VERTEKS CONNECTION

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NETWORKS

Reducing Risk

Verteks Consulting helps protect the McDonald Agencies from a wide range of risks through data replication, backup, security and comprehensive managed services.

Kevin McDonald knows a thing or two about reducing risk. As an Allstate agent, McDonald has been helping consumers and businesses select the right insurance policies for more than 22 years, following in the footsteps of his father, who enjoyed a 30-year career in the insurance business. But when it came to insure his own business against computer downtime and data loss, McDonald turned to the experts at Verteks Consulting.

The Kevin McDonald Agencies have grown over the years to include four locations in the Ocala area. At the same time, McDonald's IT systems have transitioned from Allstate-owned and managed computers to company-owned computers. Like many small businesses, the agency faced challenges related to data backup, security and customer data sharing across multiple locations.

Verteks has reduced these risks by replicating data across all locations and implementing centralized backup and security solutions. In addition, Verteks has taken over the ongoing maintenance and support of McDonald's computer systems to minimize downtime and ensure rapid problem resolution.

"Verteks came in and did an assessment and made some recommendations, and we made the decision to move all of our IT services over to them," said McDonald. "These guys have done a great job of ensuring that our systems are integrated, backed up and protected."

Strength in Numbers

McDonald's primary location in Cala Hills was joined by the Summerfield location in 2001, the Jasmine Square location in 2007 and the Villages location in 2008. These locations share a phone system that integrates with a proprietary agency management system. The missing piece was similar integration among all of the computer systems scattered across the Kevin McDonald Agencies.

"It was really important that the desktops and laptops were able to share data and integrate with the phone system so that we can make the most of our combined efforts and run all our offices as one," McDonald said. "Our communication internally is that we have one office with four front doors. We want the customer experience and the employee experience to be the same across every location, and Verteks has helped us achieve that."

By enabling data sharing among the locations Verteks was also able to improve data protection. Each office is backed up to a central server in the main office, and then that backup data is replicated to McDonald's home office.

"We consider my home office a fifth location that we use for redundant backup. If there is a catastrophe it's unlikely that both locations would be impacted at the same time. We can recover the data and access client information through our Web-based agency management system," McDonald said.

"That is hyper-critical because if we do suffer a significant natural catastrophe we have thousands of customers who are going to need our assistance in helping them deal with it. We are on call at that point. We have to have access to our data so we're in a position to help customers file claims and follow through."

There When Needed

Of course, natural disasters aren't the only threat to computer systems. An ever-growing array of viruses, worms, spyware and other malware can easily bring a network to its knees. To protect against this threat, the Verteks team installed the Trend Micro Security Solution, WatchGuard Firewalls, and the Verteks Service Automation system, providing continuously updated virus and spyware protection on all systems across the network.

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"With all of the threats out there, it's pretty much impossible for a company such as ours to manage security effectively. I would much rather trust Verteks to keep everything up to date. Those guys do a great job," McDonald said.

Verteks also helps to minimize unplanned downtime for the McDonald Agencies. By installing the Verteks Service Automation agent on all computers at the four sites, Verteks is able to continuously monitor system performance and quickly remote in and resolve issues without the end-user having to wait for onsite support. The Verteks Service Automation System includes 24x7 monitoring, enabling highly trained technicians to fix many issues before they cause problems. What's more, the all-inclusive, all-you-can-use, flat-rate managed services plan allows for predictable budgeting.

"We were familiar with the value of managed services because that's the way Allstate used to manage our systems," said McDonald. "It's very efficient and economical for us to give them access to our systems so that they don't have to dispatch anybody — or, if they do need to come out, they can at least make an assessment beforehand.

"Knowing that Verteks is always there to help us enables us to focus on the business. Their responsiveness has always been great."

Business is inherently risky, so it's important to take steps to minimize threats to operations. The Kevin McDonald Agencies help businesses and consumers reduce risk through insurance products and services, and Verteks Consulting helps ensure that McDonald's computer systems and data are always available to support his business.

Red Flags Rule Takes Effect

After nearly two years of enforcement delays, the Federal Trade Commission's Red Flags Rule finally became effective as of Jan. 1, 2011. The rule requires financial institutions and other organizations classified as "creditors" to develop programs to identify, detect and respond to warning signs — or "red flags" — of identity theft in their day-to-day operations.

A clarification signed into law by President Obama in December 2010 limits the scope of who is covered by the rule, essentially giving an exemption to lawyers, doctors, accountants, dentists, orthodontists, pharmacists, veterinarians, nurse practitioners and social workers and other service providers.

The rule doesn't require any specific practice or procedures. It gives businesses the flexibility to tailor their written ID theft detection program to the nature of the business and the risks it faces. Businesses with a high risk for identity theft may need more robust procedures — like using other information sources to confirm the identity of new customers or incorporating fraud detection software. Groups with a low risk for identity theft may have a more streamlined program — for example, simply having a plan for how they'll respond if they find out there has been an incident of identity theft involving their business.

Tablet PC Market Grows Rapidly

The tablet PC has hit its stride. Total global revenue from tablet devices such as Apple's iPad and Samsung's Galaxy Tab will increase from $16 billion in 2010 to a whopping $46 billion in 2014, the tech research firm Yankee Group predicts.

"The growth in this market is unprecedented," said Dmitriy Molchanov, Yankee Group analyst and author of the forecast. "The tablet sales curve is rising faster than that of HDTVs, handheld gaming consoles or even MP3 players."

North America leads the way right now, accounting for 37 percent of total global tablet revenue in 2010. However, the Asia-Pacific region is expected to own more than half the global market (58 percent) by 2014.

The firm predicts that annual U.S. tablet sales will more than triple between 2010 and 2015. Tablet sales will grow at a CAGR of 31 percent, from roughly 8 million units in 2010 to 30 million units by 2015.

Seeing Green

Study says increasing adoption of telepresence technologies will deliver significant financial and environmental rewards.

Telepresence is good and good for you, according to recent report on the potential economic and environmental impact of technologies that deliver high-definition audio and video with very high bandwidth to create an immersive meeting experience.

A new Carbon Disclosure Project (CDP) study produced by independent analyst firm Verdantix found that organizations in both the U.S. and the U.K. will achieve almost $19 billion in financial benefits from deploying nearly 10,000 telepresence suites between 2010 and 2020. Over that 10-year period, the deployment of telepresence technology will also deliver cumulative CO_2 emissions reductions of nearly 5.5 million metric tons — equivalent to taking 1 million passenger vehicles off the road. Telepresence technologies incorporate high-definition audio and video along with very high bandwidth to create an immersive meeting experience.

"Companies that invest in carbon-cutting technologies and reengineer the way they do business will not only be better placed to succeed as we transition to a low-carbon economy but can experience considerable business benefits during this transition," said Carbon Disclosure Project CEO Paul Dickinson. "This CDP report produced by Verdantix clarifies the economy-wide, transformational potential of telepresence deployment in line with 2020 climate-change policy targets."

The analysis is based on detailed case study evidence from interviews with Global 500 companies such as Accenture, Aviva, Deutsche Bank and PepsiCo that are early adopters of telepresence suites. The Verdantix analyst team applied an innovation diffusion algorithm to forecast telepresence adoption by 2,653 U.S. firms and 457 U.K. firms with annual revenues greater than $1 billion, and studied the potential economic and environmental impact of increasing adoption.

"By substituting some business travel for telepresence meetings, large firms will achieve substantial financial benefits and add impetus to corporate sustainability commitments to cut back on CO_2 emissions," said Rodolphe d'Arjuzon, the Verdantix director who led the research. "Our forecasting model is based on an individual business implementing four telepresence suites with an upfront investment cost of $600,000 and annual operating costs of $85,000, which includes bandwidth, room usage, electricity costs and system support services. Cost savings from projected reductions in air and road travel plus productivity gains from time saved mean firms achieve a payback within 15 months."

Conferencing Takes Off

The unique benefits offered by online conferencing were dramatically highlighted in April 2010 when an Icelandic volcano grounded flights in and out of Europe. Officials from several providers of telepresence and videoconferencing solutions reported significant spikes in usage during the six-day period when more than 17,000 flights were disrupted.

"The effectiveness of the latest technologies and the impact of the global economic downturn are impelling businesses to reassess visual collaboration such as video telephony, videoconferencing and telepresence as viable solutions to facilitate reduced operations costs and create new sources of productivity. The volcano ash clouds from Iceland are just the latest in a long line of issues that have impacted business travel," said Frost & Sullivan principal analyst Dominic Dodd. "Telepresence in particular has played a pivotal role over the last two to three years in helping build greater awareness and in refocusing executive-level attention on visual collaboration."

Frost & Sullivan says rapid development in the capabilities of videoconferencing systems and Internet Protocol (IP) networks over the last three years is driving increased sales and creating further opportunities for service providers and systems integrators.

Seeing is Believing

The high-tech market research firm places the value of the telepresence market at $396.2 million for 2009, and forecasts this to reach $825.9 million in

2015. The visual collaboration endpoints covered in the company's research include both ready-built telepresence room solutions and kits of telepresence component parts that are used by third parties to construct customized solutions.

Telepresence offers a unique proposition that can deliver effective and reliable visual communications. Its development and growth in popularity parallels advancements in other forms of visual collaboration, notably the rapid emergence of high-definition videoconferencing and managed services.

Visual collaboration is also an essential component of unified communications (UC). The technological and industrial structural changes, which are still playing out, are part of a process of fully integrating all forms of visual collaboration into the wider UC portfolio of products and services.

Proceed with Caution

Despite rising awareness of the benefits offered by immersive telepresence solutions, prospective buyers have moved cautiously. The majority of telepresence systems continue to require significant network bandwidth and quality of service management to perform up to their maximum potential. Globally, reasonably priced and accessible network and managed services remain patchy.

"There is growing opportunity for visual collaboration in general — being driven by an irresistible combination of technological developments and increasing customer need," said Dodd. "While telepresence can uniquely offer a number of attractive customer benefits, there are concerns about the cost and availability of the network required to support it, and also how effectively it may work with other parts of a customer's video estates."

Visual collaboration endpoints are expected to fare well in the long term. Although the product format by which immersive telepresence is delivered is likely to change, the overall demand for its unique features and benefits will continue to grow. The emerging custom telepresence solutions segment is expected to gain further importance over the next three to four years with several opportunities for systems integrators, visual collaboration applications developers and managed services providers.

Looking Ahead

Cloud computing, collaboration and mobility among the top strategic technologies for 2011.

During a year of increased awareness and adoption, cloud computing has demonstrated it can meet the demand for improved IT efficiency through a virtualized, secure infrastructure solution that is both scalable and reliable. IT analysts and industry experts expect the continued evolution of cloud computing to remain among the most important technology trends in 2011.

Gartner Inc. predicts global sales of cloud services to reach $148.8 billion by the end of 2014, up from $68 billion in 2010. A key to the growing cloud market is the ROI an organization can realize. More and more organizations of all sizes are looking to get out of the business of owning and maintaining their own IT infrastructure.

"The core ideas at the heart of cloud computing — such as pay for use, multi-tenancy and external services — appear to be resonating more strongly," said Ben Pring, research vice president at Gartner. "In part, this can be explained by macroeconomic factors. The financial turbulence of the last 18 months has meant every

organization has been scrutinizing every expenditure. An IT solution that can deliver functionality less expensively and with more agility is hard to ignore against this backdrop."

Other key trends that could define the IT landscape in 2011 include:

High IQ Networks

These networks — comprising ultra-wideband capacity, "super" data centers for the cloud and smart devices for anywhere, personalized applications — will become the springboard for a new decade of innovation. Businesses that have learned to do more with less over the past several years will increasingly harness the power of high IQ networks for the most inventive, efficient and cost-effective platform for success. They will look to private, public and hybrid clouds for new delivery models and move to more industry-specific solutions to get the most for their money.

Mobile Apps and Tablets

Smarter, more portable devices combined with fourth-generation wireless networks, advanced mobile enterprise application platforms and an increased demand for workforce mobility will make mobile business apps more attractive and popular. A thin-client approach, in which applications are stored and delivered from the cloud, is helping to make it more practical to "mobilize" applications for today's on-the-go workforce. More powerful devices, backed by huge libraries of applications and large developer communities, will help businesses capitalize on mobile broadband networks.

The quality of the experience of applications on these devices, which can apply location, motion and other context in their behavior, is leading customers to interact with companies preferentially through mobile devices. This has lead to a race to push out applications as a competitive tool to improve relationships and gain advantage over competitors whose interfaces are purely browser-based.

Video

Video will be among the most engaging business applications to take advantage of higher-capacity wireless networks for face-to-face and face-to-machine interaction. Just as telepresence, high-definition desktop video units and Web-based video have become common in business meetings, video will become an essential tool for workers everywhere. It will be used, for example, by doctors to view X-rays that were taken hundreds of miles away, or manufacturers calling on faraway experts to diagnose challenges on an assembly line. New business models will evolve to monetize digital content and deliver video across multiple screens, a develop-ment that is reshaping how we interact with video at work, home and on the go.

Machine to Machine

Beneath the service of all the cool apps we employ to engage with each other, a plethora of machines will continue to run in the background, initiating and responding automatically to the business at hand. Employed in applications as diverse as meter reading for utilities, patient monitoring in healthcare and wireless connectivity for devices in automobiles, machine to machine (M2M) communications will make the world we live in more intuitive and efficient.

Collaboration

As communications channels integrate, businesses are turning to unified communications technologies to make collaboration easier by bringing together a myriad of communication platforms — such as IM, chat, click-to-call, video and VoIP calls — into one central system. With the advent of cloud-based subscription models, smaller businesses will find a way to adopt these technologies to speed their operations. As a younger working population demands "social collaboration," companies need to deliver the business-grade tools to empower employees to be more responsive and engaged with each other and with customers.
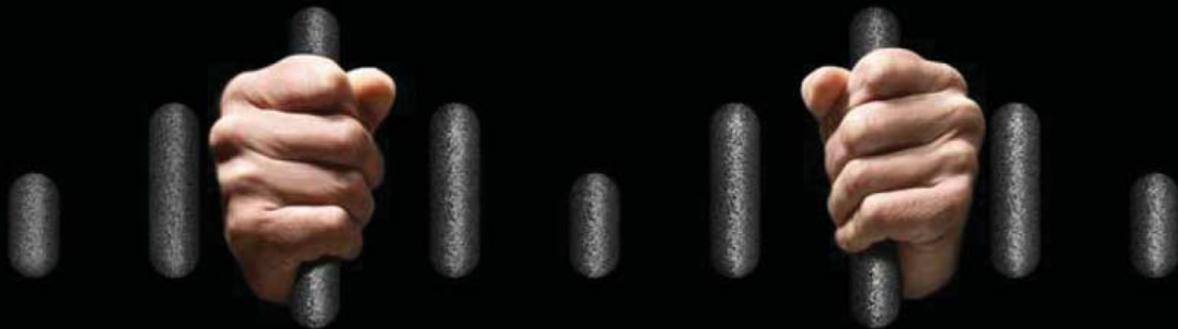
IPv6

According to the American Registry for Internet Numbers, fewer than 5.5 percent of IPv4 addresses remain. Organizations need to plan now to ensure that e-mail, Web and business applications will be accessible via both protocols once version 4 runs out. Global network service providers, private industry and the public sector will all need to work together to ensure that Web sites can be reached, and that the Internet supports business as usual during the transition to the next-generation Internet protocol, IPv6.

Next-Generation Analytics

Increasing computer processing power along with improving connectivity are enabling a shift in how businesses support operational decisions. It is becoming possible to run simulations or models to predict the future outcome, rather than to simply provide backward-looking data about past interactions, and to do these predictions in real time to support individual business actions. While this may require significant changes to existing operational and business intelligence infrastructure, the potential exists to unlock significant improvements in business results and other success rates.