

INSURANCE & TECHNOLOGY

Donegal Insurance Group Better Connects Distant Data Centers By [Anne Rawland Gabriel](#)
August 15, 2011 URL:

Expansion fueled by acquisitions as well as organic growth drove [Donegal Insurance Group](#) to modernize its data center. The effort, which was well along by early 2009, included server virtualization and an enterprise-class storage area network. Mike Clement, Donegal's assistant VP for information services, says the SAN helped ensure business continuity by replicating data between the Marietta, Pa.-based insurer's main data center at its headquarters and its distant disaster recovery (DR) site in Le Mars, Iowa, but bandwidth was becoming scarce.

"For all of our critical open systems applications, we were using an active/passive replication strategy over a DS3 circuit," Clement explains. "But we were simply outgrowing the capacity of the current pipe." As an EMC (Hopkinton, Mass.) replication shop, the needed a compatible solution, he notes.

[Donegal](#) explored adding bandwidth, but it quickly discovered that the additional expense would run well beyond \$100,000 annually, Clement reports. Even then, he adds, any potential quality-of-service and latency issues -- notorious for becoming worse over distance -- wouldn't be resolved.

So Donegal (\$1.1 billion in total assets) researched data compression and wide area network (WAN) optimization vendors. The carrier tested two purpose-built appliances in its environment in mid-2009, Clement relates. "Testing each optimization appliance inline ... allowed us to begin building in-house expertise," he says, noting that the insurer settled on Silver Peak Systems (Santa Clara, Calif.) in early 2010. "We chose the [Silver Peak NX-7000](#) appliance because it integrated more seamlessly with our EMC [Symetrix](#)- and [Celerra](#)-based storage and replication platforms."

After its senior networking engineer completed a week of training at Silver Peak, Donegal performed the integration tasks in-house in May and June 2010. "Other than the typical vendor support, we've been very self-sufficient," Clement says.

One Silver Peak insufficiency did surface after the June 2010 launch, Clement notes. "When the data replication process is disrupted, whether scheduled or unplanned, WAN optimization doesn't automatically restart," he relates. "Instead, we must reinitialize it manually." Silver Peak says this issue was resolved in a May 2011 release of its appliance.

Regardless, Clement says the benefits of the WAN optimization are more than meeting expectations. Speed of throughput is up by 100 percent, and Donegal is achieving a compression ratio of up to 4:1, he reports. As a result, the Silver Peak appliance not only provided an ROI in less than one year, it also is providing impressive ongoing savings. "We'll realize a sixfold

savings year over year compared with purchasing the equivalent bandwidth," asserts Clement. "It's well over a six-figure savings annually."

In fact, the technology has been so successful that Donegal recently started evaluating it for optimizing day-to-day business application performance between locations, according to Clement. "We're taking the next steps," he affirms. "And we anticipate we'll continue exploring other opportunities that the technology provides."