

**HP customer case study:** A new model for providing Internet access utilizes HP thin clients

**Industry:** Network Provider

## Netpads Inc.

HP thin clients help ensure security, reliability and cut costs for emerging hospitality ISP



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—Therman Bronaugh, President and Chief Executive Officer, Netpads

### Objective:

Equip public user locations with workstations for free Internet access, eliminating the need to carry laptops to those locations.

### Approach:

Netpads, Inc. chose HP Compaq t5720 Thin Clients for their combination of high reliability, low cost, built-in security features and easy IT management.

### IT improvements:

- Remote management using Altiris Deployment Solution
- Enhanced security from HP Sygate Security Agent software
- Automatic cache-clearing feature built into Netpads client software
- Improved reliability

### Business benefits:

- Savings compared to previous technology
- Broader range of placement opportunities due to lower initial cost



The Internet may be ubiquitous in the home and workplace, but if you’re out and about — in a restaurant or lounge, a shopping center, convention center or hotel — you have to plan ahead or go out of your way to get online.

Netpads, an Orlando-based company, is hoping to fill at least some of the gap. It provides Internet access to customers in all of these “wait” environments, primarily through the use of on-site HP thin client hardware.

Why HP? “When you’re putting technology out there where people can use it without any accountability, you want something that’s robust,” explains Therman Bronaugh, President and Chief Executive Officer of Netpads. “HP thin clients give us all the functionality we need with great value and the longest Mean Time Between Failures.”

### Filling an unmet need

The genesis of Netpads was Bronaugh’s contention that, while everyone wants access to the Internet when they’re away from the home or the office, few invest the time or money to make it happen. “That leaves out





the majority of all Internet users,” says Bronaugh. “When you have such a large portion of the public wanting a service, that’s a great business opportunity.”

There are other approaches to providing public Internet access, of course. Some companies have tried pay-per-use kiosks at airports and malls, or workstation rental while at an Internet café. Some hotels may offer a “business center” for customers — with or without a charge — but customers generally have to go to a public room and share a single computer with other guests.

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Therman Bronaugh, President and Chief Executive Officer, Netpads

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Bronaugh has pursued a different model. Netpads provides the host location — a restaurant, lounge, hotel, etc. — with a turnkey package: HP thin clients in each room, and network access for a modest monthly fee. The hotel or restaurant gets to give customers their own Internet access terminal for a far lower cost than if it purchased its own hardware and administered its own network. And customers get Internet access even when they don’t have their notebooks. It’s a win-win for everyone.

#### **Finding the right hardware**

When Netpads started out, Bronaugh was not offering

thin clients to restaurants and hotels, but wireless slate or tablet PCs. They were completely mobile, which was very convenient for users. Unfortunately, they were also more costly and prone to theft. All those factors drove up Netpads’ cost per workstation, which threatened the business model. Bronaugh decided it was time to consider other technology. He began evaluating various alternatives, and that led him to thin clients.

### Customer solution at a glance

#### **Primary applications**

Public Internet access

#### **Primary hardware**

- HP Compaq t5720 Thin Client

#### **Primary software**

- HP Sygate Security Agent
- Altiris Deployment Solution
- Altiris manageability agent
- Microsoft Windows XP Embedded with SP2
- Microsoft Internet Explorer
- Windows 2003 server
- Citrix Metaframe XP Presentation Server
- VMware Virtual Desktop Infrastructure using RDP

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Therman Bronaugh, President and Chief Executive Officer, Netpads



Netpads chose three brands, conducted a three-month field test, and ultimately chose the HP Compaq t5720 Thin Client. It offers a number of advantages: reliability, security, low cost, and easy IT management.

- **High reliability:** Bronaugh was most concerned with reliability, as measured by Mean Time Between Failures. On that count, HP beat the competition. “I told our tech team, “Run them for three months and don’t let them stop. Keep running them all and tell me who gives you the fewest problems. And the HP clients ran without a problem. They were everything we were hoping for.”

HP Compaq t5720 Thin Clients employ solid-state design and industry-standard architecture for years of reliable use. All the software — including Microsoft® Windows® XP Embedded and Windows server support, Citrix Metaframe, Microsoft Windows Explorer and much more — run off system memory in SDRAM. There’s no hard drive to crash, or software on a hard drive to become corrupted or require on-site updates.

- **Low cost:** “Our HP thin clients cut our costs for each placement dramatically,” Bronaugh notes.

Any business is happy to save per workstation. But for Netpads that savings is even more critical. Every dollar Netpads saves per workstation speeds its return on investment and increases the number of locations where it becomes profitable to install a Netpad. So moderately priced motels, shopping malls, airports and other locations become prime locations for Netpad expansion. Bronaugh is even in the process of placing Netpads at a chain of upscale car washes.

- **Security for public access:** One of the prime concerns with any public access terminal is security. Netpads has addressed this in its software, which Bronaugh counts as one of the company’s greatest assets.

“You need software that will clear the cache, so that one user can’t see what another user has just looked at,” he explains. “If you use a Netpad in a public environment and you log out or there’s no use for roughly 30 seconds, it clears out its cache automatically. After that, another user can’t come along and see what sites you’ve been browsing, copy your passwords or steal your user IDs.” Netpads software also prevents users from saving files to the desktop where other users might find them. Instead, if users want to save content, they will need to save it to Compaq t5720 Thin Client also comes with HP Sygate Security Agent software, which provides a multilayered security approach including an application-centric firewall, application control, intrusion prevention, and policy enforcement that protects devices from being compromised by inbound or outbound traffic.

- **Easy IT management:** Netpads’ IT model calls for configuration and application serving from a remote HP server. Both are made possible by the included Altiris Deployment Solution and Altiris manageability agent that come configured with each thin client.

“We can manage the clients and create a custom image for our software using Altiris to update the clients,” notes Michael B. Jenkins, a systems manager for Netpads. “We can also lock down the image and restrict the Windows XP Embedded functions for our applications use.”

### Rapid growth into emerging market for thin clients

The importance of remote management becomes clear when you consider the company's explosive growth.

It is currently serving applications from a single HP server at a data center in south Florida. But that number will grow along with the installed base. Bronaugh expects to be able to support roughly 4000 thin clients from a single server, and to have three or more online later this year.

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Even after a hotel or restaurant takes ownership of the thin client, Netpads expects the location to remain profitable by continuing to pay a small fee per client for network access, and through Netpads finding ways to escalate the value of its advertising.

"Our income depends directly on our penetration and growth rate, which in turn, determines how quickly we can grow advertising revenue," he explains. Looking ahead, though, Bronaugh envisions customizing the advertising his servers push out to users based on the location or type of hotel or restaurant where the customer is staying, and on user survey results. He expects to be able to "narrowcast" targeted advertising very soon, which he hopes will result in higher ad rates.



### Finding partners to support a growing enterprise

Supporting the projected growth and degree of IT sophistication that Bronaugh envisions will take more expertise and a far-flung field force. For that, he is happy to turn to technology partners like HP.

"We're already planning to utilize HP services to pre-image our thin clients, and possibly for deployment or other front-end services," he says. "Clearly, technology is the core of our business model, and you couldn't ask for a better technology partner than HP. I believe we'll be doing business together for many, many years."

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4AA1-5795ENW, November 2007

