IBM Newsroom

IBM to Acquire Turbonomic Building Industry's Most Comprehensive AIOps Capabilities for Hybrid Cloud

- **Addition of Turbonomic will enable businesses to assure application performance using AI and cut costs by optimizing the deployment of IT resources across development, test and production environments.**

- **Complements IBM's recent acquisition of Instana and launch of IBM Cloud Pak for Watson AIOps to address AI-driven automation of IT; Powered by Red Hat OpenShift to run applications on any cloud.**

**ARMONK, N.Y., April 29, 2021 /PRNewswire/ --** IBM (NYSE:IBM) today announced a definitive agreement to acquire Turbonomic, an Application Resource Management (ARM) and Network Performance Management (NPM) software provider based in Boston, MA. The acquisition will provide businesses with full stack application observability and management to assure performance and minimize costs using AI to optimize resources – such as containers, VMs, servers, storage, networks, and databases. This will ensure they can dynamically and more efficiently assess and manage the performance of any application, anywhere. Financial details were not disclosed.

The acquisition complements IBM's recent acquisition of Instana for application performance monitoring (APM) and observability, and the launch of IBM Cloud Pak for Watson AIOps to automate IT Operations using AI. By acquiring Turbonomic, IBM is the only company that will be able to provide customers with AI-powered automation capabilities that span from AIOps (the use of AI to automate IT Operations) to application and infrastructure observability – all built on Red Hat OpenShift to run across any hybrid cloud environment.

"IBM continues to reshape its future as a hybrid cloud and AI company," said Rob Thomas, Senior Vice President, IBM Cloud and Data Platform. "The Turbonomic acquisition is yet another example of our commitment to making the most impactful investments to advance this strategy and ensure customers find the most innovative ways to fuel their digital transformations."

With the acquisition of Turbonomic, IBM will help companies overcome the high costs associated with managing performance and availability for multiple applications sharing an increasingly complex hybrid cloud environment. Given these challenges, organizations are seeking to adopt AIOps for full stack observability and visibility into their IT resources so they can deliver high availability and performance of applications at lower costs.

"We believe that AI-powered automation has become inevitable, helping to make all information-centric jobs more productive," said Dinesh Nirmal, General Manager, IBM Automation. "That's why IBM continues to invest in providing our customers with a one-stop shop of AI-powered automation capabilities that spans business processes and IT. The addition of Turbonomic now takes our portfolio another major step forward by ensuring customers will have full visibility into what is going on throughout their hybrid cloud infrastructure, and across their entire enterprise."

"Businesses are looking for AI-driven software to help them manage the scale and complexity challenges of running applications cross-cloud," said Ben Nye, CEO, Turbonomic. "Turbonomic not only prescribes actions, but allows customers to take them. The combination of IBM and Turbonomic will continuously assure target
application response times even during peak demand."

Turbonomic provides businesses with its ARM software that simultaneously optimizes the performance, compliance, and cost of applications in real-time. Upon close of the acquisition, IBM plans to integrate Turbonomic's ARM software with the APM and real-time observability capabilities of Instana and the ITOps capabilities of IBM Cloud Pak for Watson AIOps to help customers assure application performance and minimize costs by driving optimization across development, test and production environments.

By integrating Turbonomic ARM with Instana's APM capabilities, a user will now be able to automate actions to optimize their underlying IT infrastructure and assure performance across applications. The Turbonomic ARM integration with IBM Cloud Pak for Watson AIOps will enrich the ITOps experience in cross-cloud management by bridging an application’s topology to the resources on which it runs. This ensures customers can deliver quicker resolution of incidents or, if resourcing actions are automated, automatically absorb demand spikes with no degradation to end user response time.

Another major benefit for customers is the potential for sustainability improvements related to lower server, facilities and carbon usage afforded by Turbonomic's ability to continually right size resources, without compromising application performance.

As 5G adoption continues to grow, enterprises are also looking to move workloads to the edge. This is driving networking to be an integral component of the application deployment strategy. With this acquisition, IBM plans to leverage Turbonomic's NPM products and strong presence in the telecommunications industry to complement its own offerings and expertise in this area, helping customers intelligently optimize applications running in 5G environments.

Turbonomic has built and maintains an OEM relationship with Cisco through Cisco Intersight Workload Optimizer. The acquisition also builds on IBM’s growing investment in its ecosystem of business partners such as Cisco to help customers accelerate their journey to hybrid cloud and AI.

Today’s news underscores IBM’s continued focus on providing organizations with a one-stop shop of AI-powered automation capabilities for business and IT all built on Red Hat OpenShift, helping to automate their entire enterprise, from robotic process automation (RPA), to AIOps, ARM and process mining. This is the latest move in a series of recent IBM acquisitions – including myInvenio, Instana and WDG Automation; ecosystem partnerships; organic R&D – including the launch of Cloud Pak for Watson AIOps; and customer adoption by leading brands -including CaixaBank, PNC Financial Services and Banco Popular.

The transaction is subject to customary closing conditions. It is anticipated the transaction will close in the second quarter of 2021.

For more information on today’s announcement, please visit: www.ibm.com/cloud/blog/ibm-to-acquire-turbonomic

To learn more about IBM AI-powered Automation, please visit: https://www.ibm.com/automation

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