CentricsIT

WE SEE IT DIFFERENTLY
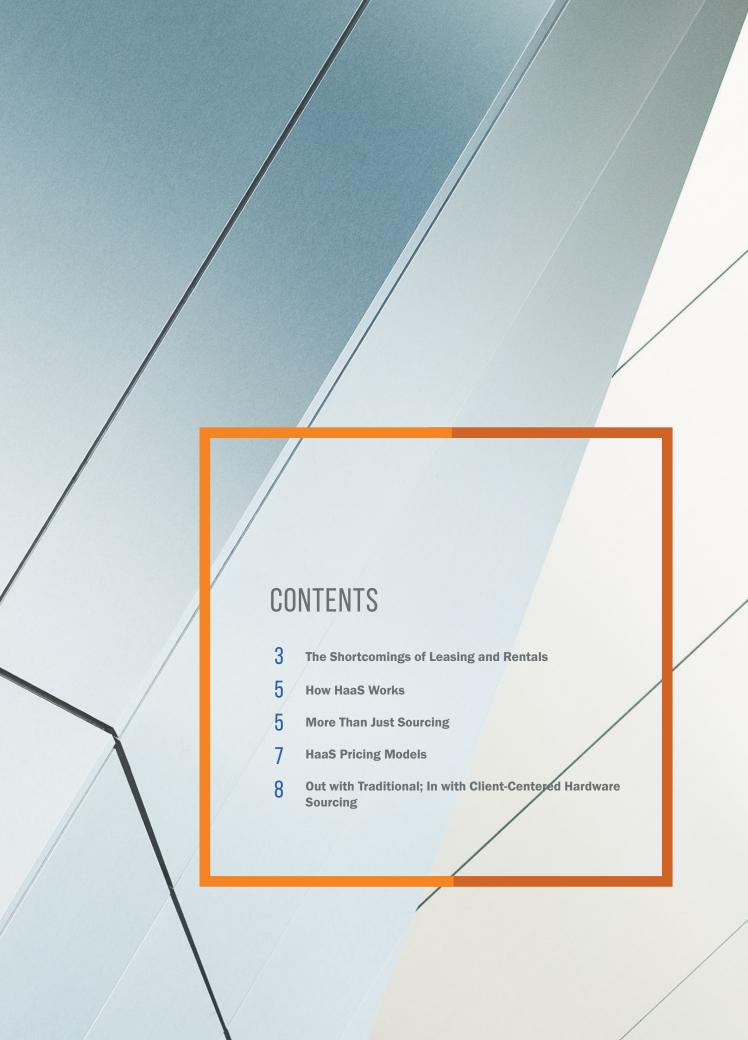
SCALE BETTER:

HARDWARE-AS-A-SERVICE REVOLUTIONIZES THE WAY YOU HANDLE PROJECTS

A Whitepaper by CentricsIT

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SCALE BETTER:

HARDWARE-AS-A-SERVICE REVOLUTIONIZES THE WAY YOU HANDLE PROJECTS

Traditional enterprise hardware procurement is limited and expensive.

You're committing to a great deal more than that initial sticker price when you acquire your own hardware. After all, it is called Total Cost of Ownership[1] for a reason. You buy it; you **own** it. And with owning comes the heavy weight and responsibility of:

- Procurement
- Install and setup
- Logistics
- Configuration
- Maintenance
- Practical utilization
- Data sanitization
- Disposition and compliance

Buying hardware outright is a considerable capital expense, and you need to make sense of that purchase over the entire lifetime of that equipment (or, at least until you decide to re-sell or dispose of it). You must factor in repair and depreciation costs[2] at each step. And when workloads and projects fluctuate, you lose money when that hardware is left to sit idle in a dark corner of your data center.

> According to Gartner[3], you already heavily invest in your IT operations. Every second that equipment isn't in use is a percentage of that CAPEX gone to waste.

And we haven't even gotten into the difficulties and expenses of keeping your hardware under maintenance support—costs that grow exponentially once your OEM declares EOSL and EOL dates for those hardware lines. Data sanitization and disposition initiatives are another burden you shoulder to remain within your compliance strictures (and to keep your company out of the news as the latest data breach).

You, like many others, might be of the mind that "it's just par for the course" for IT operations in our Modern Age; these logistical hurdles and the CAPEX/OPEX drains are "to be expected."

> It's time for a new model.

THE SHORTCOMINGS OF LEASING AND RENTALS

The industry is constantly changing, and so are the IT demands on your company; as a result, you have fluctuating enterprise hardware needs. To fulfill these requirements, you might have already turned to a leasing or a rental strategy to counteract some of the negatives listed above.

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[1] (2018) Rouse, Margaret; "TCO (Total Cost of Ownership)." TechTarget. https://searchdatacenter.techtarget.com/definition/TCO

[2] (2017) Kaelin, Mark; "How to Calculate Depreciation on Computer Hardware: A Cheat Sheet." TechRepublic. https://www.techrepublic.com/article/how-to-calculate-depreciation-on-computer-hardware-the-smart-persons-guide/

[3] (2017) "Gartner ITBudget: Enterprise Comparison Tool." Gartner. http://www.gartner.com/downloads/public/explore/metricsAndTools/ITBudget_Sample_2012.pdf

RENTALS:

With rentals, you have more financial and temporal flexibility for your operational and POC needs, but you are ultimately responsible—during the rental period—for:

- Ordering and pick-up logistics
- Rack and stack
- Installation and configurations
- Maintenance and upkeep
- Return logistics

Much like a rental car, you can rent the hardware for as long or as short a time as you need it, but you still need to return the equipment in the same condition that it was given to you. Because you're not having to buy outright, rentals give you a broader spectrum of hardware options for testing and development purposes, but you must return the units at the end of that testing period—even if you have decided that the hardware is the right fit for your environment.

Often, you don't have an option to buy it. You and your IT team finally have an answer for your test development, but you have to go through the procurement process again, through other channels, to purchase that particular server, security, or storage hardware before configuring it back into your systems.

LEASING:

Leasing has the same scalable hardware procurement model as rentals, but it also has similar setbacks. Lease contracts tend to be more restrictive since they are typically used for more long-term projects—you are locked into an inflexible financial and maintenance obligation.

As a result, if you find that your IT needs change half-way through a leasing term, you are obligated to pay out the remainder of the contract's financial requirements even if you have no further need for the leased hardware. Conversely, if you decide that the hardware is essential to your IT operations, some leasing companies will allow you to "lease-to-own," but this option is rarely the economical choice as you end up paying more for the contracted hardware than you would if you had just bought it outright.

> While leasing and rental contracts alleviate some of your IT pain points, there are more flexible, more economical methods that you can leverage for your project hardware sourcing needs.

CENTRICSIT HARDWARE-AS-A-SERVICE (HAAS)

CentricsIT HaaS provides flexibility that you don't get with any of your former procurement methodologies.

We provide a fully managed "Hardware-as-a-Service" for clients looking to simplify (and yet diversify) sourcing for short-term to mid-term projects. You sign up and tell us what you need; we do the rest.

Over our years as an IT solutions vendor, we have built and established relationships with an extensive network of global, strategic partners—a network that grants us access to an international pool of L1-L3 engineering talent. Wherever our clients operate, no matter how many locations they support, we deploy the best-suited technicians to their datacenters to provide the solutions, parts, and services they require. Moreover, our position within secondary markets grants us a strategic advantage over OEMs and other third-party vendors to acquire any hardware our clients need quickly, efficiently, and at the most economical price.

These global connections, in congruence with our world-class in-house team of industry experts, have given us the real-time resources necessary to establish the CentricsIT HaaS model for our clients. Now, rather than buying, maintaining, and replacing enterprise hardware in a monotonous, inefficient, and expensive cycle—whether through the OEM or a leasing/rental company—our clients now get everything they need for their short-term data center initiatives through a HaaS model.

HOW HAAS WORKS

If you already know what you want to accomplish, we'll provide the resources to fulfill that business goal.

Our CentricsIT HaaS experts will consult with your IT team on your enterprise hardware—network, computer, storage, etc.—requirements and upcoming projects. From there, we will design a custom hardware order, pre-image and configure the equipment, and ship you exactly what you need.

With each custom order, our CentricsIT SmartHands[4] engineers deploy on-site along with the hardware shipment to cover:

- Unboxing and rack and stack:
  - Installation
  - Configuration and optimization
  - IT team training and troubleshooting

- Fully-managed maintenance and repair (24x7x365 Help Desk support)

- Data sanitization (both on and off-premise) upon end of use-cycle

- Shipping logistics and delivery

Much like cloud, CentricsIT HaaS scales to your needs and provides you with the necessary resources for the time you require. In the interim, our technicians maintain the equipment according to your SLAs, and then we'll pick the it all back up for you at the end of the use-cycle.

We take care of all the upkeep and return logistics for you.

HAAS IS MORE THAN JUST SOURCING

We offer entire hardware lifecycle management for:

Swing gear for data center moves and cloud migrations

Hardware bakeoffs (HP vs. Dell vs. IBM, etc.)

Software and application testing

CentricsIT HaaS is scalable to your current and future project bandwidths—whether it be for several years or as short as a few weeks. With HaaS, you aren't locked into a contract; we understand that some project timelines are difficult to predict. Because of this, we provide the hardware you need for your shorter to mid-term projects, so, whenever you complete the project (on your timeline), you aren't stuck owning hardware you don't need.

HAAS ADDRESSES PROBLEMS AT THE FACILITY, SERVER, AND APPLICATION LEVELS

As it is, "swing gear" isn't even a concept in traditional procurement models.

Previously, if you wanted to use it, you had to buy it, lease it, or rent it. This is where HaaS steps in to fill the void—granting your IT team the innovative play, the OPEX, and the flexibility to maneuver market and industry fluctuations with greater dexterity.

HaaS is fully-managed, giving you more flexibility and resources than any traditional procurement model to date (e.g., leasing companies don't let you swap out gear halfway through a use cycle). CentricsIT HaaS is adaptable to the client. If you like the swing gear, you can purchase it and continue to leverage our world-class TPM[5] as well as our ITAD services.[6] Our representatives will offer a fair market price for the hardware and TPM services, and it can stay in your production environment for as long as you want it to.

DATA CENTER MOVES

Sometimes it's the complication of an M&A; other times, it's a strategic headquarters move to a different state. Either way, there's a lot of consolidation and reconfiguration in your future when you're facing a data center move, and if you are not sure yet whether you want to rent or buy your enterprise hardware for the intended location, CentricsIT HaaS will provide pre-imaged swing gear for the interim.

This enables you to configure the new location, seamlessly mirror your environments from the old to the new and makes shutting down the old facility much simpler (our ITAD team can also audit your old location's infrastructure, strategically re-sell any units with resale value, and then recycle any remaining EOL equipment). Not only does HaaS swing gear reduce downtime potential and moving complications, it also gives you an opportunity to test newer hardware for the future.

NET-NEW FACILITIES

If you are growing locally or making a strategic expansion from the U.S. to an international site (e.g. for geographic resiliency or to accommodate for compliance strictures in the UK), CentricsIT HaaS provides the pertinent swing gear for the initial setup of the facility. Unlike other procurement methods, HaaS is temporally flexible, allowing you to use the gear for as little or as long as necessary.

TESTING AND DEVELOPMENT

Buying hardware outright for testing and development purposes is an expensive way to determine the best route to your business end goals.

If your company is big enough and you have the CAPEX, you can buy several iterations or lines of hardware for PoC purposes. But, realistically, how long will your test dev projects take? Once you have your answers, what happens to that bought-and-paid-for hardware? Arguably, some of it can be incorporated into your existing infrastructure, and the rest can be stored for future test dev initiatives. But idling hardware remains. Your assets are under-utilized, and you waste resources as a result.

CentricsIT HaaS doesn't just mitigate these concerns; it eliminates them.

PoC and Benchmarking Applications

With the expense of floor space, power, and cooling (not to mention your employees' valuable time), it's critical that you run your software and applications on the most efficient machine possible.

The best way to determine this in a test development scenario is to set up a broad spectrum of devices (whether it be different generations of the same device or several comparable units from varying OEMs) and run the same test software

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[5] (2018). "Pure Play TPM vs. Full Spectrum Life Cycle Management." CentricsIT. https://www.centricsit.com/pure-play-tpm-full-life-cycle-management/

[6] (2015). "Third Party IT Maintenance and Your IT Asset Disposition Strategy." CentricsIT. https://www.centricsit.com/why-third-party-it-maintenance-should-be-part-of-your-it-asset-disposition-strategy/

them all. This direct comparison makes your "best choice" more obvious, but purchasing a spectrum of devices outright eliminates efficiency in your processes. To make your test and development initiatives more efficient (or frankly, possible, depending on your company policies), CentricsIT HaaS will provide the temporary gear deliveries and will execute installation and returns, complete with industry-standard data sanitization services at the end of the testing cycle.

Hardware Bake-Offs

Want to have your own in-house hardware bake-off?

In a similar way, if you are needing to compare different lines of hardware without buying one of each, CentricsIT HaaS has access to a plethora of secondary hardware resources, including network, server, and storage hardware from Dell, Cisco, HPE, Intel, etc. Whatever line (or generations of the same brand of hardware) you need to compare, HaaS provides the spectrum of equipment you need directly to your data center. Once you have your test dev answers, we'll come back and remove the units you no longer need and supplement with those that you require for other testing.

HAAS PRICING MODELS

HaaS does not have any hidden fees or inflated membership costs. And our bundled pricing model enables HaaS to be extremely competitive versus rental offerings.

HaaS is a blanket term for numerous capabilities available because of our engineering networks, hardware connections, and in-house expertise. Put simply, **it's a new way to think about short to mid term hardware sourcing**.

OUT WITH TRADITIONAL; IN WITH CLIENT-CENTERED HARDWARE SOURCING

Your on-premise hardware is still a critical component to your overall processes (no matter how much hype we hear about cloud). You still need to do what it takes to keep your physical environments optimized and aligned with your business goals.

We architected HaaS to be highly scalable and customizable, allowing us to easily align our solution bundles to your specific project needs, not just in the present, but also as your company evolves and advances in the industry. Most importantly, we understand that what your company needs is critically dependent on who you are and what your goals are, so before our IT design team makes a recommendation, we take the time to get to know you, your processes, and your upcoming projects as a whole. We're going to help you find the right solution for your needs—*because we're making the rules.*

OEMs don't change their rules for your convenience; we do.

WANT THE FREEDOM TO TEST AND DEVELOP THE WAY YOU'D LIKE?

Contact CentricsIT to eliminate your inefficiencies and financial pain points with scalable Hardware-as-a-Service.