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Flash Paper: Data Centers and Networking

Our current ERP system is costing us $25,670,304 per year. With 10 outages in the past year, our current datacenter has been unreliable. In order to remain competitive and profitable we must upgrade to a Tier III data center. This upgrade will give us a net benefit of $13 million over three years.

At a downtime of 99.67%, our systems are offline for 1735 minutes per year. A tier III datacenter will allow us to improve our downtime to 99.98%. As a concurrently maintainable data center, a tier III will allow us to perform maintenance and remove sections from the system, with planning. Redundancy will be built into our system, so only one critical path is needed for operation. This will eliminate many possible outage scenarios. All of our equipment will be duel powered, including 12 hours of on-site generator fueling. An upgraded datacenter will allow our IT people, and all who interact with our ERP system, to perform at the best possible capacity.

As it stands, our current tier I datacenter is costing us $25,670,304 per year. A downed ERP system means no orders can be placed, no shipments can be processed, and we are forced to halt our assembly of product. If we make an initial investment of $35 million to upgrade to a tier III datacenter, the reduction of downtime to 99.98% will save us over $48 million, with a net benefit of $13,299,056 over a three year period. We will be able to satisfy our customers, as well as save the company millions of dollars per year.

**Citations**

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