

Driving multi-cloud adoption while conserving cash for growth

Faction, a multi-cloud, cloud data services provider, aligns its technology expenses with revenues, using Dell Financial Services (DFS)**.



Business needs

To provide its multi-cloud and data protection services at scale, fast-growing Faction must continually add to its IT infrastructure, while not expending a lot of capital or burning a lot of cash. It also needs to refresh that infrastructure and the company's employee laptops periodically to take advantage of technology advancements.

Business results

- Conserves cash and saves time.
- Aligns hardware expense with revenue.
- Enables fast, yet economical updating and scaling.
- Supports more competitive pricing.
- Helps customer retention and growth.

Partner profile



Information Technology | United States



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Derek Pilling

Chief Financial Officer,
Faction

Solutions at a glance

Dell Financial Services

- [Technology Rotation](#)
- [Technology Ownership](#)



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Josh Ferris

Director of Procurement,
Faction

Multi-cloud is one of IT's biggest trends. For many enterprises today, data is their top asset, and unlocking its value to deliver growth and gain a competitive edge is on every CEO's mind.

A true multi-cloud data service provides access to a centralized, single copy of data, which is accessible through a growing portfolio of cloud services from more than one cloud provider simultaneously. The result can be a potential cost savings of 3–4 times compared with using a single public cloud.

This unique approach allows enterprises to avoid data lock-in to a single public cloud and to innovate faster by accessing best-in-class services from whichever cloud provider has the leading solution at any given time. No single public cloud can provide the best option for every situation and every workload.

A do-it-yourself approach to multi-cloud data service often leads to data sprawl and duplicate data in each cloud, spawning management headaches and driving storage costs into the stratosphere. That's where Faction Inc., a Dell Technologies Gold Cloud Service Provider (CSP) and Tech Connect Select partner, comes into play.

Centralized multi-cloud data storage and protection

Founded in 2006, Faction is a multi-cloud platform-as-a-service provider that pioneered multi-cloud-attached storage. Based in Denver, it operates seven cloud service locations in the U.S. as well as ones in London and Frankfurt.

Faction manages customers' data in a central data lake that can attach cloud providers such as AWS, Azure, Google Cloud and Oracle Cloud. The data service is delivered in flexible, yet persistent data storage units called Cloud Control Volumes (CCVs). Several unique performance tiers match the right

performance outcome to workload needs, optimizing costs and cloud-to-cloud agility. Faction also provides Hybrid Disaster Recovery-as-a-Service (HDRaaS).

In 2019, Faction launched a groundbreaking partnership with Dell Technologies. Faction combined its proprietary cloud technology and managed services with Dell Technologies industry-leading storage platforms to create a best-in-class solution called Dell Technologies Cloud Storage for multi-cloud.

As a lean, fast-growing company, Faction faces two key challenges, according to Chief Financial Officer Derek Pilling. One is conserving capital as the company grows its infrastructure. The other is tightly aligning its cash outlays to income. In short, it must efficiently inject capital into its business as it grows to meet expanding customer demands.

Conserving cash, saving time

To address these issues, Faction turned to Dell Financial Services (DFS), part of the Dell Technologies family. “We want to put as much of our cash as possible into scaling our business to acquire customers and deliver services versus using capital to purchase service delivery equipment, which DFS enables us to do,” Pilling says. “This way, we can match the cash outlays required to purchase storage and compute equipment with the long-term revenue streams we receive from our customer contracts.”

There are many ways to fund a growing business, such as borrowing money or raising equity. But Faction found a better way to match cash outlay with forecast revenue using DFS flexible payment solutions. “Combining DFS great rates with a custom payment structure was an inexpensive way for us to fund our Dell service delivery infrastructure purchases as well as ancillary purchases such as laptops,” says Pilling.



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Derek Pilling

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Pilling explains that DFS doesn't take an equity interest or have the same restrictions banks can impose on the business. He says, “We aim to finance the business with the lowest-cost capital solutions and those that provide the best match between our cash collections and cash outflows. Financing capital purchases with DFS is a perfect match for our financial objectives.”

Efficiently updating infrastructure and user technology

The DFS three-year Technology Rotation program is the most cost-effective way to keep technology updated and helps Faction better manage the life cycles of its IT infrastructure and employee endpoints.

“We can focus more on growth and serving customers and less on keeping gear updated, using the DFS Technology Rotation program,” says Josh Ferris, director of procurement at Faction. “This simplifies and streamlines procurement, saving us time too.”

A win-win-win strategic relationship

As a Dell Technologies partner, Faction considers DFS part of a highly transparent, collaborative and strategic working relationship. For example, the combination of Dell hardware platforms, Faction's cloud data services and DFS flexible financing options can serve nearly any customer's multi-cloud requirement.

In the process, Dell Technologies can leverage Faction's unique multi-cloud capabilities to differentiate its own cloud solutions from the competition.

The relationship also opens doors for Faction that it couldn't open on its own. “We're able to take advantage of the Dell Technologies global brand recognition and its referenceability with large enterprise clients to begin to crack open that enterprise market,” Pilling says. “It's really a win-win-win for Dell Technologies, Faction and DFS.”

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