Transzap fuels a competitive edge with increased application uptime from IBM System z

Overview

■ **Challenge**
To improve Transzap's application uptime in providing software as a service to clients and to address the growing company's capacity concerns

■ **Solution**
Implementing IBM System z® as a service and virtualizing applications with VMware on the Linux® on System z platform

■ **Key Benefits**
Enables Transzap to deliver higher levels of application uptime to their customers and provides scalability for growth

Founded in 1999, Transzap, Inc., offers its customers in the global oil and gas industry a comprehensive suite of software as a service, called Oildex™, which is focused on financial back-office transaction processing between energy companies using digital data and workflow tools. Their best known product, Spendworks™, is an e-payable solution that customers use to manage their vendor communities, process invoices, allocate resources, and analyze expenditures.

Facing business challenges in the software as a service segment

Transzap provides its customers with software as a service, meaning that its customers rely on Transzap's IT infrastructure.

> " *We intend to deliver a 99.9% application uptime guarantee to our customer base, thanks to the availability characteristics of System z.*"
> – *Peter Flanagan, CEO of Transzap, Inc.*

"We have to be able to look our customer in the eye and assure him or her that our quality of service will be as good or better than the quality of service that can be provided to the organization from their own IT infrastructure," says Peter Flanagan, CEO of Transzap, Inc. "The quality of service we provide to our customers has to exceed that of a Fortune 500 company."

As such, Transzap must not only excel at requirements analysis and product development like any software company, it must also maintain very high availability and security for their customers—as well as be ready to scale dynamically as its business grows.

"We're still a small company, but we're growing rapidly," he adds. "We have to have the ability to scale as our business grows."

As demand for their software increased, Transzap began experiencing some availability problems with their existing x86 distributed infrastructure. To make matters worse, these service disruptions occurred during the production day, and caused problems with hardware and operating systems. The company's existing service providers were not able to offer any satisfactory answers regarding the cause of the problems or the best means of resolving them. After two such disruptions in service, Transzap determined that they needed a more robust foundation on which to base their business in order to meet the service level agreements they had with their customers.

A small business reaps big benefits from IBM
Transzap knew that they wanted to implement virtualization to improve their scalability and business flexibility, and started investigating IBM System z offerings. They were particularly excited to discover the Linux® on System z platform, as they had previous experience running their business applications on Linux operating systems.

Still, Transzap was concerned that its small company size would put IBM's System z offerings out of reach for them. With fewer than 100 employees at Transzap, the company leaders did not know if IBM would be interested in working with them.

"We were certainly aware of the reputation for the Fortune 100 or Fortune 500 traditional customer base for IBM mainframes," says Flanagan. "We were also highly doubtful that we could ever fit within the price portion. Nevertheless, we pursued it."

To Transzap's surprise, IBM took immediate interest in the company, showing great support for the broader software as a service segment. Transzap's IT staff learned more about the System z offerings and conducted a formal total cost of ownership study. They also examined the roadmap for early adopters of the System z platform in the software as a service segment, and realized that their adoption of this technology would enable them to gain an advantage over competitors in terms of system availability, security, and scalability. It would also enable long-term cost savings, including savings realized through the virtualization of Oracle licenses. When the facts were in, Transzap switched with confidence to System z.

Protecting investments 24x7

"IBM was very generous in providing technical resources to architect, build, and get our system put together and ready for production," Flanagan reports. That crucial support component was also very useful when Transzap went live with the system as software as a service companies often find it very difficult to simulate the level of system load that will be required at any given time.

When they put the new system in place and a large number of Transzap's customers began accessing the system, the company encountered production database problems and other issues related to the tuning of the box. IBM rolled out all the resources needed to help quickly resolve the issues.

About two months after going live on System z, a Transzap IT staff member was alerted by IBM at 2:30 one morning to the fact that a disk drive had gone offline. The data was protected by two layers of redundancy, so Transzap decided to wait until the next morning to have IBM replace the drive.

"IBM takes care of our investment 24x7," Flanagan says. "And this story illustrates the vast difference in the quality of service of where we were before and where we are now with IBM."

A competitive edge through System z

Software as a service firms such as Transzap make it their business to consolidate the computing load from hundreds of corporations into one location. As a result, Transzap manages a computing load comparable to that of a Fortune 500 company, despite the relatively small size of the organization itself. For instance their online transaction processing (OLTP) database handled a record, $136B in transaction detail in 2008.

Solution Components

IBM Hardware

• IBM System z®

IBM Software

• Linux® on System z

• IBM z/VM®

Being able to virtualize Oracle and other applications with z/VM® on System z and having Linux as the operating system foundation have provided Transzap with significant advantages. For example, they are now able to create new database instances over a period of two or three days. In addition, the solution supports the company's Java™ 2 Enterprise Edition (J2EE™) application server environment.

Changing how business is done
The System z solution from IBM has helped Transzap establish a dynamic infrastructure that helps reduce costs and greatly improve the level of service Transzap is able to provide. As a result of the success Transzap has had with the IBM system, it is planning to offer enhanced service level agreements to its customers.

"The norm right now for software as a service is 99.5% application uptime," says Flanagan. "We intend to deliver a 99.9% application uptime guarantee to our customer base, thanks to the availability characteristics of System z."

For more information
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