

CA Application Delivery Analysis

ROI Business Case Executive Overview
for Customer One

ROI and Business Value Analysis Team
January 2012



Solution Summary

CA GigaStor (formerly NetQoS GigaStor) provides a solution that is designed to integrate with **CA Application Delivery Analysis (ADA)**, (formerly NetQoS SuperAgent) to help troubleshoot application delivery issues, quickly pinpoint performance issues, and present all diagnostic information through an efficient, repeatable workflow.

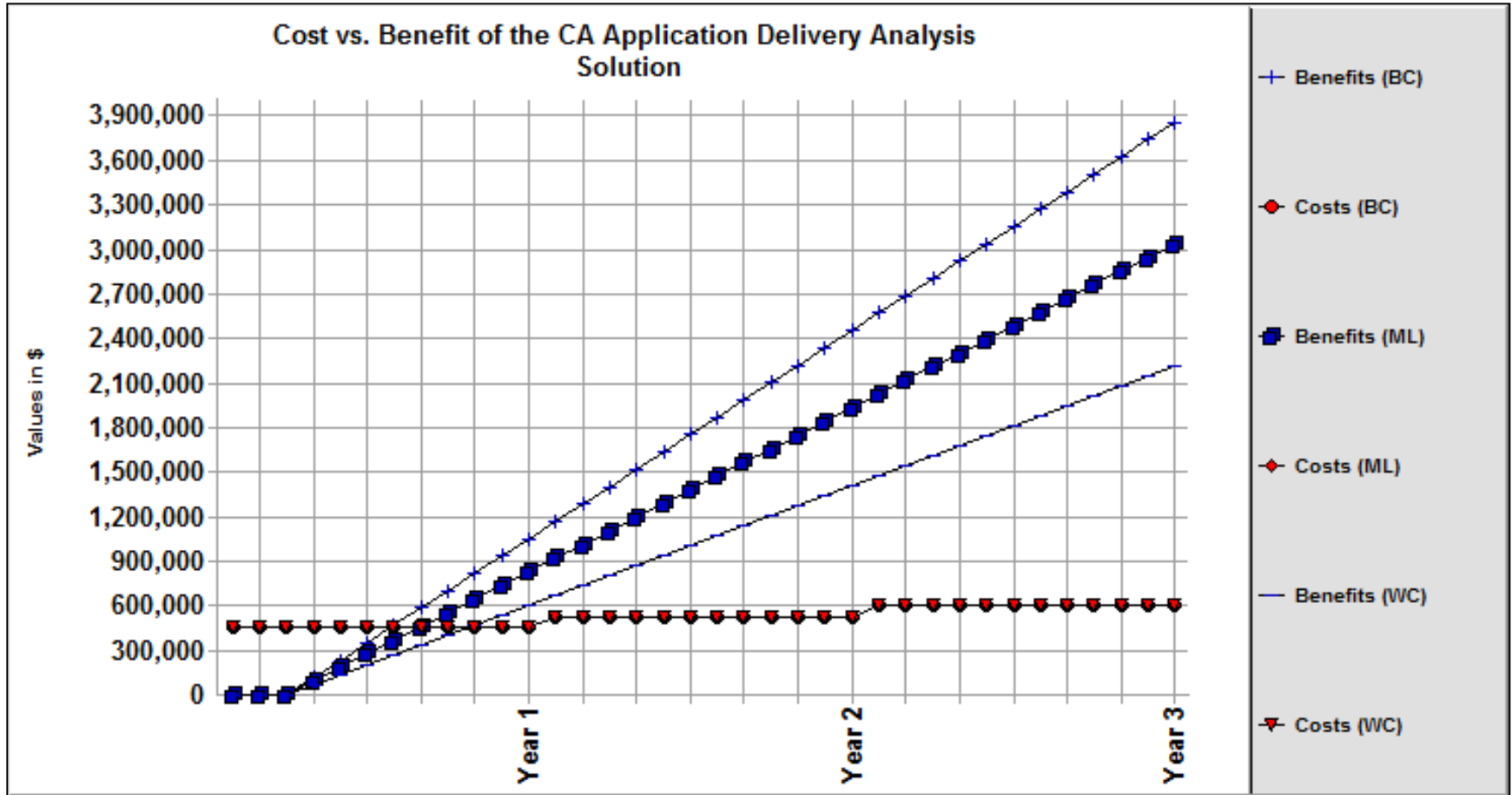
CA Application Delivery Analysis is designed to enable rapid troubleshooting of network, performance bottlenecks and provides insight into the duration, frequency, pervasiveness, and severity of problems. An understanding of normal performance is established via automatic, intelligent baselines. When problems are detected, CA Application Delivery Analysis intuitively gathers diagnostic data that helps further enable faster resolution of performance problems. Convenient application scorecards provide an at-a-glance view of critical application performance, while SLA reporting summarizes both performance and availability of applications. You can measure the before-and-after impact of infrastructure changes on application performance as well as validate the effectiveness of an MPLS migration, VoIP deployment, WAN optimization, QoS policy change, load balancers, and link and server upgrades.

Financial Metrics

Financial Metrics	Best Case	Most Likely	Worst Case
Simple ROI	326%	244%	162%
Payback (Months)	9	10	14
(ramp-up time included)	3 months	3 months	3 months
NPV (Net Present Value)	\$1,558,205	\$1,150,240	\$742,276
IRR (Internal Rate of Return)	181%	140%	98%
Risk of Not Making Investment	\$672,375	\$592,625	\$512,875
TBO (Total Benefit of Ownership)	\$3,856,050	\$3,038,063	\$2,220,075
TCO (Total Cost of Ownership)	\$600,000	\$600,000	\$600,000
Cumulative Cash Flow	\$1,953,630	\$1,462,838	\$972,045

Note: A 12.00% Discount Rate and 40.00% Tax Rate were used for this Application Delivery Analysis Business Case. The values are 3 year cumulative.

Cost vs. Benefit Graph



Note: The lines in the chart are Cumulative Benefits (TBO) and Cumulative Costs (TCO). This chart reflects the timeframe in which the project reaches positive cash flow ('Most Likely Case' scenario).

Total Benefit of Ownership

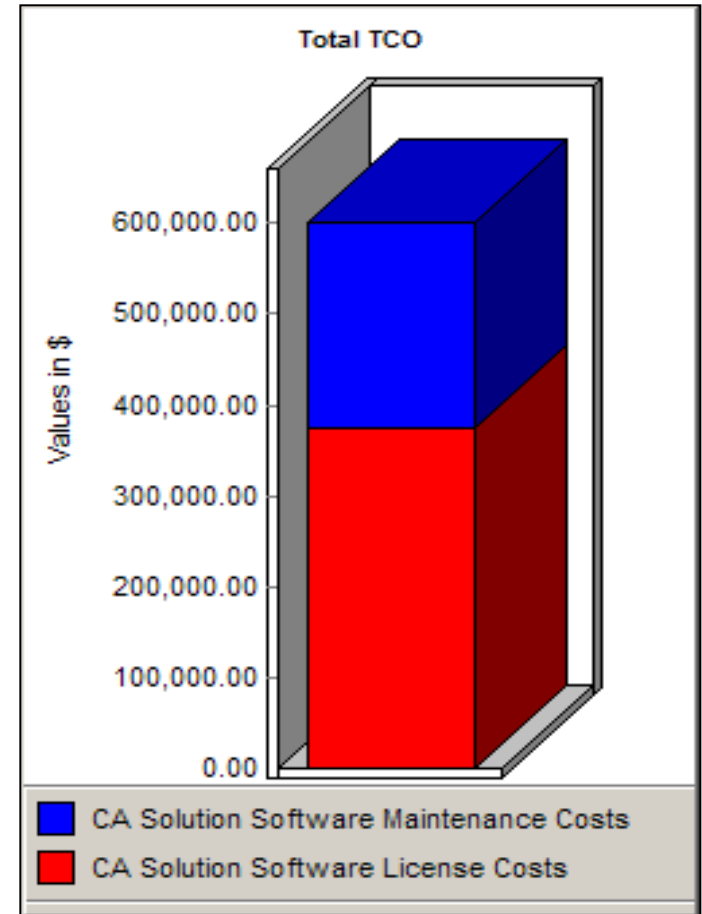
Measurable Benefit / Impact	3 Year Cumulative
Increase End-User Productivity through Improved Availability of Business Applications	\$962,500
Reduced Frequency and Duration of Triage Calls through Improved Visibility into Failed Application Infrastructure Components	\$963,000
Improved Productivity in Level 2/3 Support for Network and Application Management Issues through Quicker Root Cause Identification	\$377,438
Reduced Duration of Forensics Investigations through Retrospective Network Analysis	\$275,000
Reduction in Cost of Software Maintenance Renewals	\$209,000
Reduced Cost of SLA Penalties through Increased Visibility into SLA Compliance	\$202,125
Reduced Revenue Impact through Improved Business Services Availability	\$181,500
Improved Productivity of Level 1 Support for Network and Applications through Automation of Events, Actions and Notifications	\$137,500

Total Cost of Ownership

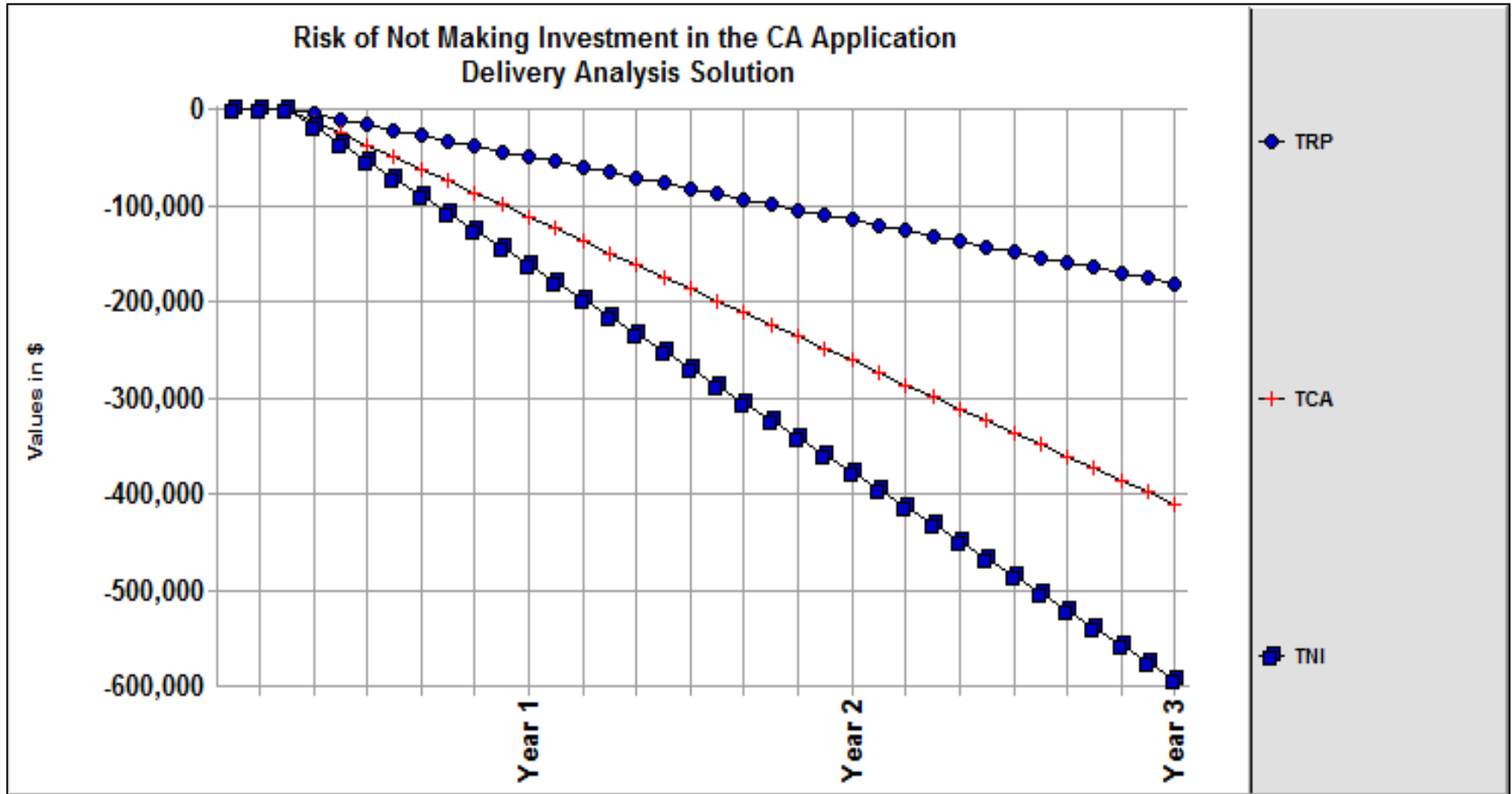
The Total Cost of Ownership includes the initial and on-going costs of the proposed Application Delivery Analysis Solution. These estimations also include the internal cost areas such as additional support and system administration costs.

This section presents a summary of the total projected cost of ownership (TCO) of the proposed solution.

The total cost in year one is estimated to be **\$450,000**. The TCO over 3 years is estimated to be **\$600,000** as shown in the graph.



Risk of Not Making Investment

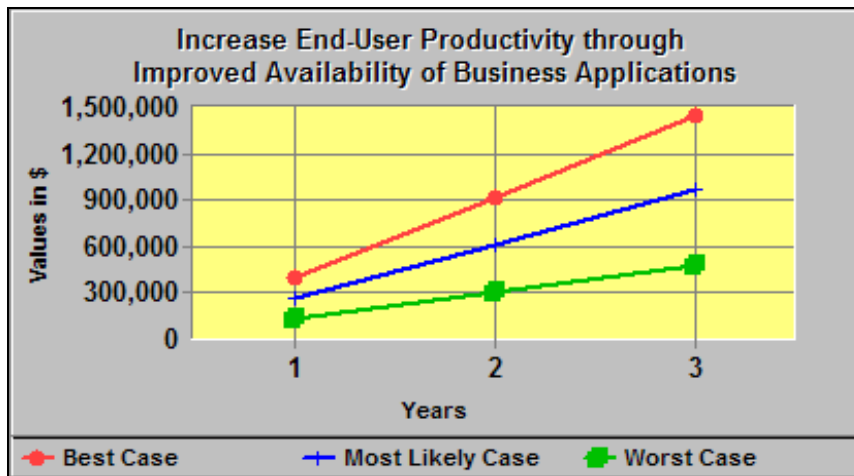


Note: TRP= Total Revenue Protection, TCA= Total Costs Avoidance, TNI= Total of Not Making Investment

Benefits

Increase End-User Productivity through Improved Availability of Business Applications

Poorly-performing enterprise applications can have a dramatic financial impact as end-user experience and performance is degraded. The NetQoS solution provides early warning and problem avoidance capabilities as well as capabilities that speed problem detection, isolation and resolution. By providing early visibility into emerging network and application availability and performance issues, the NetQoS solution can help reduce enterprise-wide productivity losses. Not every service disruption can be avoided and when problems do occur, it is critical that support personnel are armed with the right information, at the right time, and in the right format so that normal service can be restored quickly.



Forecasted Improvement Range

Worst Case 5.00%

Most Likely Case 10.00%

Best Case 15.00%

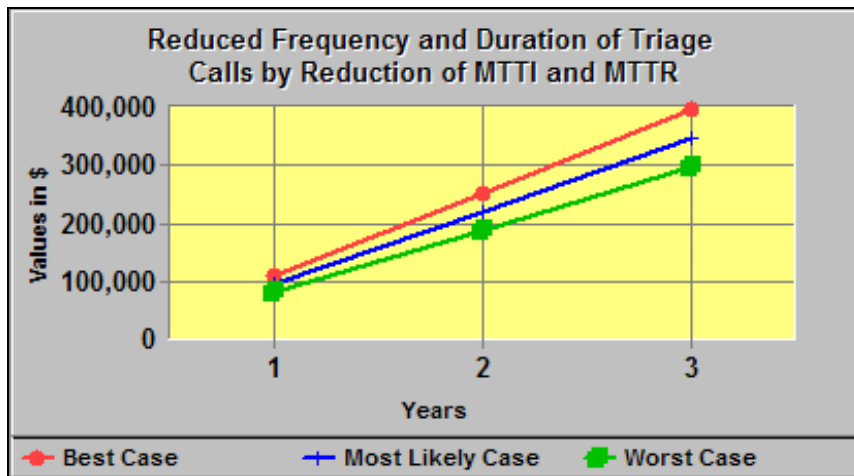
Most Likely 3 Year Cumulative Value

\$962,500

Benefits

Reduced Frequency and Duration of Triage Calls through Improved Visibility into Failed Application Infrastructure Components

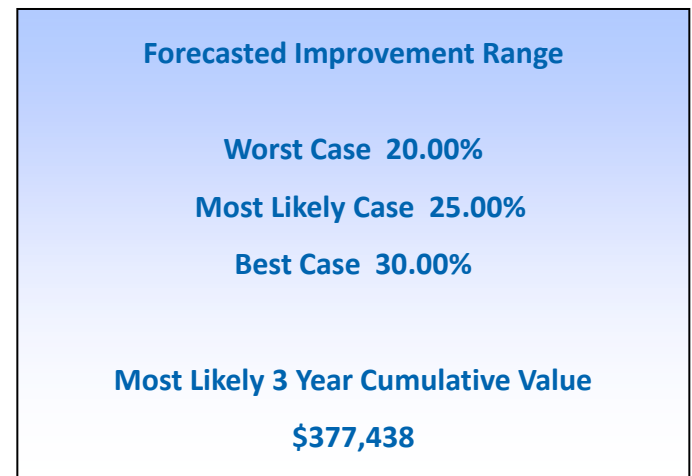
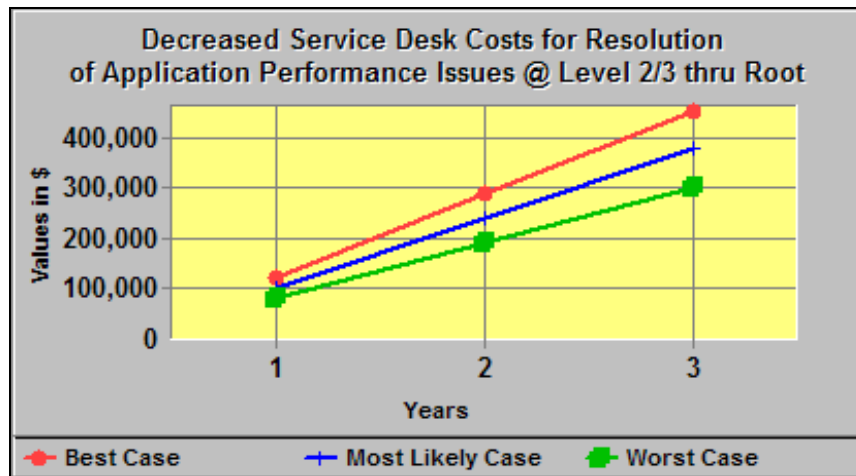
Proactive incident detection and notification when problems occur, rapid triaging to quickly and reliably eliminate the chaos of the "blame game", and faster root cause diagnosis to resolve performance problems, all combine to improve management of application performance incidents. Through a unified and simplified infrastructure management console, the frequency and duration of triage calls can be reduced through the integrated NetQoS solution. This also increases MTTR thereby improving FTE productivity and reliability of the IT infrastructure.



Benefits

Decreased Service Desk Costs for Resolution of Application Performance Issues at Level 2/3 through Quicker Root Cause Identification

The NetQoS solution provides the early warning notification, network and application performance visibility, and root-cause analytics that translate into multiple measurable benefits. Handling a high volume of escalated individual tickets and calls from end users is time consuming and expensive. Often, the same problem spawns multiple tickets and calls, reducing the efficiency of L1 personnel and impeding the ability to focus on resolving end users' issues. With better tools for identifying root cause of application performance issues, Level 2/3 issues are quickly resolved.

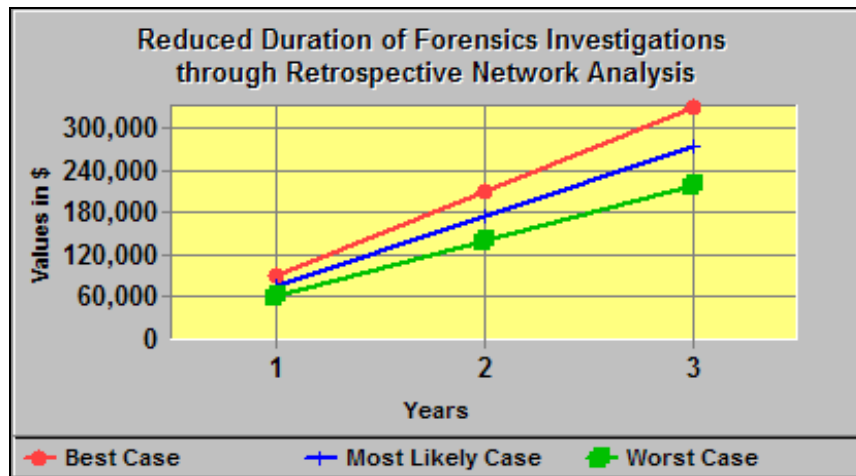


Benefits

Reduced Duration of Forensics Investigations through Retrospective Network Analysis

Network Administrators need to view and analyze detailed packet-level information before, during, and after a problem occurs. With its line-rate capture-to-disk technology and a unique time-based navigation utility, the GigaStor probe appliance provides a reconstructive network analysis appliance ideal for network engineers requiring the full story of what has happened on the network.

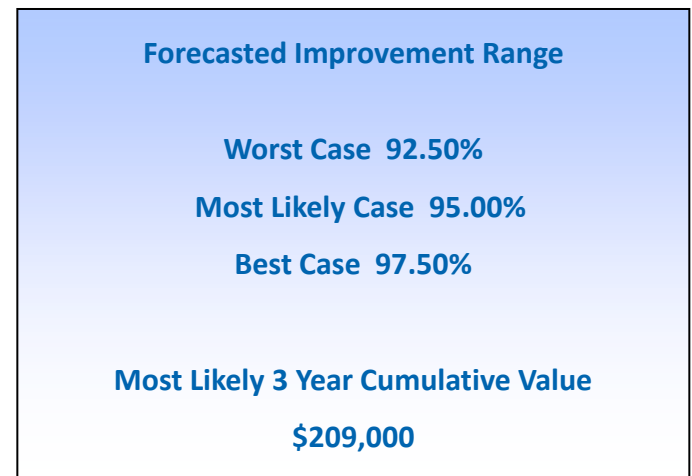
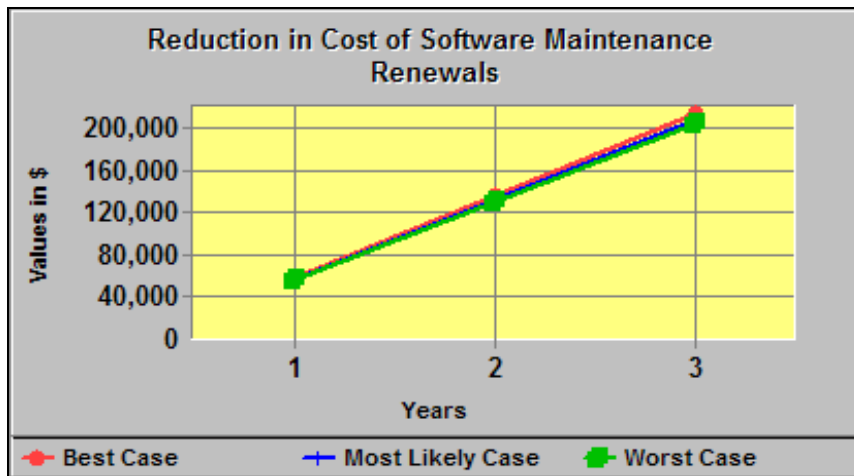
GigaStor provides long-term, real-time, and post-capture network statistics and allows you to apply expert analysis to view possible problem causes and immediate solutions.



Benefits

Reduction in Cost of Software Maintenance Renewals

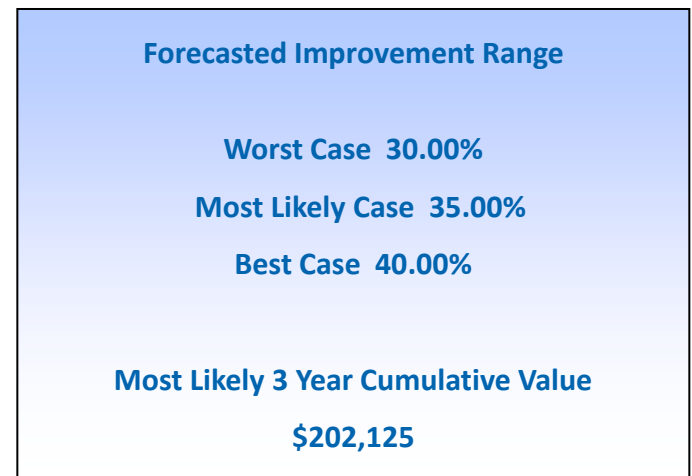
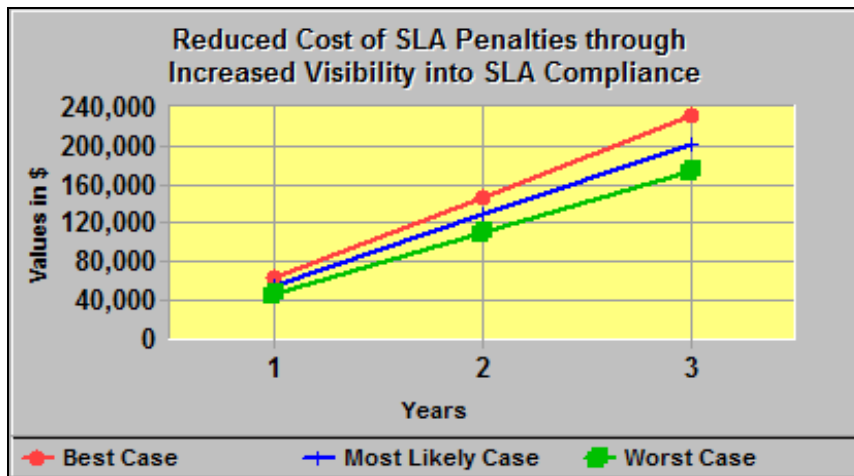
The composite automation/integration capabilities and the consolidation of information to a single pane of glass provided by the solution enables the IT organization to realize cost savings from consolidating and retiring single purpose tools thereby avoiding unnecessary replaced software maintenance renewals.



Benefits

Reduced Cost of SLA Penalties through Increased Visibility into SLA Compliance

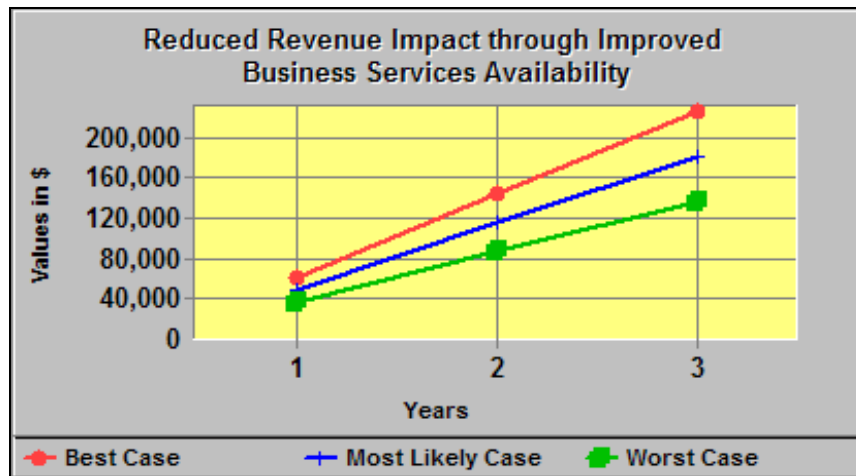
With improved monitoring and increased visibility into network and applications metrics related to SLA compliance, a company can be proactive and reduce the cost of SLA non-compliance.



Benefits

Reduced Revenue Impact through Improved Business Services Availability

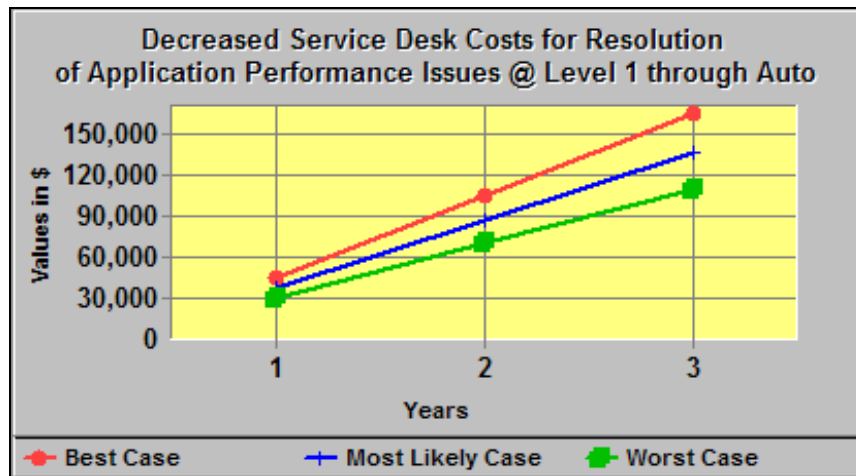
The NetQoS solution enables IT teams to expertly manage the performance and availability of mission-critical web applications and system resources to better assure revenue streams. Improvements in availability of mission-critical, customer-facing systems prevents customer churn and preserves the integrity of the brand, in addition to directly increasing revenue from self-service applications. Health checks ensure certain resources are up and running that are critical to business operations. The NetQoS solution enables the monitoring of complex web applications in production environments 24 x 7, detects problems before they affect customers and permits the resolution of these issues quickly and collaboratively thereby reducing MTTR.



Benefits

Decreased Service Desk Costs for Resolution of Application Performance Issues at Level 1 through Automation of Events, Actions and Notifications

Service Desk calls placed by customers and internal users are quickly resolved due to automation. Proactive incident detection, notification, automated correlation and threshold alerting, faster root cause identification and rapid triaging allows for quicker resolution before customers are affected. With increased application availability, fewer calls by customers and internal users are placed into the Service Desk.



Forecasted Improvement Range

Worst Case 20.00%
Most Likely Case 25.00%
Best Case 30.00%

Most Likely 3 Year Cumulative Value

\$137,500



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ROI Analysis Approach

The ROI analysis in this document provides projective (forecasted) values derived from an analysis of benchmark data. The benchmarks used in the CA Technologies best practices methodology are a composite of conservative data ranges derived from industry research, interviews with subject matter experts, and experiential data. The values expressed are not a guarantee of achievable results and will vary depending upon your current infrastructure, people, and processes. The Impact Ranges shown in this analysis are provided to show a range of process improvements and ROI metrics that can be achieved through the appropriate, effective implementation and use of the CA Technologies solution.

The Total Cost of Ownership (TCO)

The TCO represents the typical investment required to support the deployment of this solution in an enterprise of the magnitude as represented by the metrics shown.

Total Benefit of Ownership (TBO)

The TBO in this business case shows the breakdown of the cumulative value (TBO) of individual process improvements by applying the forecast improvements to applicable metrics shown.