Case Study

Businesses cannot stand still for long and survive; the real test, though, comes when it's time for change. FiberRing, a server hosting specialist, had worked with Interoute for more than two years when it became obvious that they had outgrown Interoute's standard Internet transit product. Interoute took a novel approach to address the situation.

Not that Con Zwinkels, FiberRing's Managing Director, was perturbed by the need to change a key element of is business; he is rightly proud of his company's growth. "In eight years we've grown to the point that we are about to break into the top 30 ISPs on the internet. We've done this by focusing on ensuring we deliver the content for the many sites we host. We utilise the latest technological developments, enabling us to offer the very best broad spectrum internet services. And we do all this at very competitive prices – in fact we often undercut our competitors by as much as 30-50%."

FiberRing had been using Interoute's prepackaged IP Transit service for more than two years, benefiting significantly from Interoute's service wrap and its brand new MPLS network. However they decided that the relentless growth of their traffic meant that they needed to create some economies of scale that were simply not possible from any fully managed IP Transit product.

A New Direction

This was a key moment in the development of the relationship between the two companies. Interoute, recognising the growth in FiberRing's business volumes, realised an alternative could be developed that would offer some vital benefits to FiberRing to support their growth. The new arrangement would take advantage of FiberRing's in-house expertise to reduce costs whilst still enabling them to continue to take advantage of Interoute's ever growing, high quality network.

Peter Goodman, Interoute's Ethernet services product manager, explains: "We have built our business on putting our customers first and genuinely providing them with solutions. So, in this case, we suggested that the volume of FiberRing's local traffic would justify their own membership at major peering points, but they would still need to buy an external service for their global traffic.

We suggested that they could use our Ethernet service to transport local traffic from their central server site in Amsterdam into several of the largest internet peering points across Europe. The Ethernet Service would provide service levels usually only associated with SDH circuits, but at much lower cost. FiberRing could then use their own Layer 3 routers (housed in Interoute's co-location facilities) connected to a totally reliable Layer 2 service."

"Using Interoute's Ethernet service and network, FiberRing has achieved its technical and financial goals" *Con Zwinkels, Managing Director*

This proposal offered FiberRing the opportunity to build their own bespoke service, something which Goodman recognised that FiberRing were technically able to do. "Building your own IP transit service is not something we would propose to many organisations. Even if you have the required technical skills, it really is very time-consuming. Most customers definitely benefit from our broad range of co-location and web hosting services as well as our prepackaged internet services, which are easy to use and quick to set up. But we recognised FiberRing had evolved and were different and we responded accordingly."

Interoute provides FiberRing with:

- Low cost Ethernet access via Interoute's 21 metropolitan networks.
- Ethernet PoP's across Western and Central Europe and the United States.
- Third party access protected by managed CPE
- Bandwidths from 2Mbps to 10Gbps.
- Credit backed SLA including round trip delay and monthly availability.
- Monthly availability 99.95% for diverse solutions, 99.50% for non-diverse.
- Point-to-point or multiple point-to-point over a single

Zwinkels welcomed the innovative proposal with enthusiasm: "In effect we have moved from an IP transit service from Interoute to a self-managed service, based around Interoute's network.

We have achieved savings of more than 50% because we can settle large amounts of local traffic at major peering points but using top quality hardware and services is vital for our success – cheap usually means you're storing up problems for the future.

Being able to use Interoute's network and still achieve such significant savings through managing our own IP traffic meant we could continue our massive programme of installing quality routers to prepare ourselves for the growth of the European Union."

Platform for Growth

Interoute delivered the ports and the implementation was complete within a couple of months. The net effect is that FiberRing now has, as Zwinkels describes it, "a hugely scalable platform for growth", which, given that FiberRing's traffic is growing at nearly 2Gb a month, is an important foundation for the future of FiberRing's business.

"From where we were early on," concludes Zwinkels, "we have achieved a classic win/win/win scenario – using Interoute's Ethernet service and network, FiberRing has achieved its technical and financial goals, our customers get an improved service, and Interoute keeps us as a customer."

Version 1