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Flash Research Paper: Data Centers and Networking

Investing in a Tier III data center will save our company over \$13 million within the next three years. Tier III data centers have significantly less downtime than our current Tier I datacenter. The reduced downtime will save our company from losing money.

Tier III data centers have redundant capacity components. This means redundant units have the ability to take over if the primary unit fails without interruption to the data center. The estimated downtime per year in a Tier III datacenter is 27 hours less than a Tier I datacenter. The Tier III datacenter also allows concurrent maintenance, which means maintenance can occur without having to shut down the data center.

A Tier III data center will result in \$13,229,056 in net savings over three years. The original investment for a Tier III data center is a one-time cost of \$35,000,000 in the first year which covers installation. Since downtime costs \$14,800 per minute the total benefit would be \$48,229,056 since we are cutting 27 hours of downtime. A Tier III datacenter will improve operations and save our company millions of dollars.

	Minutes Available	Availability	Downtime per year(min)	Downtime Cost(\$)
Tier I	525,600	99.67%	1,734.48	25,670,304
Tier III	525,600	99.98%	105.12	1,555,776
			Savings per year	24,114,528
	Year 1	Year 2	Year 3	Total
Benefits	35,000,000	0	0	35,000,000
Cost	\$0	24,114,528	24,114,528	48,229,056
			Net Benefit	\$13,229,056

Work Cited

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