

Our company can save about \$24 million a year by implementing a Tier III data center to decrease our downtime. By implementing a Tier III data center, we will drastically decrease the number of outages, and increase our uptime. This upgrade would significantly benefit the entire company because it affects both our top and bottom line of the income statement.

The key concept in the Tier III data center is its concurrent maintainable site infrastructure that will give us 99.98% availability. The Tier III data center has multiple independent distribution paths. This means that if one path is shut down for maintenance or disturbed our ERP system will remain active with the Tier III data center, but is beyond the Tier I data center's capabilities. The Tier III data center can provide a business with 72 hours of power backup if power was to fail. This is possible because of the redundant power supply and multiple distribution paths of the Tier III data center. By implementing the upgrade our ERP will see an availability improvement from a 99.67% to 99.98%.

Upgrading our system to a Tier III data center will cost a one-time investment of roughly \$35 million and will take one year to build. By implementing a Tier III data center we will see a after two years. We will save about \$10 million in the second year, and about \$25 million per year after that. This 0.31% increase is significant because each minute that the data center is down costs \$14,800. By maintaining a better uptime, we will see an increase in sales resulting in more annual revenue. With our company rapidly growing, our downtime is only going to cost more each year, so now is the time to take advantage of this opportunity to save money by investing in the Tier III data center.

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