

New HP Enterprise sees cloud ties with Amazon, others

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Hewlett-Packard Enterprise Chief Executive Officer Meg Whitman told reporters in New York on November 2, 2015 the newly formed business decided to exit the "public cloud" business

The newly spun-off tech giant HP Enterprise has decided not to compete in public cloud computing and will seek partnerships with Amazon and others, chief executive Meg Whitman said Monday.

Speaking following a historic breakup of computing giant Hewlett-Packard, Whitman said the new group focusing on software and services will be both competing with and collaborating with other big technology firms.

Whitman told reporters in New York that HP Enterprise—spun off Hewlett Packard along with its printer and PC unit called HP Inc.—decided last week to exit the "public cloud" business of making data storage available to all customers.

But HP Enterprise will continue in the "hybrid cloud" business of working with companies to store data both on-site and in outside data centers.

"It's a hybrid world," she said. "We decided to not play in the [public cloud](#) space anymore because it's very capital intensive and Amazon is way up in front."

Over time, she added that it's likely that "we will end up partnering with Amazon."

Whitman said there could be other deals working with Google and Microsoft, which are also major cloud providers.

"Sometimes you are very good friends with a company and at that same time you also compete," she said.

"I think we all know that in this world, you have to keep both thoughts in your mind."

Hewlett-Packard officially split into two entities on Sunday, opening a new chapter for the 77-year-old US technology legend among the founding fathers of Silicon Valley.

The aim is to develop a sharper focus both for the enterprise unit and the PC-printer division that made it a household name but has become fiercely competitive and less lucrative in recent years.

In the first day of trading on Wall Street, HPE shares fell 1.6 percent to \$14.46, while HP Inc. rallied 13 percent to \$13.83.

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