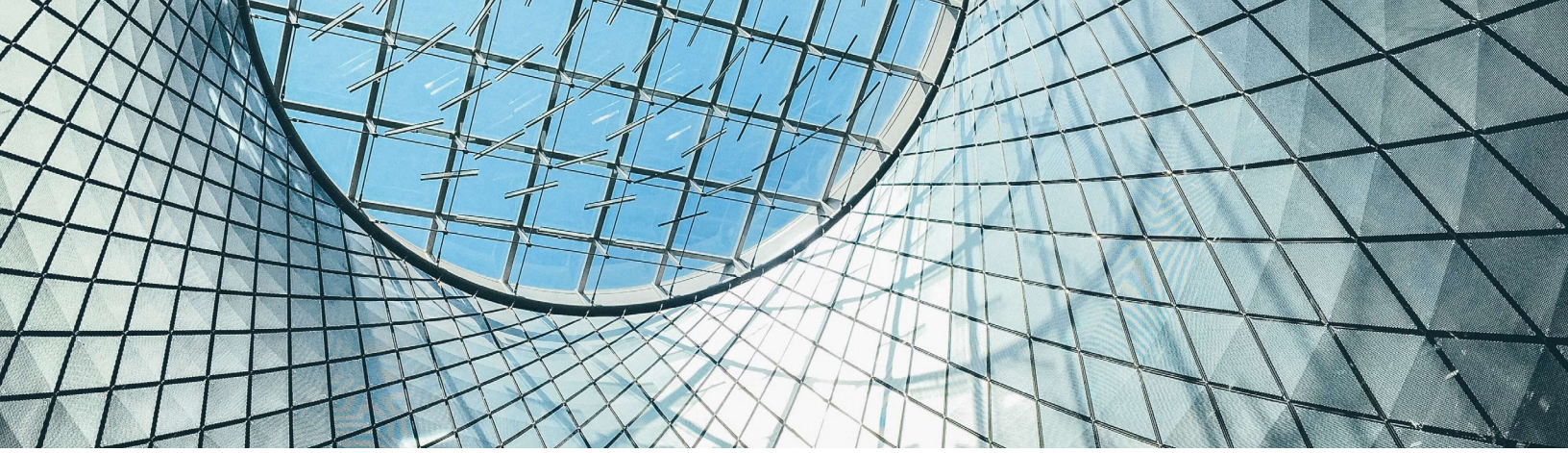

Market Insight Report Reprint

Quali's Torque is an infrastructure control plane for heterogeneous application environments

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Torque is positioned as an infrastructure control plane for heterogeneous application environments. Quali is selling Torque to DevOps, platform engineering and IT teams, primarily into preproduction continuous integration environments, although it expects to extend into production to support continuous release.

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Introduction

Quali's Torque is positioned as an infrastructure control plane for heterogeneous application environments. It is targeted at DevOps team leaders, and was originally known as Colony. Torque is distinct from the company's foundational product, CloudShell, which has always been about the network and physical boxes, while Torque is focused on what infrastructure the application developer needs.

Quali is selling Torque to DevOps, platform engineering and IT teams, primarily into preproduction continuous integration environments, although it soon expects to extend into production to support continuous release. It sells CloudShell mostly to engineering sales leads that need access to infrastructure to test, certify or demonstrate products and technologies. CloudShell is also widely used as the infrastructure automation layer in cyber range automation.

THE TAKE

Quali went into build mode following its series C funding, extending Torque to operate as a full-service control plane with the goal of enabling users to maintain control over infrastructure, so they can speed development and scale applications while managing costs and providing governance. With software demands increasing and infrastructure complexity the key technology blocker, this is more of a substantial uplift of its product portfolio and overall proposition to address the digital transformation opportunity than it is a pivot. However, Quali and its investors will be hoping this is the breakout move from the environment-as-a-service sector. Quali started from test lab automation, evolved to deliver environments as a service for all infrastructure, and has now added control plane capabilities and an enhanced value proposition to Torque.

Products and technologies

CloudShell, the company's core enterprise offering since 2014, enables users to simplify the modeling of complex application blueprints with built-in orchestration, in order to set up and tear down interconnected virtual machines in the target cloud of choice in sandboxes or environments. CloudShell is now positioned as an on-premises platform providing access to physical and virtual hybrid resources for the operation of physical network labs. It is infrastructure-centric, and designed for network dev/test, network certification, customer support, and testing and training teams.

Torque extends CloudShell's infrastructure automation to enable applications to run on-premises, on public clouds, and on Kubernetes or VMware. Torque (SaaS or on-premises) provides access to virtual and container hybrid infrastructure (on-premises and cloud) to scale application delivery. It is targeted at QA, IT, DevOps, dev, sales engineering and application support teams, and is application-centric.

Torque automatically discovers existing infrastructure assets, such as Terraform or Helm Charts. Blueprint designers combine these elements, along with all of the other resources necessary for a complete application environment (e.g. connected services, databases, storage), and define the relevant governance and security protocols for each blueprint (such as who has access, and how long it can be deployed).

Developers then access these blueprints to spin up environments they need, when they need them, either through the Torque interface or existing IDE tools. It uses the construct of a grain as the smallest computation unit that Torque can run. Essentially these are the blueprints – Torque creates the environment for them and manages their operation, enabling parameters to be passed between them.

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Torque tags everything, so it can provide cost forecasting and reporting – cost of blueprints and designs, not just price of services. For automation and orchestration across the application lifecycle Torque provides composability, encapsulation, and reuse of application environments as a single asset, artifact repository and GitOps. Support for third-party observability and secrets management is due by mid-year.

For design, Quali already ensures the right teams have access to the blueprints they need. The company is now adding the ability to describe the components, sequence and interactions, as well as normalization of component representations (YAML and visualizations), inventory of the internal components, and an aggregated repository of assets ingested from Terraform and Helm.

For governance, it provides auto and custom tagging and cost reporting and role-based access, and is adding further consumption and security policies. It already provides deployment, operate/modify and destroy actions. It has coming ServiceNow integration (where the front end does not need to be Torque) plus VMware vCenter support.

Business model

Headquartered in Tel Aviv and Austin, Texas, Quali landed a $54 million series C funding round at the end of 2020 led by Greenfield Partners and JVP. Total funding is $102.9 million. CloudShell is 75% of its business currently. However, it believes that 50% of its CloudShell customers are candidates to also use Torque, and by mid-2023, it expects more than 50% of its revenue will be from Torque (although CloudShell will also grow by an expected 120% over the same time).

Quaili targets companies with scaling challenges (mostly midmarket), and claims more than 100 key customers. It counts over 20 global partners including AWS and Microsoft Corp. (Azure). We anticipate the 170-person company will be targeting 2022 revenue growth of 75% over 2021's $20 million. It currently does 50% through the channel and 50% direct, and is looking to grow its business with systems integrators.

Revenue from professional services is less than 10% of sales. Revenue recognition will change as it transitions from CloudShell's on-premises subscription model to Torque. CloudShell is priced by the number of concurrent environments being operated; Torque by the number of users. It suggests an enterprise license to Torque enables customers to take out DevOps staff costs. It anticipates ASPs in the $150,000 range.

Competition

In addition to first-party services offered by the cloud platforms (AWS, Google Cloud Platform, Microsoft Azure), second-party platforms are offered by physical and virtual (software) infrastructure vendors including VMware Inc., Red Hat, IBM Corp., SUSE SA and Hewlett Packard Enterprise Co. Third-party platforms that compete here including CoreStack, Cloudify, Hashi Corp and Morpheus Data.

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SWOT Analysis

STRENGTHS

Torque is positioned as a full-service control plane that acts on and optimizes the entire IT estate, and can address developer enablement, security, business/finance and IT/cloud operations. Its goal is to unify what are often disconnected teams, tools and technology within large enterprises.

WEAKNESSES

The challenge for Quali is to translate the success it has had among global leaders with environment-as-a-service expertise, and bring that to broader infrastructure scaling and automation tasks.

OPPORTUNITIES

Cloud providers, SIs and ISVs are trying to solve a swathe of challenges in hopes of winning the ultimate prize – hosting the management control plane that enables visibility and control of distributed applications across heterogeneous environments.

THREATS

Reaching further up into the application and developer layer will bring Quali into competition with a broader and more substantial set of competitors than in the more boutique environment-as-a-service market.

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