

Case Study



37signals left the cloud for
Summit's data centers.
**Now they save millions of
dollars per year.**

COMPANY DESCRIPTION:

37signals helps businesses work smarter and simpler with its suite of efficient tools, including the iconic Basecamp for project management and HEY for modern email.

INDUSTRY:

SaaS

SUMMIT PRODUCTS:

COLOCATION

NETWORK CONNECTIVITY

DISASTER RECOVERY

Challenge

LEAVING THE CLOUD:

Run 37signals' project management and email applications entirely on owned, colocated hardware to save on out-of-control cloud costs

The cloud is often just as complicated as running things yourself — and it's usually far more expensive. If the money matters (and when does it not?), do your own math. Consider whether your service truly benefits from constantly scaling capacity up and down. Then take a serious look at what a cloud exit could look like.

We pulled seven applications out in six months. You can do that too. The tools are there. They're free. So don't stay in the cloud because of the hype.

- CTO, 37SIGNALS



Objectives

UPTIME



Uptime is **non-negotiable** — customers depend on Basecamp and HEY for business-critical interactions

PRICING



Managed services bills must make sense — **no surprise charges** for opening doors or arranging cables

PARTNERSHIP



Provider must truly be able to **augment 37signals' small team** — competence and a human approach are key



With AWS, we give them \$300,000 a month and they don't care about us. They don't answer our calls. But we call Summit and they're on the phone with us immediately. They care about our problems, they want to help us.

- CTO, 37SIGNALS



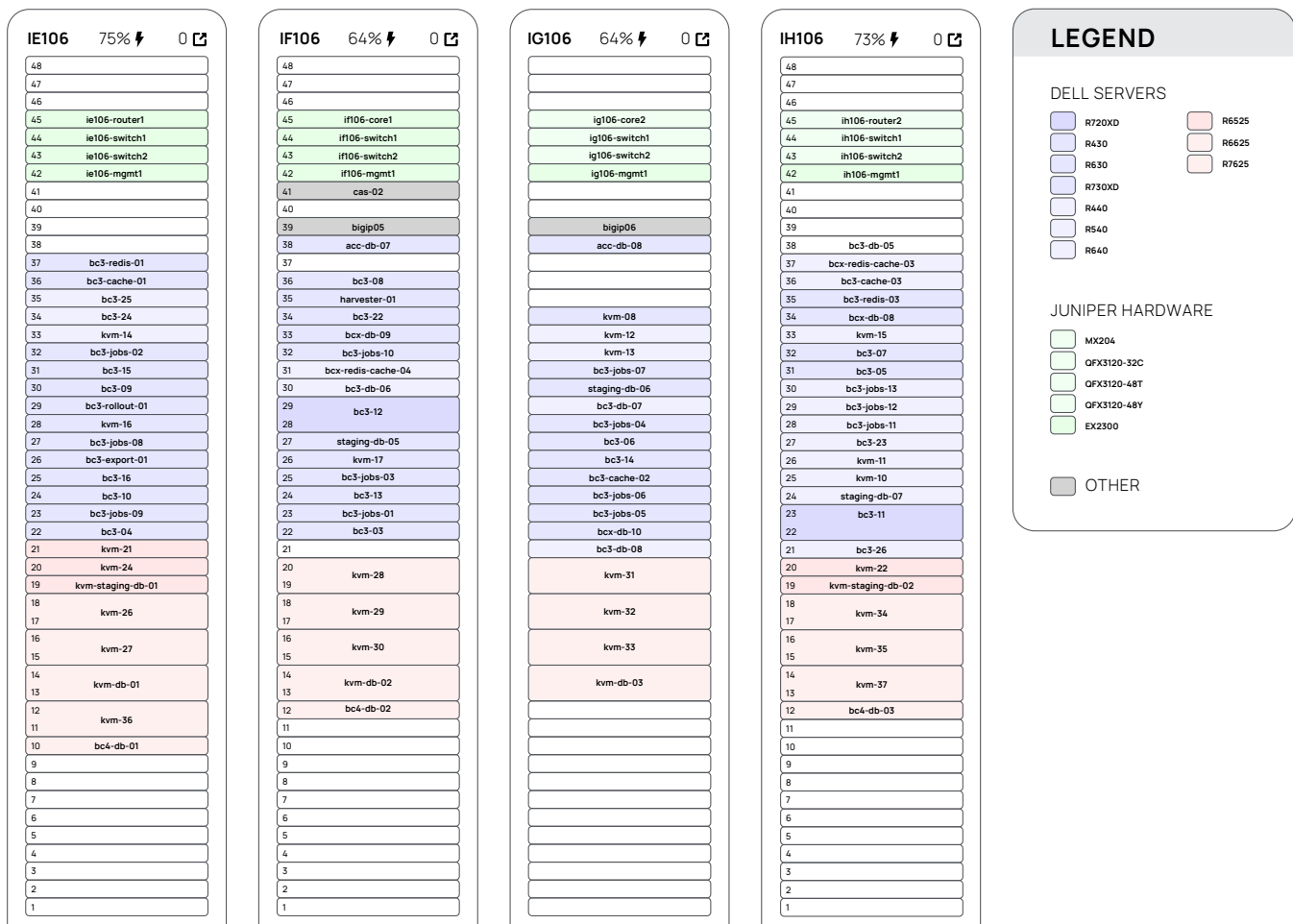
Solution

Summit delivered a fully managed infrastructure built around three core services.

**COLOCATION****NETWORK CONNECTIVITY****DISASTER RECOVERY**

COLOCATION

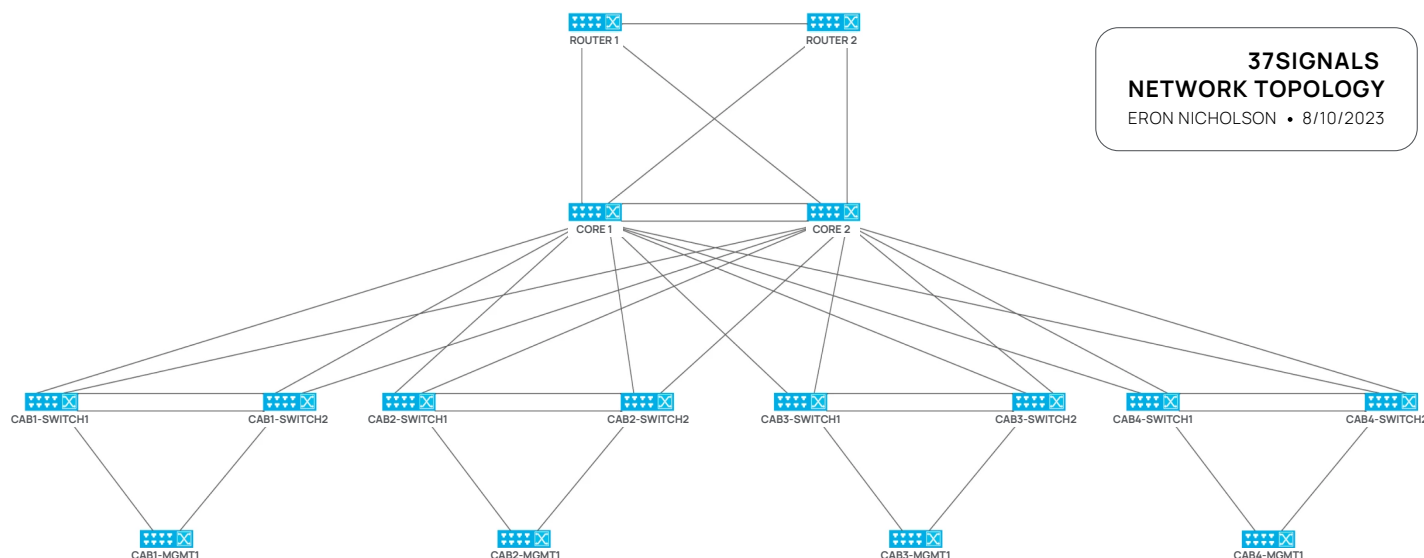
- Identical, future-proofed footprints in Summit's Ashburn and Chicago data centers
- (4) 48U cabinets in Ashburn with ~90 Dell R7625 servers
- (4) 48U cabinets in Chicago with ~90 Dell R7625 servers
- 40 kW of power split among four cabs in each site, so about 10 kW per cab





NETWORK CONNECTIVITY

- Redundancy at each layer to withstand the loss of any single link or device
- External connections to the internet, AWS, and between data center sites
- Each connection uses different providers and diverse physical paths to ensure resilience



DISASTER RECOVERY



Ashburn

ACTIVE



Chicago

STANDBY

- Critical apps run in Summit's Ashburn and Chicago data centers in an active/standby capacity
- One site can be quickly moved to the other during a disaster event

Performance Results

MEDIAN REQUEST TIME

BEFORE

67ms → **19ms**

AFTER

72% faster

MEAN REQUEST TIME

BEFORE

138ms → **95ms**

AFTER

31% faster

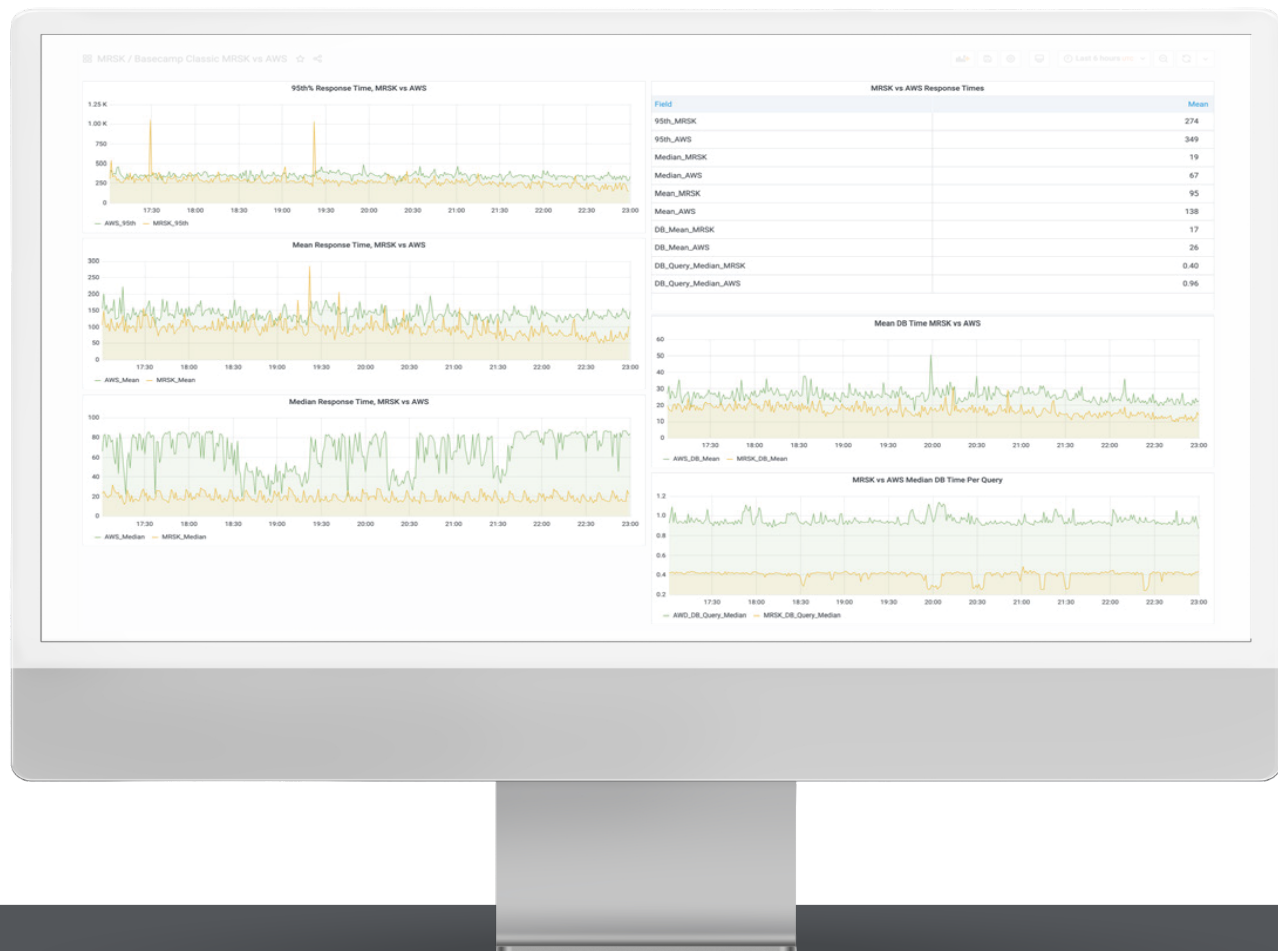
MEDIAN QUERY TIME

BEFORE

2x → **1x**

AFTER

50% reduction

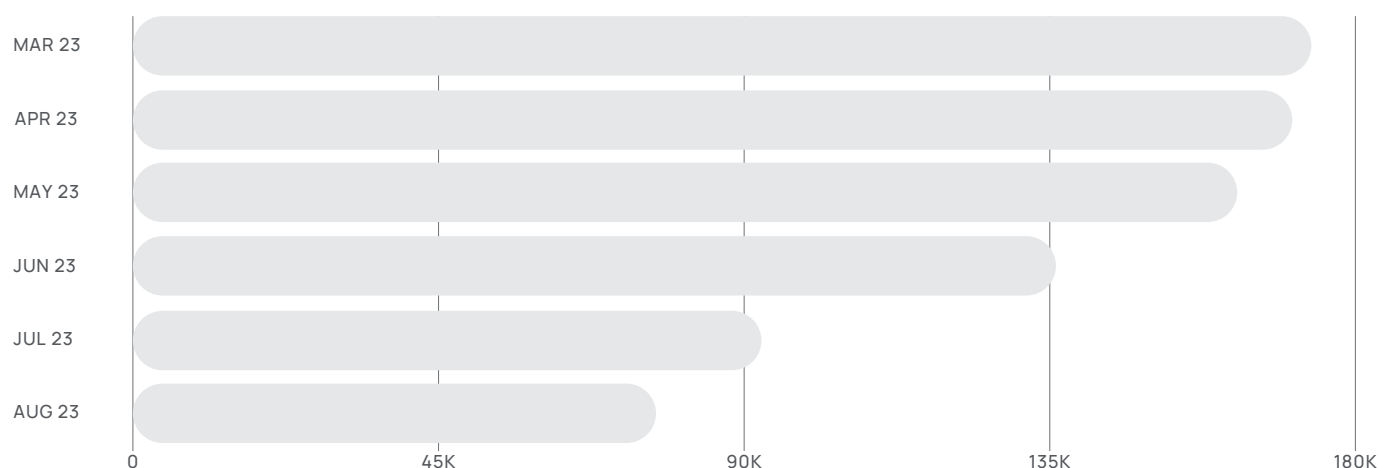


Cost Results

Financial impact after leaving the cloud

60% REDUCTION IN
CLOUD SPEND

\$10M PROJECTED SAVINGS
OVER FIVE YEARS



“

Let's see where things end up when it's all said and done, but we don't have to squint hard to see the eventual savings climb all the way up to about \$2m/year. That would be TEN MILLION DOLLARS over five years. Just absolutely bonkers amount of money straight to the bottom line.

- Co-Founder, 37SIGNALS

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Conclusion

NO DECISION IS FOREVER.

The 37signals team builds everything as if “**no decision is forever**,” says Eron Nicholson, Director of Operations at 37signals. When you approach infrastructure with

the understanding that “**we can always decide to reevaluate and do things better**,” you need a partner willing to do that with you.

A LONG-TERM PARTNERSHIP BUILT ON SHARED PRINCIPLES

The relationship between Summit and 37signals has worked since 2010 because both teams:

- ✓ **Constantly seek incremental improvements**
- ✓ **Experiment with techniques to push us forward while still delivering total uptime for services that businesses depend on**

In Summit, 37signals found an infrastructure partner capable of managing the day-to-day hardware maintenance and the all-hands emergencies with the same attention and dedication as its own staff.

See what you'll save by moving your IT operations to Summit.

SUMMIT™

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