Heads in the clouds cost firms £140bn

By **Geoff Ho**

COMPANIES around the world are wasting $177billion (£140.5billion) on cloud computing services that they either do not use or need, according to technology researcher Dark Matter.

Its research, which was sponsored by Hewlett Packard Enterprise, found 90 per cent of businesses are seeing their cloud bills rise, with 35 per cent stating that they were climbing beyond expectations.

Cloud computing is when people and businesses run and store their IT systems, software and data on third party, internet accessed, remotely located computers or servers, rather than on their own in-house, on-premises machines.

Dark Matter's research found that of the £469billion that was spent on cloud computing by businesses last year, 30 per cent or £140.5billion of that was wasted. With businesses seeing their cloud bills rise, Dark Matter found 47 per cent are moving some of their IT functions back in house, to their own physical computers.

Aside from the financial cost, Dark Matter chief executive Daniel Tremayne-Pitter said the global rush for companies to move key parts of their IT infrastructure to the cloud was bad for the environment.

In Dark Matter's documentary on the costs of cloud computing, Clouded II, technology consultant Gerry McGovern said that by 2035, we will be producing 2,000 zettabytes of data.

To store just 10 per cent of that, he said, would require over a billion servers. "We need to think about what we truly need," he said.