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Data Centers and Networking

By upgrading to a Tier three we will see a net benefit of $13.2 million. Our company currently loses over $25.6 million dollars every year due to a Tier I spontaneous data center outages. These random outages cause downtime and decrease productivity. Upgrading to a Tier III system will reduce those outages tremendously and our net benefit will be over $13.2 million in only 3 years. A Tier III data center would allow us to maintain our systems more effectively. Downtime is affecting our efficiency, upgrading from a Tier I system to a Tier III will increase productivity, hence increase our revenue.

Our current Tier I system has 28.9 hours of downtime per year and no redundancy. If something were to occur we would have to shut the whole system down to fix the problem. A Tier III system has 72 hours of power outage protection, is redundant and only has 1.6 hours of downtime per year. If a problem were to occur within a Tier III system, it could be fixed without having to shut down the system itself. Our availability by using a Tier III system would increase to 99.98% compared to that of a Tier I system (99.67%). Downtime has had a huge impact on our company; if we reduce that, we will see huge results. A Tier III system will reduce our downtime tremendously.

Currently we are losing $14,800 for every minute of downtime. With 28.9 hours of downtime last year, our Tier I system cost us over $25.6 million. Upgrading to a Tier III system would cost us $35 million to install for the first year, but we would be saving an average of $24 million every year afterwards. Over a 3-year period we would have a net benefit of $13.2 million dollars.

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