](#) will result in a more convenient mobile experience for consumers," said CHT chief executive Shyue-Ching Lu.

"The combination of Microsoft's innovative technologies and CHT's resources is intended to accelerate the application of cloud technologies on actual services, bringing consumers convenient services and fresh user experiences."

Microsoft's fortunes were built on selling [packaged software](#) such as

Windows operating systems and Office work programs but the US technology colossus has been gradually adapting to an inexorable market shift to the cloud.

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