Hitachi Cloud – Storage on Demand provides immediate access to extra storage capacity when you need it. Extra storage capacity means you can instantly cope with any unexpected increases in storage requirements and smooth out expenditures in line with actual usage at a predictable price per unit, per month.

**Hitachi Cloud – Storage on Demand**

Running out of data storage is an ever-present risk for most businesses. Estimate wrong, and day-to-day performance can be severely hampered. However, buying more capacity than is actually needed simply ties up valuable capital and generates unnecessary depreciation costs.

Unfortunately, the length and nature of most traditional procurement cycles and system upgrade processes make it impossible to quickly add more storage capacity when it is needed, at a predictable monthly cost. So, Hitachi Data Systems has developed an innovative solution, Hitachi Cloud – Storage on Demand. This includes extra storage, an “expansion reserve” that you can instantly call on if you need it, so you never overpay or run out of capacity.

**Simply Pay as You Use**

Storage on Demand is based on a flexible, usage-based payment model. It enables you to access the expansion reserve on an on-demand basis, so you only pay for what you use. Typically, you have an initial baseline storage system and an amount of incremental capacity (that is, the expansion reserve) based on your projected storage growth. Your monthly subscription payments are based on the baseline system, so you pay nothing for the expansion reserve unless you use it.

If there is a sudden surge in demand, your storage system is ready to provide exactly the capacity you need, when you need it. Your monthly payments are then simply adjusted in line with usage of the expansion reserve, which is typically done on a price per unit, per month basis (see Figure 1). Over time, if your storage systems get close to being fully utilized, your baseline and related subscription is simply upgraded to restore flexibility of the Storage on Demand solution. Therefore, you never risk running out of storage capacity.

**How You Can Benefit**

With the Storage on Demand solution from Hitachi Data Systems you can:

- **Reduce risk.** Avoid the risk of business disruption and downtime with immediate access to extra storage for emergency or unplanned growth.
- **Simplify procurement.** Cut out the time and cost of procurement and delivery processes, as extra storage is already available when you need it.
- **Improve performance and service level agreements.** Respond quickly to unpredictable growth in the demands of operating departments and users.
- Manage costs in line with your business model. There are no up-front charges for the solution and your payments can be tailored to meet your requirements. You only pay for the expansion reserve when you use it. You can upgrade your baseline and related subscription only when needed, at a predictable, agreed-upon price per unit, per month. There is no need to buy excess capacity and tie up your budgets.

**How It Works in Practice**

Hitachi Data Systems initially provides you with the hardware and software needed for a new system, which includes an expansion reserve of storage capacity for flexible usage. You pay the fixed monthly charge for the baseline capacity defined in the contract.

Your actual usage is measured and reported on a monthly or quarterly basis. If you have to use more than the baseline capacity, this overage is charged at an agreed monthly price per unit. For example, the agreed charge could be per gigabyte base 2 per month, and added onto the next monthly or quarterly invoice, or invoiced separately.

If your storage requirements grow in a storage tier or class, an upgrade of capacity at the defined price per gigabyte, per month, for that storage tier or class is then implemented. This safeguard ensures that you have sufficient capacity in place for future quarters. To avoid any unnecessary procurement costs, this upgrade simply forms an addition to the original baseline contract. Your fixed monthly charge for the new baseline capacity is adjusted to reflect the new capacity.

Once an upgrade has been implemented, the expansion reserve is then freed up for future growth. A typical example might be:

- HDS installs an initial solution with a usable storage capacity of 350TB, including a 50TB expansion reserve.

<table>
<thead>
<tr>
<th>Benefits</th>
<th>Storage on Demand</th>
<th>Purchase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lead Time</td>
<td>None</td>
<td>2 - 6 weeks</td>
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<tr>
<td>Procurement Process</td>
<td>Once</td>
<td>Every time</td>
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<tr>
<td>Expansion Reserve</td>
<td>Yes</td>
<td>No</td>
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<tr>
<td>Usage Billing of Expansion Reserve</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Predictable Price Per Unit, Per Month</td>
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<td>No</td>
</tr>
<tr>
<td>Cash Flow</td>
<td>Over term</td>
<td>Up front</td>
</tr>
</tbody>
</table>

**The Operational Advantages**

From an IT management perspective, the Storage on Demand solution means you can:

- **Avoid preprocurement.** The on-demand model only charges at the point that usage exceeds the baseline system.
- **Reduce depreciation.** The solution stops storage assets from being depreciated before they have even been used.
- **Better understand your storage cost.** With clearly measured usage and a predictable cost per gigabyte per month, it enables efficient budgeting and accurate internal reporting.
- **Increase asset utilization.** Storage capacity is closely mapped onto actual usage, so waste is eliminated and total costs reduced.
- **Ensure seamless growth.** The pre-provisioning of the expansion reserve of storage eradicates the cost, delays and risk of under- or over-capacity procurement and delays of change control procedures.

**Next Steps**

For further information regarding Hitachi Cloud – Storage on Demand, please contact your Hitachi Data Systems representative or visit www.HDS.com.

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**Hitachi Cloud**

Hitachi Cloud solutions combine leading innovative technologies, services, elastic financial models and partnership to help you transform your data center and reach your Business Defined IT milestones.

You can choose the cloud that’s right for you. Build a cost effective, agile, secure private cloud and move to hybrid cloud at your own pace. Take advantage of the HDS portfolio of compute and storage platforms, mobility solutions, integrated infrastructures, cloud services capabilities and usage-based offerings.