

44% of IT managers fed up with buying storage they don't need

Companies wasting thousands of pounds every year on unnecessary storage

London, August 20th, 2007: Research commissioned by Hostway has found that almost half of IT managers are fed up because they have to buy more storage than they need. 44% of those surveyed admitted that despite sensibly investing in extra capacity for the future growth of stored data, they are often forced into purchasing storage that is superfluous. According to the research, an average UK company has 38% of its total storage unused and is therefore not gaining benefit from 38% of capital expenditure on disk storage. When you consider that according to IDC the global market for disk storage systems in 2006 was worth \$24.4billion, UK businesses could be wasting hundreds of thousands of pounds on storage capacity they aren't using.

The research also showed that 94% of IT managers invest in more storage than they need, and with data storage requirements growing exponentially, this could be seen as a prudent investment. However, the statistics show that just under half of IT managers do not feel that they should pay for something that they don't immediately need. 44% of IT managers stated that they are forced to buy more storage than they need because often storage hardware is not available in smaller, cost effective increments.

"The current model of storage procurement is fundamentally flawed," said Neil Barton, director, Hostway. "Purchasing storage which you don't need is like hiring two people for one job, one of whom falls asleep at their desk and occasionally makes tea. Not only is it unnecessary, it also means that the IT team cannot use their budget as effectively as they would like. If an important project comes up later in the year, which requires IT support, business agility can actually be reduced because funds have been absorbed by purchasing the excess storage."

Furthermore, the small amounts of unused storage can all add up to cost the company a substantial amount of money. The survey showed that 72% of organisations are utilising 60% or less of their total storage capacity, potentially wasting thousands and thousands of pounds each year. In one in five businesses the problem was even worse with less than 40% of storage capacity being utilised.

Despite spending a great deal of money on their storage arrangements, companies still have to compromise because it is difficult to purchase storage hardware that performs at the desired level, in the right increments for the right price. When IT managers are forced to use up their budgets buying large blocks of storage, it often means that they then have to use medium performance storage when they actually need high performance, because of the pricing

structures. In fact, 46% of IT managers surveyed said that they have had to use non-optimal storage in the past because they can't afford the right kind. As a result, data retrieval can take longer than is really necessary and slow down business operations.

The survey also found that 69% of IT managers are finding storage management increasingly difficult and complex. This is hardly surprising considering the amount of data being stored in organisations has been increasing exponentially over the last few years, and with data residing in storage silos or complex storage area network infrastructures.

"Companies need to start looking for more flexible storage methods because the current procurement models are not meeting the needs of many businesses. Quite rightly people do not want to pay for capacity they don't need, however until recently they have been forced to as there have not been many viable alternatives. However, with the cost of WAN bandwidth dropping, it is now possible to effectively pay-on-demand for storage," continued Barton. "In addition, by re-engineering the way you purchase and use storage you can also take away many of the management headaches while at the same time ensuring you are always able to provide the storage performance the business needs cost effectively."

The research was conducted by Vanson Bourne and surveyed 100 UK IT managers from large enterprise organisations.

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