

Ahead of the pack in the managed-hosting arena

“Our relationships with Compaq and Microsoft allow us to remain at the forefront of delivering high-quality managed-hosting solutions and services.”

– Jeff Chow, senior product line manager of managed hosting, XO Communications Inc.

During the upbeat era of Internet exuberance, launching a managed-hosting business was a surefire way for service providers to add customers and build market share. Today, managed hosting is a cutthroat business with razor-thin margins. Companies like XO Communications, headquartered in Reston, Va., thrive by enforcing efficiency at every turn: automating routine operations, streamlining customer support activities and squeezing each cycle of performance out of their computer servers.

XO Communications relies on partnerships with Compaq Computer Corporation and Microsoft Corporation to deliver unparalleled business solutions. Its specialties in Internet Protocol networking, Virtual Private Networks and data center operations enable the firm to build profitable relationships with companies that want to outsource complex data processing and networking tasks.

“Our relationships with Compaq and Microsoft give us the technology and support we need to deliver high-quality business services,” says Jeff Chow, senior product line manager of managed hosting at XO Communications. “Our solutions combine the e-business expertise of Compaq and the deep software expertise of Microsoft with our own service delivery and network expertise.

“We frequently win customers who start with a small configuration and grow to need a larger solution,” continues Chow. “That’s easily achieved with Compaq *ProLiant*[™] servers, since they’re scalable from one offering to the next. We can scale customers and increase their capabilities with minimal downtime and no loss of content.”

Building a best-of-breed infrastructure

At each growth stage of XO Communications, Chow and his colleagues refined their managed-hosting server infrastructure with a relentless drive to establish best-of-breed technology solutions for growing companies.

“When we took a hard look at how a hosting server fits into a data center, Compaq was the clear architectural choice – a brand-name leader closely allied with Microsoft,” recalls Chow. “The compact design, easy manageability and tremendous scalability of Compaq *ProLiant* DL-series servers make it the best choice for our managed-hosting business. We can add customers without complicating systems management tasks, all while conserving expensive data center space.”

Of course, it takes more than state-of-the-art computers to build a profitable managed-hosting business. Winning and retaining loyal customers requires complete, trouble-free solutions optimized for e-business – and backed by competitive service level agreements and exceptional customer support policies. That’s why XO established partnerships with the two technology vendors who can meet these requirements. Chow refers to the XO-Compaq-Microsoft triumvirate as the “Dream Team” which delivers the solutions customers need to succeed. “We use Compaq Global Services to augment a number of internal projects on an as-needed basis,” says Chow.

For example, XO relied on Compaq Global Services and Microsoft Professional Services as an extension of its own development staff to complete the work for its Microsoft Windows 2000 Server-based managed-hosting solution. Currently, the partners are enhancing their technology solutions by leveraging the Microsoft .Net environment. “Compaq and Microsoft really know each

other's environments," Chow states. "We know that when Microsoft releases new software, it will run as advertised on our Compaq *ProLiant* servers."

XO Communications offers customers a choice of *ProLiant* servers (models DL360, DL380 and DL580) running the Microsoft Windows NT, Microsoft Windows 2000 or Red Hat Linux operating systems. Many customers begin with small configurations, then gradually add users and applications in response to internal requirements. The Compaq *ProLiant* DL-series servers scale easily to manage these incremental demands and feature a low-profile design to minimize rack space and enable standard implementation procedures.

Simplifying high-volume server deployments

For businesses like XO that are continually challenged with server deployments, the Compaq *SmartStart*[™] Scripting Toolkit simplifies high-volume server deployments via hands-off, unattended installation and configuration procedures. XO uses the *SmartStart* Scripting Toolkit to automatically install software, such as the Microsoft Windows 2000 operating system and Microsoft SQL Server database application.

According to Chow, being able to put servers online quickly and efficiently gives his firm a distinct competitive advantage. "The Compaq *SmartStart* Scripting Toolkit automates the server-configuration process, saving time and increasing accuracy," he explains. "Before using *SmartStart* Scripting Toolkit, we were spending at least three hours configuring each server – not counting time spent correcting errors. *SmartStart* Scripting Toolkit handles the job in less than 20 minutes with minimal operator intervention, and it's error free. When you consider the number of new customers we add each month, *SmartStart* Scripting Toolkit makes a huge difference in our operation."

Sustaining industry leadership via technology partnership

In the increasingly competitive world of managed-hosting services, building and managing profitable data centers is not an easy task. Thanks to end-to-end support that XO receives from its "Dream Team" partners, Chow and his colleagues have this task well in hand.

"Behind every great company is a reliable technology partnership," he concludes. "The Compaq *ProLiant* DL-series server platform, with its certified Microsoft software environment, represents the leading-edge in e-business technology. This platform and its creator companies, Compaq and Microsoft, are helping us to build and sustain a leadership position in our industry."

Business results:

- Reliable server platform enables XO Communications to offer highly responsive service level agreements to customers.
- "Dream Team" partnership with Compaq and Microsoft ensures e-business solutions that deliver competitive advantages.
- Round-the-clock monitoring of the data center environment detects potential problems before they occur.
- Sophisticated system management tools streamline server deployments and increase efficiency.

What makes it work:

- Compaq Global Services: internal project consulting and development work
- Compaq *ProLiant* servers (models DL360, DL380 and DL580)
- *Compaq Insight Manager*[™] software
- Compaq *SmartStart* Scripting Toolkit

- Microsoft Windows 2000 Server and Microsoft Windows NT operating systems
- Red Hat Linux operating system
- Microsoft SQL Server 2000 database application

August 2001

Spokespersons:

Jeff Chow
Senior Product Line Manager of Managed Hosting
XO Communications Inc.
Reston, VA (Headquarters)
www.xo.com

Compaq Account Manager:

BJ Baker
Enterprise Account Executive
Compaq Computer Corporation
925-355-9749 Office
925-355-9750 Fax
800-983-5988 Pager
www.compaq.com

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