



## White Paper: Business Continuity and Regulatory Compliance - How Colocation Can Help

### *Businesses under the gun*

Companies today face intense pressure to keep their electronic communications up and running, and available not only for internal use, but because customers demand it.

Planning for business continuity covers a broad range of scenarios, from recovering after a catastrophic act of nature, to restoring data after a major system/hardware failure, to responding after a security breach. No matter what field you are in, contingency planning is smart business.

Then there's the issue of compliance. Recent laws and regulations, such as the Sarbanes-Oxley Act, require safe storage, long-term maintenance, and immediate retrieval of sensitive information. More and more businesses are facing the challenge of meeting compliance regulations.

The bottom line: a sound business continuity plan and a robust regulatory compliance plan are crucial to a company's long-term future.

Fortunately, help is available through colocation: placing servers and telecom hardware in a data center facility. This white paper discusses the advantages of colocation in the context of business continuity and regulatory compliance.

### **Business continuity: failure is not an option**

Your clients count on you. Your vendors and suppliers count on you. And you, in turn, must be able to count on your infrastructure for electronic communications, even if a temporary problem or long-term disaster strikes your main place of business.

You may hear this issue described as business continuity or disaster recovery. Either way, the most dependable solution is to locate critical electronic equipment in a state-of-the-art, purpose-built data center away from your main office.

Such a colocation facility typically offers several advantages over keeping your IT hardware in house:

- **Sufficient, dependable power.** Servers require a lot of power — especially high-density blade servers — and colocation data centers have the necessary capacity. They also have redundant power in the form of transitional UPS battery power and a generator that kicks in during a power outage. Providing a similar system for uninterruptible power at your main place of business may be prohibitively expensive.

### *Key points covered in this white paper.*

- The need for business continuity in situations from a short-term power outage to a long-term natural calamity
- The importance of complying with today's legal and regulatory requirements for data security, storage, and retrieval
- The advantages of colocation of IT equipment in a data center

- **Reliable cooling.** Power-hungry servers generate considerable heat and must be kept cool. A data center should have redundant Heating-Ventilation-Air Conditioning (HVAC) systems to ensure a proper operating temperature. If an HVAC malfunction forced you to power down your servers because of overheating, it would have the same negative effect as a power outage—unacceptable.

- **Dependable connectivity.** If a disaster, human error, or other problem cuts off your fiber connections, your business is cut off from today's electronic world. A data center will typically provide redundant fiber connectivity and a choice of several carriers.

- **Greater security.** A colocation facility is typically an anonymous building with video surveillance and restricted access. Does your place of business have multiple levels of security in place?



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### *Disaster recovery: further considerations*

Deciding to use a colocation facility is a critical step in planning for business continuity/disaster recovery. You will also need to determine the appropriate technical solution for implementing disaster recovery at the application level.

These are complex choices influenced by how much your business needs to mitigate the risk of potential disasters and what you have defined those potential disasters to be.

Determining your objective for recovery time (how fast your business should be able to recover critical resources) and your objective for the recovery point (how much data you can afford to lose) will help you with this analysis. The capital costs, personnel costs, and on-going support costs associated with redundant IT systems — redundant hardware, software, and data — must also be considered.

### **Regulatory compliance: the new reality**

Even as there is more need than ever for reliable business continuity with regard to data, there is more emphasis than ever on regulatory compliance. New laws and regulations require businesses to safely store sensitive information, locate it in disparate systems, maintain it for long periods of time, and be able to retrieve it quickly in multiple formats.

Depending on your firm's business, you may need to be in compliance with:

- **Sarbanes-Oxley Act:** Financial reporting procedures, electronic systems, and data handling issues.
- **HIPAA (Health Insurance Portability and Accountability Act):** For health care companies that handle patient data.
- **Gramm-Leach-Bliley:** Security policies protecting the confidentiality of customer information.
- **SAS 70 Auditing:** A rigorous review of the internal controls of a service organization — applies to many companies.

- **Corporate insurance:** Requirements by insurers for the handling, storage, and availability of mission-critical data.

- **Payment Card Industry Data Security Standard:** Applies to all members, merchants, and service providers that store, process or transmit data on credit card holders.

Make no mistake: when it comes to enforcement, these laws and regulations have teeth. Choosing a reliable colocation facility helps meet compliance regulations and gives the peace of mind that comes with it.

### *Getting started*

Your firm can begin the work of business continuity/disaster recovery with proper planning. Consider the following points:

- Identify the business continuity components on which you will focus your efforts (people, data, property, etc.)
- Prioritize business functions such as internal applications, email, and customer interfaces
- Classify outage types — power, telecom, human error, hardware/software failure, facility move, natural disaster — plus their anticipated frequencies and duration
- Determine desired objectives for recovery time and recovery point
- Identify application-specific requirements for high-availability
- Determine a desired data center location
- Establish requirements for facility accessibility, power, connectivity, and security
- Determine personnel needs



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### *Additional colocation considerations*

Your business recovery and compliance concerns may well lead you to a colocation facility. In addition to choosing a purpose-built facility that meets all power, HVAC, connectivity, and security requirements, there are other key considerations:

- **Space availability:** Simply finding data center space in a tight market can be a challenge — and the challenge is not that simple. You need space not only for the present, but also in anticipation of increasing future needs. So whether you need a cabinet, cage, or suite today, it's important to choose a data center that gives you room for expansion tomorrow.
- **Location:** Your data center should be convenient enough for your IT personnel to visit as needed. However, it should also be far enough away that if your main place of business is affected by a disaster, the odds are lessened that your data center will be affected as well.
- **"Remote Hands" services:** The data center should offer routine technical services such as server reboots, tape rotation, and tape storage — ideally off-site storage, for maximum disaster protection. Having on-site support personnel lessens the need for your employees to access the data center.

### *Conclusion*

Meeting the needs for business continuity and regulatory compliance requires a proactive approach. Colocation at a dependable data center goes a long way toward meeting the need.

If you wish to explore these issues further, we invite you to contact Philadelphia Technology Park, located in the Philadelphia Navy Yard Corporate Complex at 4775 League Island Blvd. Philadelphia PA 19112.

To schedule a facility tour or to obtain additional information, visit us online at:

[www.philadelphiatechnologypark.com](http://www.philadelphiatechnologypark.com)

call (800) 506-7993, or email us at:

[sales@philadelphiatechnologypark.com](mailto:sales@philadelphiatechnologypark.com).

### *A premier colocation solution*

Philadelphia Technology Park (PTP) is a state-of-the-art, purpose-built data center specifically designed for colocation. The facility offers:

- PTP-provided, high-speed, redundant bandwidth
- Carrier-neutrality
- N+1 redundant electrical design and distribution
- Uninterrupted Power Supply system
- Redundant HVAC
- Remote Hands support available 24x7x365
- Tape rotation and restoration, plus off-site storage
- Convenient location in Philadelphia Navy Yard, just off I-95 and I-76

Another reason to consider PTP: it is located in a Keystone Opportunity Improvement Zone (KIOZ), which allows colocation clients the possibility of qualifying for significant tax abatements.

### **Additional Resources:**

Philadelphia Technology Park offers other white papers to assist in your colocation and data center decisions:

- Best Practices in Data Center Assessment
- Making the Case for Colocation
- Building Your Own Data Center vs. Buying Colocation Services

For complimentary copies of any of these white papers in PDF format, visit:

<http://www.philadelphiatechnologypark.com/index/white-papers>