# Business Report

## Costs/Benefits/ROI/BEO

We have come to our conclusion that the following server is a good machine to build the virtualization platform on. The machine is a HP ProLiant DL380p Gen8 with E5-2665 processor, 32 GB RAM. The price of a single machine is €4406,85 (tax not included). We have calculated and watched to other business leaders that a single machine could support 8 customers.

In a situation where PlainTech UK has 50,000 customers a total of 6250 machines need to be placed and installed. Total cost of the machines comes around at €27.542.820,24. This not includes network hardware, placing costs and daily maintenance.

When a situation occurs that PlainTech UK needs additional capacity to support their customer’s needs. We offer to place extra hardware to support an additional 5,000 customers. This means that 625 machines needs to be placed of a total cost off €2.754.280,-

All servers will be written off in five years, after these five years a server is still worth around €661,03 out going from a 15% share of the new price.

We suggest that prices (tax not included) will be build modular.

Per 1 core €3,-

Per 1 GB RAM €5,-

Per 25GB disk space €2,-

When suggested prices are maintained a single server should create a profit of €272,-. Outgoing from a situation where 50,000 servers are running this would mean €1.700.000 is generated every month.

In five years a server costs €3745,82 if the server is sold after five years. The return on investment is 14 months.

The total profit over five years with 50,000 customers is €61.200.000,-. Total profit could be lower when network hardware (cables/switches), labor costs and daily maintenance is included.

ROI (of the servers with 50,000 customers over 5 years): 61.200.000/27.542.820 = 2,22

Break-evenpoint

# Project costs

We have calculated that the project will take +/- 2000 labor hours. There are 5 people in our project team. Each person will work around 400 hours on the project. Each person will be working 40 hours a week on this project, than this project will be done in 10 weeks. The average salary of a system and network engineer is around 3250 euro per month. That makes a paycheck of €20,3 per hour. Which makes the labor costs per person around €8120,-, this excludes overhead off 20%.