HIGHLIGHTS

Goal: For Cobelfret to improve backup performance and reliability, consolidate and centralize applications, and ensure failsafe operations by building two symmetrical data centers.

Solution: Hewlett-Packard Enterprise Virtual Arrays (EVA); HP StorageWorks Cluster Extension (CLX) EVA software; award-winning, Hewlett-Packard ProLiant blade servers; HP OpenView software, including Data Protector.

Results: A cumulative, projected five-year net benefit of $758,416, driven by improved productivity, and savings in IT maintenance and troubleshooting. An ROI of 178% and a payback period of 34 months. Improved backup performance and reliability, greater application availability, and less downtime. The company has ensured failsafe operations because it now operates two mirrored, redundant data centers.

CUSTOMER PROFILE

Cobelfret
www.cobelfret.com
Founded in 1928, Colbelfret operates 21 shipping liners between the UK, Scandinavia and Continental Europe; and is involved in towage operations around the globe.

Headquarters:
Antwerp, Belgium

Industry:
Transport and shipping

Employees:
1,400

Revenue 2004:
$1.2 billion

Cobelfret Improves Backup and Productivity, Ensures Failsafe Operations, and Gains Over $750,000 in Benefits with HP EVAs and CLX Software

Antwerp-based Cobelfret ships approximately 50 million tons of coal, iron ore, bauxite, and dry bulk products each year, and operates 21 liners between the UK, Scandinavia and Continental Europe that ship vehicles, containers, trailers and other equipment. For maximum efficiency, the company uses commercial and enterprise applications to allow it to offer just-in-time shipping. Data and application availability is vital to its just-in-time operations—if the network and applications go down, shipping literally stops. The company wanted to make sure that its operations never shut down, and that its data would always be easily available via backups. But the decentralized nature of its servers and applications—spread out among 13 sites in Western Europe—made that difficult. To solve the problem, it turned to Hewlett-Packard Enterprise Virtual Arrays (EVA 5000s) and HP StorageWorks Cluster Extension (CLX) EVA software, and consolidated its operations into two redundant data centers. The result has been a cumulative, projected five-year net benefit of $758,416, driven by improved productivity, and savings in IT maintenance and troubleshooting. The project will yield an ROI of 178% and has a payback period of 34 months. Backup has been improved, availability has been increased, and the company has ensured failsafe operations because it now operates two mirrored, redundant data centers so if one fails, the other takes over immediately.

Benefits

OBJECTIVE	BENEFITS ACHIEVED
Improve backup capabilities	Changing from 13 to two centralized data centers had allowed Cobelfret to centrally manage and maintain backup operations, leading to improved backup and restore performance.
Ensure failsafe/disaster recovery operations	The HP EVAs and CLX software allows Cobelfret to operate two redundant data centers, so if one center fails, the other immediately takes over.
Improve performance and reliability	The consolidated and centralized infrastructure has improved network and application performance, leading to projected employee productivity gains of more than $1.7 million over five years.
Save on IT costs	The HP StorageWorks Cluster Extension EVA software detects failures and automatically manages recovery for "hands-free" disaster tolerance management, leading to a projected $28,359 savings in IT costs over five years.

About Cobelfret

Antwerp-based Cobelfret ships approximately 50 million tons of coal, iron ore, bauxite, and dry bulk products each year, and operates 21 liners between the UK, Scandinavia and Continental Europe designed for shipping vehicles, containers, trailers and other equipment. In addition, it is involved in towage operations at various locations around the world, and offers port agency services at Antwerp, Ghent, Zeerugge, Rotterdam, and Flushing. The company was founded in 1928 and has 1,400 employees.

The Challenge: Ensure Failsafe Operations, Improve Backup, and Consolidate Data Centers

Cobelfret's complex shipping operations are heavily dependent on its enterprise applications and customer data. For example, if the ferry booking applications go down, its liners cannot sail, and it loses a significant amount of revenue. In addition, at any one time it has 50,000 cars in its terminals, and if its terminal management program fails, it would be incapable of carrying on operations.

Making its applications and data even more important to the functioning of the company is that it does just-in-time shipping. The company does not get the bulk of its orders weeks and months in advance—it delivers on orders it gets within hours of shipping time.

All of these applications have tremendous amounts of data, and making sure that this data is backed up properly, and able to be restored when necessary, is vital to Cobelfret's financial success.

> " Our entire business would come to a halt if our data or applications were not available. We don't have a pipeline of orders with a backlog. We do just-in-time shipping, and ship literally a few hours from the actual time of the order. So if applications go down or data isn't available, the shipping simply stops. "
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> Jan Janssens
> Director of IT
> Cobelfret

Cobelfret had a distributed infrastructure with servers spread out across 13 separate sites throughout Western Europe. The decentralized nature of these sites made it difficult for Cobelfret to control, among other things, archiving and backup. Because the servers were dispersed across many locations, it was also difficult for Cobelfret to ensure high application availability. In addition, because of the decentralized nature of its infrastructure, Cobelfret could not build a failsafe environment in which even if servers failed, it would be able to safely continue operations.

In an enterprise-wide makeover, Cobelfret decided it would move over time from legacy systems to a Microsoft .NET environment on HP ProLiant blade servers. It would make the change in phases, beginning with file and printer services, e-mail, office applications, Internet access, a variety of dedicated Intel-based applications, firewalls, and antivirus applications. In addition, as part of that makeover, it had to decide how to handle its backup and restore operations.

Driving the Need for a New Solution

Cobelfret was looking for a complete solution that would do the following:

- **Improve backup and restore operations.** It was difficult for Cobelfret to back up and restore all data properly, because servers and the data were spread out among 13 separate sites throughout Western Europe. It was looking for a centralized solution that would allow it to centrally manage backup and restore operations.

- **Ensure failsafe operations.** Cobelfret cannot afford any downtime—its business is too heavily dependent on enterprise applications and data. The company was looking for a way to make sure that no matter what problems it encountered, it would still be able to operate and keep taking orders and shipping goods.

- **Consolidate and centralize data centers.** Managing 13 separate server sites throughout Western Europe was proving unwieldy and inefficient. This caused a variety of problems. For example, when Cobelfret opened a new business location, it was very costly and time-consuming, because the company would have to install and maintain email servers, application servers, and other servers and equipment. It wanted to consolidate its data centers so that it could centrally manage and maintain its infrastructure.

- **Improve reliability and availability.** Because of the decentralized nature of its infrastructure, Cobelfret could not ensure that its applications and network were as reliable and highly available as it wanted. It was looking for a way to improve the business's continuity by driving reliability and availability, and to improve user productivity.

- **Save on IT costs.** Backing up and restoring data proved to be time-consuming and costly, and required a substantial amount of staff time. Cobelfret wanted an automated solution that could cut management time and overall costs, and improve backup and restore reliability.

Cobelfret Chooses the HP Solution

Cobelfret was looking for a vendor that could build solution to replace its legacy machines, and support the new .NET environment. It also was looking for a vendor that would be able to provide a complete backup solution and software.

HP is one of the few companies able to provide an end-to-end solution that includes Intel-based servers with Microsoft Windows, software, networking, critical services, and a storage and backup architecture that could provide Cobelfret with the failsafe operations that the company desired. Cobelfret chose the HP solution over the competitors because Cobelfret had a long-standing relationship with HP, and had been pleased with the high quality of HP hardware, software, and support.

The company bought approximately 70 HP ProLiant BL20 servers, 30 ProLiant DL360 and DL380 servers, and HP ProCurve network switches and hubs. To achieve more efficient management of the environment, it purchased HP OpenView software including HP OpenView Operations, HP OpenView Network Node Manager and HP OpenView Data Protector back-up utilities. In addition, it bought two HP Enterprise Virtual Arrays (EVA) and HP StorageWorks Cluster Extension (CLX) EVA software.

> " We were very impressed with the level of technical ability of the HP staff. If we did not believe that HP could deliver, then we would not have awarded them a contract that is so important to the success of our business. "

Bart Coucke
IT Operations Manager
Cobelfret

■ Cobelfret chose the HP solution because HP was the only company that was able to provide it with an end-to-end solution that helped them consolidate data centers and decrease IT expenses.

The Bottom Line for Cobelfret

A detailed analysis of the implementation shows that Cobelfret will gain a projected, cumulative five-year net benefit of $758,416 from the project, driven by improved productivity, and savings in IT maintenance and troubleshooting. The solution will have an ROI of 178% and has a payback period of 34 months.

The greatest direct financial benefit comes from increased productivity. The HP solution makes applications available more of the time, increasing employee productivity. Cobelfret will gain a projected cumulative five-year benefit of $1,702,496 from productivity gains.

■ Cobelfret's bottom line for the project: A projected, cumulative, five-year net benefit of $758,416, driven by improved productivity, and savings in IT maintenance and troubleshooting. The project has an ROI of 178%, and a payback period of 34 months. The company has seen improved backup performance and reliability, greater application availability, less downtime, and has ensured failsafe operations.

Cumulative 5 Year Net Benefit ($000)

In addition, Cobelfret will save on IT support costs. The HP EVAs in combination with the CLX EVA software require less maintenance, management, and troubleshooting than previous and alternative solutions. The HP CLX EVA software detects failures and automatically manages recovery for "hands-free" disaster tolerance management. This will lead to a projected, cumulative five-year benefit of $28,359 in savings on IT support costs.

Using the HP solution, Cobelfret was able to consolidate its 13 sites into two data centers. The data centers, located in Brussels and Antwerp, are identical and mirrored. They provide failsafe operations, because if one data center goes down, the other is already working and work can proceed without interruption.

Application availability and reliability have been increased, and users face no downtime. There have also been fewer complaints from users about application performance. Backup and restore operations have been streamlined and are more reliable in the past, due to the HP EVAs and CLX software.

Finally, Cobelfret can open new offices more quickly and at less cost than previously, because it does not have to deploy servers and associated infrastructure. Instead, the new offices access the centralized data centers.

5 YEAR ANALYSIS

Project Summary

ROI	178%
Payback Period (in months)	34
Cumulative Net Value	$758,416

Project Costs	Start Up	Year 1	Year 2	Year 3	Year 4	Year 5	Total
EVA 5000	$724,800	$0	$0	$0	$0	$0	$724,800
CLX Extensions	$60,400	$0	$0	$0	$0	$0	$60,400
3-Year Support (Paid upfront)	$187,240	$0	$0	$0	$0	$0	$187,240
TOTAL PROJECT COSTS	$972,440	$0	$0	$0	$0	$0	$972,440

Benefits		Year 1	Year 2	Year 3	Year 4	Year 5	Total
IT Support Cost Avoidance		$5,450	$5,558	$5,670	$5,783	$5,899	$28,359
Productivity Benefits		$327,149	$333,692	$340,366	$347,173	$354,117	$1,702,496
TOTAL BENEFITS		$332,598	$339,250	$346,035	$352,956	$360,015	$1,730,856

Financial Analysis		Year 1	Year 2	Year 3	Year 4	Year 5
Net Value	-$972,440	$332,598	$339,250	$346,035	$352,956	$360,015
Cumulative Net Value	-$972,440	-$639,842	-$300,591	$45,444	$398,400	$758,416
Net Present Value	$482,400					
Payback Period (in months)	34					
ROI	178%					
Internal Rate of Return	23%					

ROI (return on investment) percentage return expected over a specified period of time. ROI is the total benefit minus the total costs in years 1-5 divided by the startup costs. The ROI metric is good for assessing the net value benefit of the project relative to the initial investment.

Net Present Value (NPV) represents the cumulative present value of the expected return of a project over a specified period of time minus the initial costs of the project. This dollar figure provides visibility on the actual value of a project, taking into consideration the time value of money - the ongoing benefit of a project in today's dollars. NPV tells you the magnitude of the project and if the project generates a profit.

Payback Period (or breakeven) is timeframe it takes for the project to yield a positive cumulative cash flow. Payback period is a key measurement of risk but does not take into account cash flows after the payback period.

ROI, NPV and **Payback** should be used in conjunction to understand the rate, size and timing of the return.

Net Value is the benefit delivered to the organization for the investment made in the project. Net Value is calculated by taking the total benefit minus the project costs.

Internal Rate of Return (IRR) is the implied rate of return of an investment assuming complete reinvestment of cash flows. It is the percentage rate by which you have to discount the benefits until the point that they equal all the costs. IRR is calculated as the discount rate necessary to drive the NPV to zero.

Cobelfret Looks to the Future

Cobelfret now has failsafe operations, improved productivity, and its infrastructure will be able to handle the company's needs today as well as into the foreseeable future.

Perhaps most important, it has an infrastructure that will be able to withstand disasters, and has a backup and storage solution that allows for stable, reliable backup, and the ability to quickly recover any data it needs.

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About Hewlett-Packard Company, StorageWorks Division
HP is a technology solutions provider to consumers, businesses and institutions globally. The company's offerings span IT infrastructure, global services, business and home computing, and imaging and printing. HP StorageWorks solutions help enterprises optimize current resources, manage multivendor environments and evolve to open architectures. For more information on how working with HP can benefit you, contact your local HP representative, or visit HP at www.hp.com.

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