

EnterpriseDB sees PostgreSQL everywhere, especially in the cloud

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Summary

EnterpriseDB, considered one of the leading forces behind PostgreSQL adoption, is on a mission to give customers the choice of where and how to deploy the relational open source database. Choices include on-premises and multiple cloud iterations. As part of that mission, the company works to help customers transition away from other databases to PostgreSQL and, specifically, Oracle. It recently rolled out a SaaS tool geared toward these transition efforts.

The 451 Take

While it has been some time since we last covered EnterpriseDB, the company has continued to roll along, now reporting over 4,000 customers, over 300 employees and strong cloud revenue. Furthermore, PostgreSQL, which we have noted as a popular database, appears to be experiencing a bit of a growth phase at the moment – there is a good deal of activity related to the open source database. We would agree that cloud is a future growth area, and EnterpriseDB is wise to maintain its focus here. But competition is quite stiff, with AWS, Microsoft Azure and Google Cloud Platform all offering either support or compatibility for PostgreSQL, so EnterpriseDB has its work cut out for itself to remain competitive and differentiated in this space.

Context

EnterpriseDB was founded in 2004 in Bedford, Massachusetts. The company developed a commercial business around PostgreSQL by adding not only support, but also advanced enterprise features for the commercial EDB Advanced Server version. Privately held, the company had raised more than \$60m in venture funding from TransLink Capital, Valhalla Partners, Volition Capital and CRV. It also won strategic investments from EMC, Red Hat, NTT, KT and IBM. However, in December 2014, EnterpriseDB announced that it was being acquired for an undisclosed amount by a new private equity team composed of Peak Equity Partners, Milestone Venture Partners and NewSpring Capital.

With a storied history that started more than 20 years ago, the PostgreSQL (also known as Postgres) open source database emerged as a means to address perceived limitations of the Ingres database.

PostgreSQL's roots can be traced back to a proprietary database developed by legendary database inventor Michael Stonebraker – then the Ingres project leader at UC Berkeley – and his team that was first released in June 1989. After a number of changes to the query language, an open source version was launched in August 1996. Today, PostgreSQL is developed by the PostgreSQL Global Development Group, an open source community consisting of a handful of volunteers, many of them employed by companies such as EnterpriseDB and Red Hat.

On the business front, EnterpriseDB reports steady growth over the past several years, claiming 30 straight quarters of growth. The company notes that cloud revenue has seen strong growth as well. EnterpriseDB cites more than 4,000 paying customers and over 300 employees, distributed across 16 countries.

Strategy

EnterpriseDB has redoubled its focus on the cloud, which has driven a good deal of revenue for the company. Entry to the cloud, however, is not entirely new to EnterpriseDB. In 2011, the company had its first cloud offering, called EDB Postgres, a type of IaaS offering available on AWS, followed later with availability on Microsoft Azure and Alibaba Aliyun Cloud. In 2016, the company rolled out EDB Postgres Ark on AWS, and then in 2018 the company released EDB Managed DBaaS on AWS.

While cloud is a considerable focus right now, EnterpriseDB's larger strategy is to provide Postgres on a variety of platforms and environments – what the company calls its 'same Postgres everywhere' strategy. For instance, EDB Postgres Platform is available for on-premises deployments, but the company also provides cloud options, as well as a managed infrastructure service and a 'white glove' managed service. The company also offers a container-based product with EDB Postgres Container, supporting OpenShift and Kubernetes.

Products

The company's most recent announcement builds upon these previous cloud offerings. Specifically, it rolled out the EDB Postgres Migration Portal, a self-service SaaS offering that gives existing Oracle database users the ability to transition to PostgreSQL, including the ability to upload PL/SQL code, conduct analysis on that code and then make modifications to that code based on the assessment feedback. EnterpriseDB has had an Oracle migration tool for some time, but the portal service completes the so-called 'final mile' by enabling code-level migration support, which was missing from the company's previous offerings. As such, EnterpriseDB claims that migration covers the schema, data and now the code.

The company also made some enhancements to its EDB Postgres Ark DBaaS offering. In a nutshell, EDB Postgres Ark DBaaS functions as a DBaaS platform to enable users to provision and deploy their own DBaaS on OpenStack, as well as on public cloud platforms such as AWS and Azure. (As an aside, the company uses Ark to power its EDB Postgres Plus Cloud Database service.) However, regarding enhancements to Ark, the company has added a series of templates to better drive cluster creation. Ark is now better integrated with the company's Postgres Enterprise Manager tool, which provides monitoring and alerting functionality. There is also support now for more complex topologies, such as availability zones and subnets.

Competition

For databases, particularly of the relational variety, EnterpriseDB is likely to compete primarily with established vendors such as Oracle, IBM Db2, Microsoft SQL Server, Software AG's Adabas and Actian X (Ingres). On the open source front, EnterpriseDB reports that it bumps into Crunchy Data and 2ndQuadrant. Crunchy Data's primary purpose is to support PostgreSQL, which the company

does by offering its open source Crunchy Certified PostgreSQL distribution. 2ndQuadrant, which is also a partner of EnterpriseDB, primarily provides professional services support for PostgreSQL. Furthermore, MySQL (owned by Oracle), a noted open source relational database, along with drop-in replacements for MySQL, might be considered a competitor, but EnterpriseDB notes that it doesn't really see MySQL in competitive situations.

A few relational cloud databases are worth noting, too, including some with PostgreSQL support. AWS, for instance, has its Amazon Relational Database Service, a service most similar to EnterpriseDB's EDB Postgres Ark DBaaS offering. Amazon RDS offers six database services for Amazon Aurora, PostgreSQL, MySQL, MariaDB, Oracle and Microsoft SQL Server. There is also Amazon Aurora, a relational database engine noted to be compatible with open source databases MySQL and PostgreSQL. On Microsoft Azure, there is Azure SQL Database and Azure Database for PostgreSQL. On the Oracle Cloud, the company recently introduced the Oracle Autonomous Database for Transaction Processing. On the IBM Cloud, there is IBM Db2 on Cloud. On the Google Cloud Platform, the database service includes Cloud SQL, a managed service for MySQL and PostgreSQL, and Cloud Spanner, a service for relational mission-critical deployments.

SWOT Analysis

Strengths	Weaknesses
EnterpriseDB has deep expertise and a long history supporting PostgreSQL, which appears to be driving the company's strong growth and customer adoption.	The company offers a wide range of products deployable on-premises and in the cloud, but product naming can at times be a bit confusing to untangle.
Opportunities	Threats
PostgreSQL is seeing good traction, and EnterpriseDB is perhaps well positioned to take advantage of this recent trend. Furthermore, many organizations are now quite accepting of open source software, including databases, making transitioning off of proprietary databases a common occurrence.	While PostgreSQL enjoys a good deal of attention along with a growing community of developers, customers have a plethora of PostgreSQL options, including a number of cloud services from the public cloud providers.

Source: 451 Research, LLC