Luke Fitzmyer   Virtualization and Cloud Computing

As an up and coming manufacturing company maintaining data is critical to our company's success. Currently we have 1,000 servers in operation throughout our data center, but only utilize 10 to 15 percent of their capabilities. This is not only ineffective, but is costing our company millions of dollars. By introducing virtualization our company can save $9.2 million dollars over the next three years. This not only saves our company money, but also enhances our IT systems reliability.

Virtualization is an emerging technology that is changing the way companies do business. Sever virtualization allows multiple operation systems to be run through a physical server, which can run on a virtual machine allowing multiple applications in use simultaneously. VMware is a leader in providing server virtualization, and has the ability to consolidate 10 physical servers onto 1 virtual machine. Of the 1000 servers running VMware would allow 80 percent to be run through virtual machines. This means that 800 physical servers can be combined to 80 virtual machines, which would decrease our data center to 280 physical servers.   By purchasing VMware our company can reduce capital and operational expenditures, and maximize server capacity.

Our data center currently has 1000 servers running, with a maintenance fee of $2,000 a year per server. After the $8,000 installation fee per server are expenses total 14 million over a three year period. By implementing VMware our company can reduce the amount of physical servers to 280.   Although the servers would cost more to implement and run, our company would save 1.4 million each year in maintenance costs, and approximately 5.1 million in installation costs. Al together our company would save 9.2 million dollars over a three year period by implementing VMware.

Sources

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