



SAVVIS

The Industry's First Global IT Utility

Business Value

- Up to 70 percent savings
- Higher revenues/profits
- Customers deployed in days not weeks
- Competitive differentiation
- Business response in minutes
- Scalability up to ensure performance/down to minimize costs

Executive Summary

In 2004, SAVVIS set a goal to become the industry's first totally virtualized utility computing data center, integrating virtualized servers, storage, networks, and security into an end-to-end solution. Today, the service provider houses 1,425 virtual servers running on 70 industry-standard servers, 370 terabytes of 3PAR® storage and 1,250 virtualized firewalls.

As a complement to its managed hosting and collocation business, the company has built huge, scalable service platforms that can be leveraged by multiple clients with full security. This utility approach enables SAVVIS to charge customers for resources more closely tailored to their actual needs. Each year, more revenues and profits are generated from utility hosting contracts with business and government customers ranging from start-up entrepreneurs to the largest enterprises in the world, enabling SAVVIS to compete and win against traditional hosting providers and outsourcers.

Business Challenge

Founded in 1995, SAVVIS has grown from a domestic ISP into a global utility services provider with a network spanning 47 countries; 25 data centers in the U.S., Europe and Asia; and more than 5,000 enterprise customers.

In 2004, the company set a goal to become the industry's first totally virtualized utility computing data center, integrating virtualized servers, storage, networks and security into an end-to-end solution. But when the technology team tried to source the next-generation infrastructure needed to create this environment, initial findings were discouraging.

"Initially, Egenera technology helped us design a product offering unparalleled in the industry. Egenera continues to be a key technology partner, helping keep us in an enviable competitive position."

CTO
SAVVIS

SAVVIS' chief technology officer recalls having looked at all the 'big name' vendors. "I traveled to a couple of sites myself to see what they had. What we found was that nothing in their current product set had the kind of virtualization in practice we were looking for. And I haven't seen a lot of change in that since then."

Success through New Technologies

Instead, the SAVVIS team turned to virtualization specialists and found the answer in solutions from Egenera and 3PAR. Today, the service provider houses 1,425 virtual servers running on 70 industry-standard systems, 370 terabytes of 3PAR storage and 1,250 virtualized firewalls. Capacity on this virtualized utility platform extends to all SAVVIS data centers worldwide. And controlling their virtualized infrastructure is PAN Manager® Software by Egenera®.

Early adoption of virtualization technology is paying off for SAVVIS. They report that each year, more revenues and profits are generated from utility hosting contracts with business and government customers ranging from start-up entrepreneurs to the largest enterprises in the world, enabling SAVVIS to compete and win against traditional hosting providers and outsourcers.

ISP/Hosting

SAVVIS

According to Gartner analyst Ted Chamberlin, the framework offered by most hosting providers “is a model fundamentally laden by lots of hardware and equipment” and requires “lots of people.” He believes the cost savings to customers from SAVVIS’ service could reach 70 percent.¹

Melanie Posey, research director at IDC, agrees. “Everybody has something that they call utility computing or virtualization, but as far as I know this is the first productized, packaged service out there in the market.”²

A New Outsourcing Model

Prior to SAVVIS, traditional outsourcing was criticized for delivering “your mess for less.” Enterprises still had to purchase dedicated hardware... they just housed it somewhere else and the costs showed up on a different section of the corporate balance sheet.

SAVVIS had a different vision based on the virtualization of data center resources. As a complement to its managed hosting and collocation business, the company has built huge, scalable service platforms that can be leveraged by multiple clients with full security. This utility approach enables SAVVIS to charge customers for resources more closely tailored to their actual needs.

The result is a powerful value proposition that gives SAVVIS clients:

- Easy access to a broad range of “mix and match” hosting services including data centers, operations, managed hosting and the most advanced utility platform in the industry
- The ability to focus in-house IT resources on building applications that grow the business, not on maintaining IT infrastructure
- Access to the latest technologies without upfront capital costs or the risk of obsolescence
- Hosted services at half the price of traditional outsourcing
- Exceptional performance guarantees
- New resources provisioned in minutes
- Services that can grow—or shrink—dynamically
- Faster application time to market
- Better agility, flexibility and responsiveness to market opportunities

This model is quickly catching on. A survey by Summit Strategies of business executives, IT buyers, systems managers and other strategic planners shows that 20 percent have virtualized either their servers or storage and another 50 percent plan to evaluate implementing virtualization over the next three years.³

Egenera’s Value Add

Incorporating PAN Manager software into its utility computing platform has helped SAVVIS design next-generation computing architectures that are stateless, SAN-integrated, and hot-swappable, thereby reducing complexity and enabling the next wave of virtualization technology.

PAN Manager’s stateless server environment and software-based provisioning enable the repurposing of pooled server nodes on the fly, minimizing customer costs by virtually eliminating dedicated servers sitting idle. As the CTO observed, “The beauty of Egenera is that the physical element is fungible. You don’t care where an application is running.”

The SAVVIS model also enables clients to take advantage of shared hardware failover, eliminating the need to over-provision servers for high availability. The company reports that most of its customers leverage PAN Manager’s unique N+1 high-availability capabilities to simultaneously lower costs and safeguard uptime.

According to the company’s CTO, the most significant contribution Egenera has made to SAVVIS’ success is the freedom to innovate. “Initially, Egenera technology helped us design a product offering unparalleled in the industry. Egenera continues to be a key technology partner, helping keep us in an enviable competitive position.”

¹ Nick Baker, “SAVVIS’s New Outsourcing Model Aims to Automate, Reduce Waste,” The Wall Street Journal Online, May 5, 2004.

² Carolyn Duffy Marsan, “Utility Services Seen Gaining Steam,” Network World, December 20, 2004.

³ Linda Tucci, “Getting Real Results by Going Virtual,” SearchCIO.com, May 26, 2005.

ISP/Hosting

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Customer Case Study: Microsoft Windows Migration

More than half of the virtual servers in the SAVVIS environment run Microsoft® Windows® along with a variety of other Microsoft technologies and mission-critical applications including Microsoft Internet Information® Server, Microsoft SQL® Server, Microsoft Exchange® and Microsoft Sharepoint® Server. Combining SAVVIS' ITIL-based Operational Support System (OSS), PAN Manager and golden images of Microsoft Windows Server 2003 enables SAVVIS to provision Windows servers in minutes on a completely automated basis.

Recently, EasyBroker of the U.K. migrated its traditionally hosted Windows 2000 servers to virtualized servers running Windows 2003 in SAVVIS' utility hosting environment. EasyBroker is using SAVVIS to provide server and storage hosting, leased line, and Internet access.

According to EasyBroker's CIO, the migration took just a weekend to complete. Previously, he said, it would have taken two weeks just to install servers in the hosted data center. The move to SAVVIS' virtualized infrastructure has also allowed the company to add and remove servers more quickly than in the past: Whenever EasyBroker requires a new server, SAVVIS uses PAN Manager to allocate virtual resources configured with an image of the Windows 2003 operating system.



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