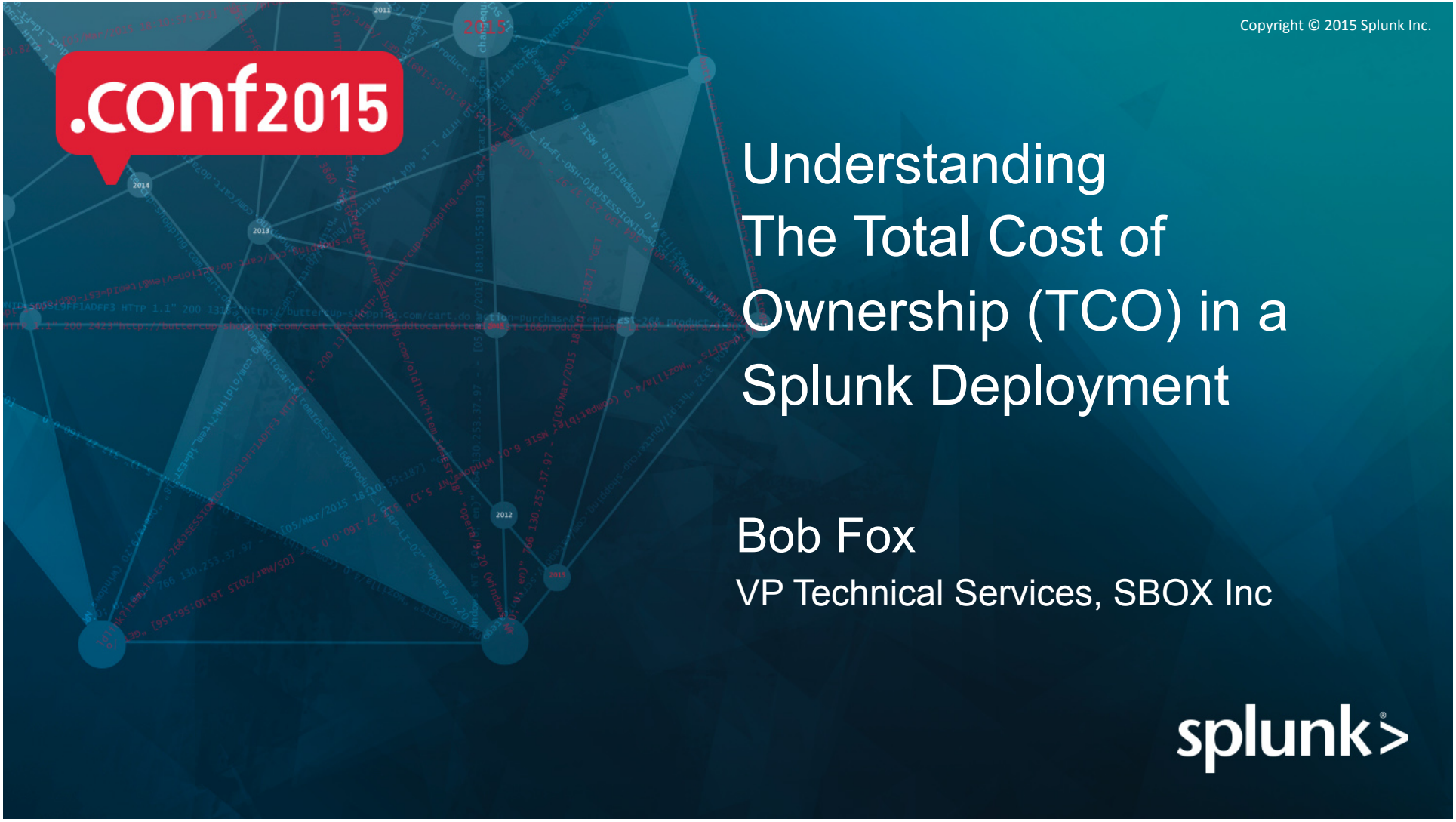

Understanding The Total Cost of Ownership (TCO) in a Splunk Deployment

Bob Fox

VP Technical Services, SBOX Inc

splunk>

Disclaimer

During the course of this presentation, we may make forward looking statements regarding future events or the expected performance of the company. We caution you that such statements reflect our current expectations and estimates based on factors currently known to us and that actual events or results could differ materially. For important factors that may cause actual results to differ from those contained in our forward-looking statements, please review our filings with the SEC. The forward-looking statements made in the this presentation are being made as of the time and date of its live presentation. If reviewed after its live presentation, this presentation may not contain current or accurate information. We do not assume any obligation to update any forward looking statements we may make.

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About Bob

- VP Technical Services at SBOX Inc.
- Formerly of Splunk (2006-2013)
- Formerly of Sun Microsystems (1999-2002)
- Wall St. IT Operations and Data Center Management Roles
- Recovering DBA, Unix Hack, Author and Dad

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About SBOX, Inc.

- Crazy mash up of Splunk Professionals and InfoSec Specialists
- Shipping appliances since 2013
- San Francisco, CA based
- We sell the SBOX Security Analytics Appliance (Powered by Splunk)
- Come visit our booth!

Presentation Objectives

- Introduce the Total Cost of Ownership model used at SBOX, Inc.
- Bring to light the myriad of ‘soft costs’ involved in enterprise software deployments
- Present advice for cost avoidance (or at least cost discovery)

My Challenges Today

- Keep the audience awake
- Make "Total Cost of Ownership" seem somewhat exciting.

What is TCO

Total cost of ownership (**TCO**) is a financial estimate intended to help buyers and owners determine the direct and indirect costs of a product or system.

Costs of a Splunk Deployment

(Commodity Server)

DIRECT

License + Server + Disk

+ Maintenance + Training + PS

INDIRECT

OS + Tuning + Security + Installation

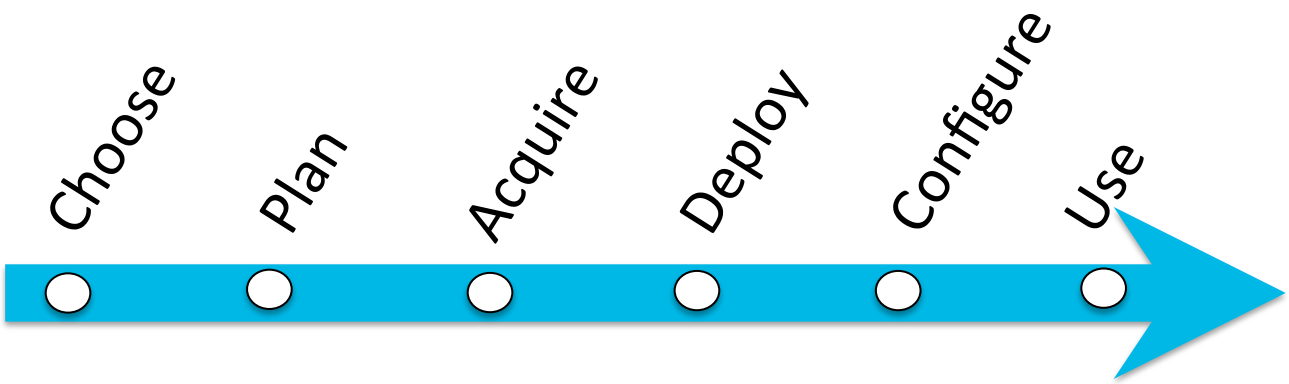
+ Time

Model Assumptions

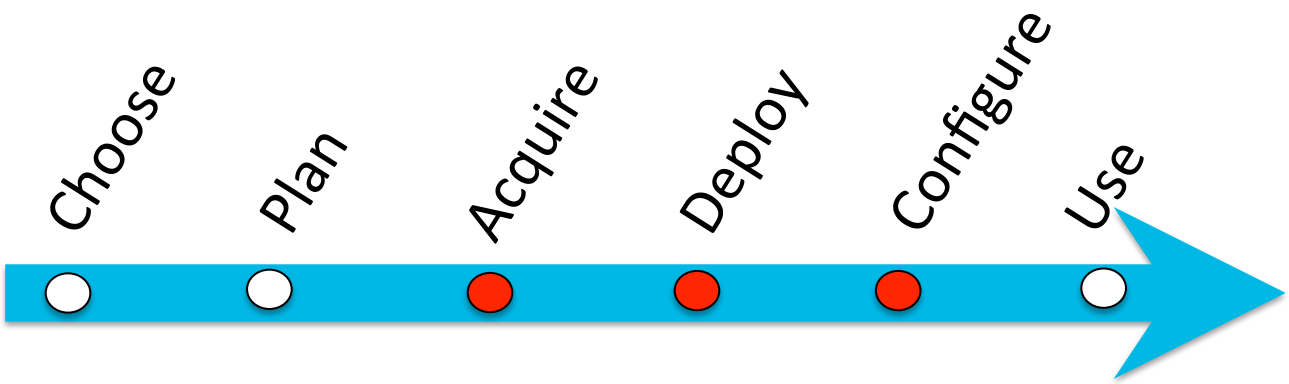
Splunk License	Retention	Cost Window
100 GB	1 Year	3 Years

Cost Assumptions

Splunk Deployment Timeline



Splunk Deployment Timeline



Not drawn to scale!

Methodology

- Break out major components:
  - Acquire
  - Deploy
  - Configure
- Separate costs:
  - Direct
  - Indirect
- Analyze by year

Not Considered

- Power
- Cooling
- OS and OS Support Costs
- Facilities
- Downtime costs
- Professional Services

Acquire (commodity server)

1) Size the Indexer(s)
   - Splunk License + headroom
   - Use Splunk recommendations
2) Choose a Hardware Vendor
3) Procurement
4) Maintenance

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Indirect: 160 Hours

Direct: (2) Servers = $16,000

Maintenance Yearly = $4,000

Deploy (commodity server)

1) Rack
2) Network and Firewall
3) OS Load
4) Security
5) Ops Training (SOP, Recovery)
6) Storage
7) OS Maintenance (Patch, Upgrade)

Deploy (commodity server)

1) Rack
2) Network and Firewall
3) OS Load
4) Security
5) Ops Training (SOP, Recovery)
6) Storage
7) OS Maintenance (Patch, Upgrade)

Indirect: 56 Hours (Initial)
80 Hours (Yearly)

Direct: 18 TB = 54,000

Configure (commodity server)

1) Tune OS
2) Adjust Security
3) Install Splunk
4) Splunk configuration
    - Deployment server
    - Replication
    - App configuration

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Indirect: 240 Hours (Initial)

Total Costs

First Year

- Indirect Costs: 536 Hrs @ $50 = $26,800
- Direct Costs: $30,800

Years 2 and 3

- Indirect Costs: 80 Hrs @ $50 = $4,000
- Direct Costs: $4,000

Yearly Totals

- Year 1: $57,600
- Year 2: $ 8,000
- Year 3: $ 8,000

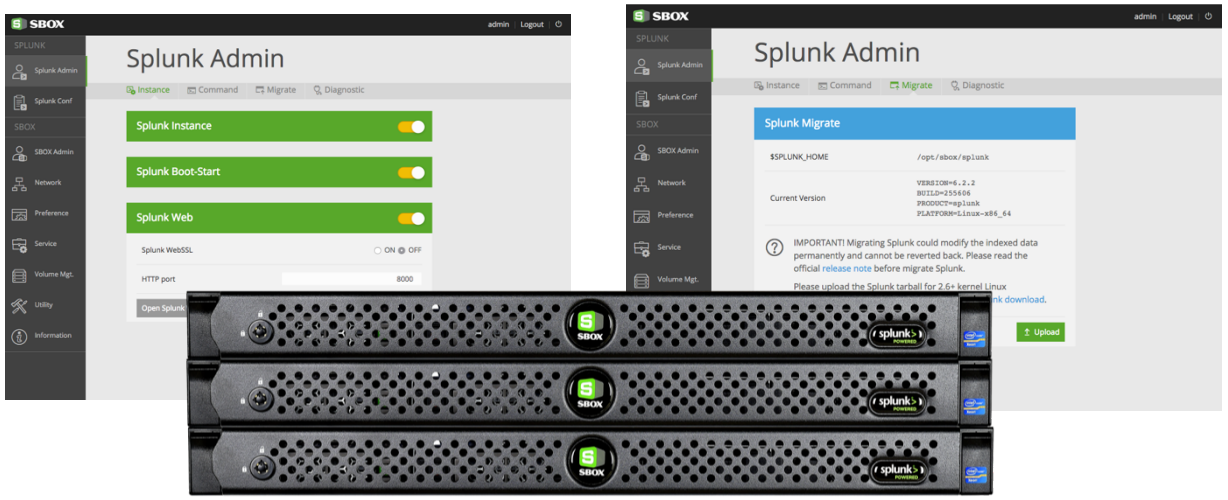
Total Cost: **$73,600**

Alternatives and Impact on Model

- Professional Services
- Cloud
- Virtual
- Hyper Converged
- Converged

The SBOX Security Appliance Powered by Splunk

- Significant Indirect Cost Reduction (~20-30%)
- Pre-configured, Pre-tuned
- Converged Appliance
- Limited IT Ops Required
- Disk + CPU + Splunk



Any Questions?

THANK YOU

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