Building owners can offer their customers cloud connectivity as a premium amenity

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Building owners now have the opportunity to create an additional amenity and potential profit center by offering tenants cloud computing service packages as part of both conventional and prebuilt office space leases. "Cloud Computing" refers to technology applications that can be hosted in a remote data center and delivered to the end user on demand (as-a-service) over an Internet connection. Building management can provide these services without added operating expense by partnering with a cloud computing vendor that provides comprehensive technology services. The chosen vendor can manage all of the technology and infrastructure, eliminating the need for the landlord to take on extra IT staff. When offering such an arrangement, the owner should make sure that the vendor can assist with preparing the building with circuit options that can handle the increased demand for bandwidth, and offer services that are reliable and secure under most unanticipated conditions.

Bringing in the Bandwidth - Fiber to the Building

A massive fiber optic network runs under Manhattan through a system of conduits and manholes. The fiber cables terminate in data centers, some of which are located in buildings filled with data centers that are called "carrier hotels." To provide needed bandwidth for tenants to communicate with the cloud, a fiber cable can be picked up at one of the manholes and extended through an existing conduit into an office building. Once inside the building, the fiber can be run through existing risers or conduits to the tenant destinations.

The good news for building owners that want to bring fiber into their building is the up-front costs can be offset or eliminated by agreeing to a 36-month contract for carrier services. The carrier can then manage subscription services with the individual tenants to provide the bandwidth that meets their cloud computing requirements.

Secure Network Operations Center (NOC)

A cloud computing vendor should be able to provide reasonable assurances that their clients' data resides in a secure location, safe from physical and cyber intrusion, and with power contingencies in the event of a man-made or natural disaster. Recently, Hurricane Sandy resulted in the loss of tens of billions of dollars in business revenues due to power outages and property damage. While almost all of us were affected by Sandy, several businesses that had implemented cloud computing were able to maintain business continuance because their information resides in Network Operations Centers that were able to stay operational with backup and generator power.

For data/cyber security, the cloud provider should follow controls that attest to the validity of their systems that secure customer data. An industry standard benchmark is SOC 2 a process which audits security, availability, process integrity, privacy and confidentiality. It assures clients that the vendor uses systems to protect their data.

Securing against data loss is another element of cloud computing that should be available to customers, on varying levels based on the urgency of recovering information in the event of a shut down or hardware failure. Automated back-up in the cloud can keep data safely stored on a regular, scheduled basis - or even as frequently as up to the minute - to prevent catastrophic data loss. Should access to data be interrupted due to loss of power in the workplace, replicated files on cloud-based servers can be recovered and accessed over a secure Internet connection.

There are many economic and productivity related benefits to cloud computing. Subscribers pay only for the technology they need to use without having to make large capital expenditures for equipment, and new users and features can be provisioned in real time without the need to hire additional IT staff. With a tenant-based model and a sound technology partner to manage the services, building owners can offer their customers cloud connectivity as a premium amenity with the potential for increased revenues and profits.

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