

IT Services and Support Solutions - Lowest Cost of Ownership

The Sentinel System vs Traditional backup and Disaster Recovery

High availability and Disaster Recovery play a critical role in today's financial service companies. A Gartner Group study conducted in 2008 found that 39% of businesses that experienced complete infrastructure outage for more than 48 hours were out of business within 2 years.

But for many small to mid-size firms, the cost of true business continuity using traditional replication methods is an expensive proposition - often too expensive to justify, no matter the risks.

What are these traditional costs and components? A typical High Availability/ DR solution for a small 20 man hedge fund or BD would be composed of the following:

- ~ Replication software, such as XOSoft HA (formerly Wansynch) or DoubleTake: approx \$6000 for 2 servers
- ~ Offsite rack facilities hosting: approx \$800/ month for a rack
- ~ Offsite servers and software: approx \$4000 per server for hardware: approx \$800 per server for windows, plus cost of specialized software (Exchange, SQL, ect) for software
- ~ Maintenance on all offsite servers
- Cost of backup software, media, or online backup costs

So the cost of the setup for a typical 3 server solution (File Print server, Exchange Server, BES/ Utility server) would be:

\$9000 for replication software \$12000 for offsite server hardware \$3000 for offsite server software

Total upfront costs: \$24000, plus monthly fees of \$800, annual renewals for support contracts on replication software, antivirus, and other programs, plus maintenance of offsite servers.

Therefore, it is no exaggeration to say that a DR solution for a small, 3 server firm would cost, over a 3 years expected server lifetime, about \$50,000. Even using virtualization technology to lower the cost of the upfront hardware would only reduce the cost by approx. 10k.

This is an expensive proposition for many firms. While it's not, overall, a large percentage of overall company spending in financial services, it still is enough of a 'big ticket' expenditure that many firms have opted-out of the DR market entirely.

Business Continuity and **Disaster Recovery**

The LCO Group's
Sentinel System
combines high
availability, full
redundancy
and lowest cost of
ownership.

Hi Speed Backup

Bare Metal Restore

Backup and Recovery

Standby Servers

Offsite Replication

Server Virtualization