

# OptimalImpact

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## Affording Security in Insecure Times

Some number-crunching could help reduce your expenses and protect your organization

By Heinan Landa

The country is in a recession and only select industries are getting bailed out. Who would bail you out if disaster were to strike? These uncertain times require an increased attention to self-preservation. How quickly (and economically) could you resume your business?

A comprehensive backup and disaster recovery system gets you working again as quickly as possible if a disaster of any magnitude should occur. Understandably, some folks—especially in this economy—are worried about new investments. Below are some of the costs, both operating and recovery, that we have compiled after more than a year of providing the DATA GUARD<sup>SM</sup> service, and over 17 years of providing tape backup solutions. You might be surprised—we were.

### Operating Costs

The chart below explores the costs for an organization with approximately three servers and 200GB of data.


| CATEGORIES             | TAPE BACKUP SOLUTION  | DATAGUARD SOLUTION   |
|------------------------|---|--|
| <b>Direct Expenses</b> | Tape drive—annual cost, based on replacing drive every two years: <b>\$1,500/year</b>           | One NAS unit with included services at \$300 per month: <b>\$3,600/year</b>                |
|                        | Offsite storage of tapes<br>\$250 monthly: <b>\$3,000/year</b>                                  | Offsite storage: \$3 per gigabyte monthly<br>(200GB x \$3 x 12 months) <b>\$7,200/year</b> |
|                        | 21 tapes at \$30/tape<br><b>\$630/year</b>  | N/A  |
|                        | Annual software maintenance renewal<br><b>\$400/year</b>  | N/A  |
|                        | Day-to-day labor investment:<br>1 hour (\$50) per week<br><b>\$2,600/year</b>                   | N/A  |
| <b>Consulting Time</b> | Troubleshooting and operational testing<br>4 hours/month @ \$140 hourly:<br><b>\$6,720/year</b> | <b>\$0 - Included service</b>  |
| <b>Risk Mitigation</b> | You retain full responsibility.   | You outsource the risk (and gain peace of mind).   |
| <b>ANNUAL COST</b>     | <b>\$14,850</b>   | <b>\$10,800</b>  |
| <b>MONTHLY COST</b>    | <b>\$1,238</b>  | <b>\$900</b>   |

# Recovery Costs

The chart below explores the costs for an organization with approximately three servers and 200GB of data.

| CATEGORIES  | TAPE BACKUP SOLUTION  | DATAGUARD SOLUTION   |
|---|---|--|
| <b>File Restore</b>                                   | 1 hour of consulting<br>\$140   | \$0 - Included service   |
| <b>Email Restore</b>                                  | 4-8 consulting hours<br>\$560-\$1120  | \$0 - Included service   |
| <b>Server Crash</b>                                   | <p>Consulting Hours: \$4,480<br/>8 hours to build server<br/>8 hours to restore server<br/>8 hours to retrieve lost data<br/>8 hours for follow-up</p> <p>Lost Productivity: \$16,800<br/>20 employees @ \$35/hour<br/>24 hours (3 days) downtime</p> <p><b>TOTAL*: \$21,280</b></p> <p><i>*Note this does not include lost opportunity cost, loss of billable hours, lost memberships, loss of goodwill/confidence of clients, etc.)</i></p> | <p>Server Virtualization: \$250<br/>Consulting Hours: \$2,770<br/>2 hours for virtualization<br/>8 hours to build new server<br/>4 hours to restore data<br/>4 hours of follow up</p> <p>Lost Productivity: \$1,400<br/>20 employees @ \$35/hour<br/>2 hours of downtime</p> <p><b>TOTAL*: \$4,170</b></p> <p><i>*Opportunity cost would be minimal with this amount of downtime.</i></p>  |
| <b>Complete Office Disaster</b>                       | <p>Consulting Hours: \$13,440<br/>32 hours per server<br/>3 servers</p> <p>Lost Productivity: \$28,000<br/>20 employees @ \$35/hour<br/>40 hours (1 week) downtime</p> <p><b>TOTAL*: \$41,440</b></p> <p><i>*Note this is an extremely rough estimate, as situations are highly individualized. Does not include new hardware. Insurance might cover most out-of-pocket costs.</i></p>  | <p>NAS Replacement: \$1000<br/>(with overnight delivery)</p> <p>Consulting Hours: \$7,560<br/>18 hours per server<br/>3 servers</p> <p>Lost Productivity: \$11,200<br/>20 employees @ \$35/hour<br/>16 hours (2 days) downtime</p> <p><b>TOTAL*: \$18,760</b></p> <p><i>*Note this is an extremely rough estimate, as situations are highly individualized. Does not include new hardware. Insurance might cover most out-of-pocket costs.</i></p> |
| <b>RECOVERY COST RANGE</b><br>(depending on severity) | <b>\$140 - \$41,440</b>   | <b>\$0 - \$18,760</b>  |

## Last Word

**That's it.** We'll let the numbers speak for themselves. Compared to a conventional tape backup solution, a comprehensive backup and disaster recovery service like DATA GUARD<sup>SM</sup> can actually help you save money, decrease risk, and minimize downtime. That's good news for your budget *and* your business. These days, that's a combination anyone can appreciate. 

*If you have a question regarding any of the information contained within this article, or would like more information about DATA GUARD<sup>SM</sup>, please contact Optimal Networks at [info@optimalnetworks.com](mailto:info@optimalnetworks.com).*

*Or call us at 240-499-7900 to calculate your unique cost comparison.*

*Is there a new technology you would like to learn more about? Have a technological question that you think others might have as well? We want to hear from you. Email us at [info@optimalnetworks.com](mailto:info@optimalnetworks.com) and tell us.*

*Your topic may be covered in a future issue of Optimal Impact!*