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Although, our business is growing rapidly, we have experienced ten unscheduled outages to the ERP system in the past year. During downtime, our computer system cannot process orders, produce products, and cannot ship inventory, costing our company $14,800 per minute. Currently, we are running on Tier I, a single, non-redundant distribution path with 99.67% availability, consequently costing our company approximately $25 million dollars per year on downtime. By building Tier III, we can mitigate the chances of downtime by running on multiple redundant distribution paths.

By implementing the Tier III, we will be able to minimize our chances for efficiency system failures and unexpected power outages. Tier III will be able to give us 99.98% availability. Although it may not seem to be a huge difference, according to calculations with 99.98% availability will give us 1.4 million a year on downtime compared to $25 million. In comparison with Tier I, Tier III also have twelve hours of on-site fuel storage, but with compatibilities beyond Tier I. Tier III is a concurrently maintainable data center with redundant capacity components and with one active distribution and one alternative distribution path in case of outages, in which the computer is only required to run on a single path at any time. Even if one of our paths are off-line whether accidentally or not, our company will still be able to run accordingly.

Building Tier III will take approximately one year to finish and it will cost our company $35,000,000. Building Tier III will allow our company to process orders, produce products, and ship inventory when experiencing downtime. Our current Tier I system will cost our company approximately $75 million in three years. After we build the Tier III we will be able to minimize downtime cost to only about $4.2 million every three years compared to $75 million. Our company can make its initial investment of $4.2 million within two years.

Works Cited

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