





The Savings You Were Promised? 5-year projections, meet 2-year end-of-service phaseouts.

Feb 15, 2011

Keep an eye out for typos.

Details at the bottom of this newsletter's content.

Buying to Save vs. Saving to Buy

The value of new hardware in the datacenter needs to be considered in light of the savings timeframe of existing machines. A new storage array may use X% less power, or provide y% better cooling efficiency, for example, both of which translate to reduced monthly electricity bills. But a 5-year savings plan for a given system should not be arbitrarily abandoned when another affordable system makes even better promises 2-3 years later.

'Buying to save' is never a budget-friendly IT policy unless combined with a legacy lifecycle policy. Original Equipment Manufacturers (OEMs) understandably have every incentive to discourage long-term lifecycles, since they are manufacturers and not support companies. Independent hardware support providers, on the other hand, have no such incentives. Outsourcing maintenance on useful and able systems that are no longer the newest models is critical not only to keep them running long enough for compounded savings to be realized, but to reduce overall support costs generally independent support costs 20%-30% less than OEMs. IT management can then be in a great position for 'saving to buy' and not as likely to fall victim to a spiral of buying and replacing.

Rather than competing against OEMs, third party specialists provide a critical cost effective layer of maintenance coverage for systems that are still perfectly adequate but not necessarily on the front page of the OEM's website. Whether a system is post-warranty/end-of-service-life or simply no longer the latest and greatest, the savings provided by a quality third party maintainer can deliver IT budget surplus rather than shortfall based on lowered annual service fees. That surplus that can then be rolled into purchasing new and better hardware at the right time from the OEM for the front end of production while continuously retaining legacy machines until their usefulness and long-term savings potential are truly at an end.

Free Maintenance Consultation

If you think your hardware maintenance plans could be better optimized for your existing datacenter systems, you can find more general information regarding TERiX independent hardware and OS maintenance on our website. A quick form is available at the bottom of that page if you have a specific question regarding covered product models, SLAs, OEMs we support, or the geographic areas we service in the US, Canada, Australia, Europe and Asia.

Did you spot a typo?

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Elsa, Phillipines - Kiva Loan Recipient

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