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Transforming Data Centres: Equinix's Platform and Service Integration

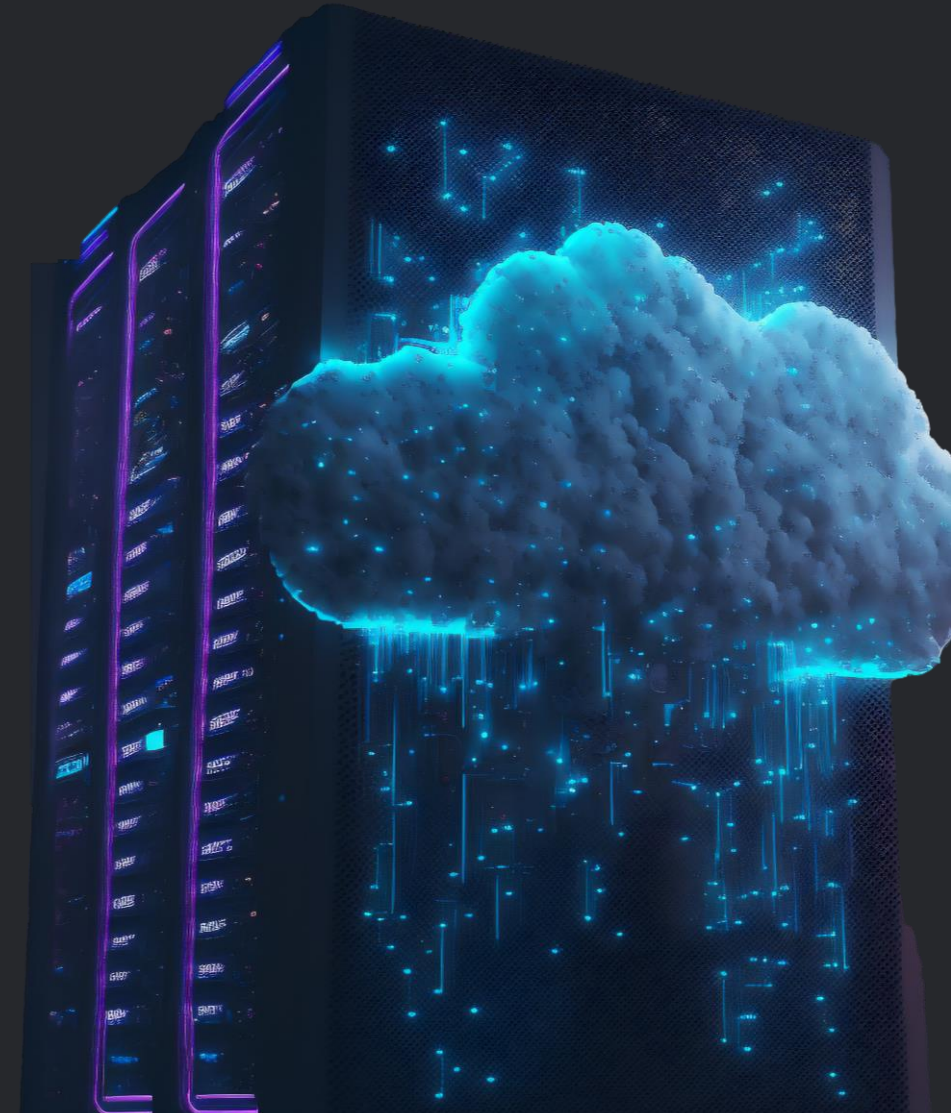
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The AI Surge: Data Centres Face a New Challenge

As AI evolves, the supporting infrastructure has become a crucial consideration for organisations and technology companies alike. AI demands massive processing power and efficient data handling, making high-performance computing clusters and advanced data management systems essential. Scalability, efficiency, security, and reliability are key to ensuring AI systems handle increasing demands and sensitive data responsibly.



Data centres must evolve to meet the increasing demands of AI and growing data requirements.





Equinix recently hosted technology analysts at their offices and data centre facilities in Singapore and Sydney to showcase how they are evolving to maintain their leadership in the colocation and interconnection space.

Equinix is expanding in Latin America, Africa, the Middle East, and Asia Pacific. In Asia Pacific, they recently opened data centres in Kuala Lumpur and Johor Bahru, with capacity additions in Mumbai, Sydney, Melbourne, Tokyo, and Seoul. Plans for the next 12 months include expanding in existing cities and entering new ones, such as Chennai and Jakarta.

Ecosystem analysts comment on Equinix's growth potential and opportunities in Asia Pacific.



Achim Granzen
Principal Advisor



Sash Mukherjee
VP Industry Insights



Tim Sheedy
VP Research



Small Details, Big Impact



Tim Sheedy
VP Research

The tour of the new Equinix data centre in Sydney revealed the complexity of modern facilities. For instance, the liquid cooling system, essential for new Nvidia chipsets, includes backup cold water tanks for redundancy. Every system and process is designed with built-in redundancy.

As power needs grow, so do operational and capital costs. The diesel generators at the data centre, comparable to a small power plant, are supported by multiple fuel suppliers from several regions in Sydney to ensure reliability during disasters.

Security is critical, with some areas surrounded by concrete walls extending from the ceiling to the floor, even restricting access to Equinix staff.

By focusing on these details, Equinix enables customers to quickly set up and manage their environments through a self-service portal, delivering a cloud-like experience for on-premises solutions.



Equinix's Commitment to the Environment



Achim Granzen
Principal Advisor

Compute-intensive AI applications challenge data centres' "100% green energy" pledges, prompting providers to seek additional green measures. Equinix addresses this through sustainable design and green energy investments, including liquid cooling and improved traditional cooling. In Singapore, one of Equinix's top 3 hubs, the company partnered with the government and Sembcorp to procure solar power from panels on public buildings. This improves Equinix's power mix and supports Singapore's renewable energy sector.



Tim Sheedy
VP Research

Building and operating data centres sustainably is challenging. While the basics – real estate, cooling, and communications – remain, adding proximity to clients, affordability, and 100% renewable energy complicates matters. In Australia, reliant on a mixed-energy grid, Equinix has secured 151 MW of renewable energy from Victoria's Golden Plains Wind Farm, aiming for 100% renewable by 2029.

Equinix leads with AIA-rated data centres that operate in warmer conditions, reducing cooling needs and boosting energy efficiency. Focusing on efficient buildings, sustainable water management, and a circular economy, Equinix aims for climate neutrality by 2030, demonstrating strong environmental responsibility.



Equinix's Private AI Value Proposition



Achim Granzen
Principal Advisor

Most AI efforts, especially GenAI, have occurred in the public cloud, but there's rising demand for Private AI due to concerns about data availability, privacy, governance, cost, and location. Technology providers in a position to offer alternative AI stacks (usually built on top of a GPU-as-a-service model) to the hyperscalers find themselves in high interest. Equinix, in partnership with providers such as Nvidia, offers Private AI solutions on a global turnkey AI infrastructure. These solutions are ideal for industries with large-scale operations and connectivity challenges, such as Manufacturing, or those slow to adopt public cloud.



Sash Mukherjee
VP Industry Insights

Equinix's Private AI value proposition will appeal to many organisations, especially as discussions on AI cost efficiency and ROI evolve. AI unites IT and business teams, and Equinix understands the need for conversations at multiple levels. Infrastructure leaders focus on data strategy capacity planning; CISOs on networking and security; business lines on application performance, and the C-suite on revenue, risk, and cost considerations. Each has a stake in the AI strategy. For success, Equinix must reshape its go-to-market message to be industry-specific (that's how AI conversations are shaping) and reskill its salesforce for broader conversations beyond infrastructure.



Equinix's Growth Potential



Achim Granzen
Principal Advisor

In Southeast Asia, Malaysia and Indonesia provide growth opportunities for Equinix. Indonesia holds massive potential as a digital-savvy G20 country. In Malaysia, the company's data centres can play a vital part in the ongoing Mydigital initiative, having a presence in the country before the hyperscalers. Also, the proximity of the Johor Bahru data centre to Singapore opens additional business opportunities.



Tim Sheedy
VP Research

Equinix is evolving beyond being just a data centre real estate provider. By developing their own platforms and services, along with partner-provided solutions, they enable customers to optimise application placement, manage smaller points of presence, enhance cloud interconnectivity, move data closer to hyperscalers for backup and performance, and provide multi-cloud networking. Composable services – such as cloud routers, load balancers, internet access, bare metal, virtual machines, and virtual routing and forwarding – allow seamless integration with partner solutions.

Equinix's focus over the last 12 months on automating and simplifying the data centre management and interconnection services is certainly paying dividends, and revenue is expected to grow above tech market growth rates.

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