

Amazon Web business jumps 40 percent

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Amazon Web Services, which sells computing services to companies over the Internet, grew more than 40 percent in revenue last year, the business' top executive told a Las Vegas conference Wednesday morning.

Andy Jassy, the Amazon.com senior vice president who runs AWS, didn't disclose total revenue of the unit, though some analysts expect it to top \$5 billion this year. But he did say AWS now has more than 1 million customers.

Jassy's comments came during his keynote address at re: Invent, AWS' annual conference in Las Vegas, which drew 13,500 attendees this year.

The 9-year-old division has been a pioneer of renting computing storage and services to businesses. Jassy pressed the point that so-called cloud computing is now the standard for business, listing company after company, big and small, using AWS.

"Every imaginable business segment is using AWS in a meaningful way," Jassy said. "Cloud has become the new normal. Companies of every size are deploying cloud applications by default."

Though deeply geeky, the business is one of the fastest growing units at Amazon, a company better known for its consumer offerings. AWS has become the leader in a business with such potential that it competes against corporate computing behemoths such as Microsoft and IBM, as well as Web giants such as Google.

The Las Vegas conference, now in its third year, has become a place for Amazon to roll out new services, and Jassy launched several on Wednesday. Perhaps the most significant was Aurora, a database engine that Amazon claims has the speed and availability of expensive commercial databases while costing a tenth of the leading commercial options.

The company also launched a handful of services to make deploying and managing code on its Web-based services easier and less expensive. And it rolled out new security and compliance options to encourage companies and government organizations to move to AWS.

Last year, Amazon won a \$600 million contract to provide computing to the Central Intelligence Agency, beating out IBM for the prized contract. Amazon continues to use that deal as a proof point to convince companies concerned about the security of its Web-based offerings.

"A lot of our customers say to us, 'If it's secure enough for the CIA to use, then it's probably secure enough for us,'" Jassy said.

Earlier Wednesday, Doug Wolfe, chief information officer of the CIA, told a group of government tech executives at the conference that the agency is now moving to add a classified version of the AWS Marketplace, which offers a raft of apps that run on AWS. That will bring nearly 2,000 new services to the CIA's computer users, the kinds of computer services that those folks might use in a non-classified world and want in their workplace.

"It's going to take a few months to get this running," Wolfe said. "Our goal is that we can bring that innovation over faster than we have in the past."

Increasingly, Jassy said, customers are moving more and more of their

computing operations to AWS. Jassy used to trot out Netflix as the customer that ran its business on AWS. On Wednesday, Intuit Chief Technical Officer Tayloe Stansbury said the company has cut costs and become so much more efficient with AWS that it now plans to move all of its applications to AWS.

Publishing giant Conde Nast has moved its primary datacenter to AWS, Jassy said. News Corp is moving 75 percent of its workloads to AWS. And Major League Baseball's Advance Media [business](#) is using AWS for its Statcast [service](#), which provides pitch speeds, fielder reactions times and more, generating 17 petabytes of raw data a year.

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