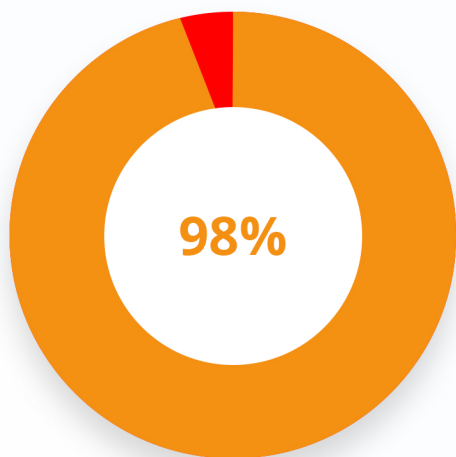


DECIDING BETWEEN THE CLOUD AND ON-PREMISES?



When deciding whether to utilize an on-premises or private cloud hosted solution there are several factors to take into consideration. The two main points that most companies discuss are uptime and cost. How much can you afford to be down while your customers are expecting your products and services? Do you take all hidden costs into consideration when you are determining your IT budget?

UPTIME



98%

FOR ON-PREMISES

Average Downtime is
7 days, 7 hours,
and **19 minutes annually**



99.999%

**FOR THE SILVERLINE SOLUTIONS
PRIVATE CLOUD**

SLA backed downtime is less than
5 minutes annually

TOTAL COST OF OWNERSHIP



There are three main aspects to consider when determining the cost of your cloud or on-premises IT infrastructure.

01

CAPITAL EXPENSES

Hardware

- Server(s)
- HVAC equipment
- Backup hardware
- Storage Arrays
- UPS (Battery Backups)

Software

- Operating System Licenses
- Backup Solution Software
- UPS Management
- Virtualization
- Resource Monitoring
- Operating System Upgrades

02

OPERATING EXPENSES

Management

Whether you have an on-staff IT Manager or have to hire a third party – there is a direct cost to support and maintain a server on-premises. The average cost is around \$18,000 per physical server.

Electricity for the server hardware only

According to ZDNet, a leader in providing Technology News and Analysis, the average on-premises server costs \$731.94 annually.

Electricity for HVAC

Software

- Anti-Virus
- Anti-Malware
- Support and Upgrades

03

INDIRECT EXPENSES

Scalability/time-to-market

If you purchase a new software download that needs more resources – do you have time to wait and order new hardware? What if the hardware you purchased doesn't come in correctly or doesn't fulfill your needs? With the cloud you can scale to whatever resources you need in minutes.

Downtime

The average on-premises server can only maintain a 98% uptime – which means your business is down over 7 full days a year – that's 175 hours. Can your business afford to be down a full week every year?

TOTAL COST OF OWNERSHIP

CLOUD VS TRADITIONAL ON-PREMISES



TRADITIONAL NO REDUNDANCY

Server(s) Hardware

12,000

UPS

3,000

Backups / Monitoring

5,020

Down-Time*

28,800

Power

3,263

Management

18,000

Total 3 Year Cost

70,083

\$

TRADITIONAL 2 SERVERS PLUS SAN

Server(s) Hardware

40,000

UPS

3,000

Backups / Monitoring

5,020

Down-Time*

19,200

Power

9,788

Management

39,000

Total 3 Year Cost

116,008

\$

PRIVATE CLOUD SERVER

Server(s) Hardware

515

UPS

0

Backups / Monitoring

0

Down-Time*

0

Power

0

Management

0

Total 3 Year Cost

18,540

\$

* Calculated at average of only \$20 per hour for 40 total employees with benefits for 1 hour per month for the much less than the industry average of 7 days, 7 hours, and 19 minutes annually. This has no indirect expenses such as loss of sales or even customers due to inability to provide service. This also doesn't compute the expense of having to get back up and running and also the "catchup" expense of your employees having to get caught up after being down. One of our customers did a true downtime calculation at \$127,856 per 8 hours for 40 employees. Dun & Bradstreet report that 59% of Fortune 500 companies that were not using Private Cloud based servers experience a minimum of 1.6 hours of downtime each week.

Have questions?

Want to know more about your specific needs?
Please [call](#) or [email](#) and speak with a
customer success consultant.

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