



PropertyRoom.com Elevates Online Auction Business with Savvis Symphony

Overview

Founded in 1999 by former police officers, PropertyRoom.com offers a way for law enforcement agencies to sell stolen, seized, found, and surplus goods and vehicles via online auctions. Instead of attending on-site sales held in police station parking lots or warehouses, consumers can log onto PropertyRoom.com, peruse a wide range of merchandise from electronics, to cars, to jewelry — the sorts of things you'd expect to see in a police property room — and bid on items of interest. PropertyRoom.com currently has more than 1,600 law enforcement and other public agencies taking advantage of its services, and has built an extensive nationwide network of distribution and service centers.

Business Opportunity

From its first day in business in 1999, PropertyRoom.com outsourced its entire IT infrastructure, including the e-commerce application that ran the firm's auctions. In 2006, however, PropertyRoom.com decided to bring this e-commerce application in-house. Although it wanted to create the application itself, it had no interest in maintaining and managing the underlying hardware and operating systems. Dave Banks, the chief technology officer (CTO), knew about Savvis by reputation and, after performing a due diligence comparison with other managed services providers, engaged Savvis to provide basic colocation and utility compute services in which PropertyRoom.com leased servers, space, and networking services in Savvis' Chicago and Los Angeles data centers.

After running this environment for a year, Banks realized that server utilization was poor, and that the environment was costing too much overall. "We were simply not making good use of all that processing power and storage capacity," said Banks. At about that time, Property Room's new COO issued a mandate to cut costs across the board. "Savvis had provided us with a premium solution, and it worked very well," said Banks. "But suddenly we needed to find a solution that would give us the same performance, capacity, and reliability as we were getting, but at a much lower price tag. It was a pretty tall order, but Savvis delivered the goods."

Company:

PropertyRoom.com

Industry:

Online Auctions

Line of Business:

Offers seized, stolen, and abandoned goods acquired from law enforcement agencies and other government municipalities for sale via online auctions.

Target Market:

Consumers and businesses looking to buy goods at below-market prices.

Location:

Mission Viejo, CA

Summary:

Initially, a Savvis colocation and utility compute customer, PropertyRoom.com was issued a mandate by its new chief operating officer (COO) to cut costs. By moving to Savvis Symphony Dedicated, PropertyRoom.com was able to slash monthly infrastructure costs by roughly 50 percent while maintaining the high performance, availability, and reliability of its mission-critical website.

Solution

Banks scheduled a consultation with his Savvis sales representative and sales engineer. After hearing about Savvis' recently introduced Virtual Intelligent Hosting platform — now Savvis Symphony Dedicated — which enables businesses to operate multiple virtual machines on a single physical server, Banks moved PropertyRoom.com to that environment. He's never looked back. "Today, we're able to put two to three virtual instances of the operating system on a single physical machine," said Banks. "This dramatically increases our utilization rates, and allows us to get a lot more out of our hardware."

Benefits

The cost savings alone made the switch worth it. By leveraging virtualization, PropertyRoom.com was able to cut the number of physical servers by 65% from 17 servers to 6 — which significantly slashed its monthly hosting infrastructure and management costs. "And we were able to do this while supporting more and more traffic as we continued to grow," said Banks.

But there were other benefits as well. With a small technology staff, Property Room's move to the Savvis Symphony Dedicated platform freed up resources for more strategic activities that directly impacted the business. "We don't make our money replacing faulty hardware or tracking down the reason the network is slow," said Banks. "Our job is to build great software to provide our auction customers with the best possible experience."

Then there's the reliability of the Savvis solution. The Property Room site has to be up 24/7 due to the nature of online auctions. "It's not like a typical online retail store, where people can just come back and buy an item when the site is back up," said Banks. "Everything is based upon time, and if an auction closes while the site is down, we've lost money. It could be really disastrous for us if that happened."

And Savvis always goes the extra mile on behalf of its customers, Banks said. Due to the unusual nature of its business — selling stolen goods — PropertyRoom.com frequently gets media attention that causes traffic to its website to spike. This happened early in 2009 when the firm was featured on a national TV show. Because he had not been notified in advance that a PropertyRoom.com news segment was about to air, it took Banks by surprise when an "avalanche" of traffic descended upon the site one Friday afternoon. Although the servers were capable of handling the volume, the network bandwidth proved insufficient. "We just couldn't get everyone through the door fast enough," said Banks. He immediately called Savvis for help. Within two hours, Savvis had doubled PropertyRoom.com's network bandwidth. "They didn't have to do this — it was over and above their obligations — and they didn't make us do any paperwork or talk to our sales rep," said Banks. "They were just really focused on helping us keep our customers happy."

Future

Today, despite — or perhaps because of — the economy, PropertyRoom.com's business is rapidly expanding. "Everyone is looking for great deals these days, and so we are seeing a steady increase in the number of website visitors, items for sale, and auctions," said Banks. Because Savvis is behind him, however, he's not worried about whether his infrastructure can support this growth.

"I have a lot of faith in Savvis. They're responsive when we need help immediately, but more than that, they help us with our long-term strategy planning," said Banks. "The experience and expertise of our Savvis sales engineer is a great resource as we plan for future successes."

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**- Dave Banks
Chief Technology Officer (CTO)
Property Room**

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