terremark Worldwide, Inc.

Customer Case Study

Club Med Takes a Vacation from Downtime Worries

Executive Summary

Company

CLUB MÉDITERRANÉE
Resort Vacations
Paris, France
www.clubmed.com

Business Challenge

- Implement a business continuity strategy
- Optimize Internet connectivity for North American operations
- Create ability to access applications remotely in the event of a disaster

Terremark Solutions:

Terremark Facility Services

Business Results

- **Ensured 100-percent power availability and simplified operations**
- **Gained many more capabilities for less than previous connectivity costs**
- **Found new business flexibility**

Quote:

"While our first priority was to ensure disaster recovery, Terremark enabled us to gain hosting services, massive worldwide connectivity, better performance, scalability, and unmatched protection — for less than we had been paying for connectivity alone."
— Stephane Magnat, IT Director for Club Med North American Zone

"Now if there is any natural disaster, all we have to do is turn off the lights and walk out because everything is secure at Terremark. We can access our systems remotely through a VPN or relocate to a temporary office — a new cross-connect gets us up and running quickly."
— Jorge Lopez, Technical Support Manager for Club Med North America

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Seeking a Permanent Vacation from Disaster Worries

What's the perfect vacation? It might be swinging upside-down from a flying trapeze. Snorkeling above a school of tropical fish. Or letting the kids enjoy award-winning activities while you relax on a white sugar-sand beach. For a refined, generous, personalized vacation experience, more than 1.4 million guests visit one of 80 Club Méditerranée (Club Med) resorts around the world every year.

Headquartered in Paris, France, Club Med's North American operations are located in Coral Gables, Florida. Here, the IT organization supports an office in Mexico City; call centers in Scottsdale, Arizona and Montreal, Canada; and the Club Med villages Sandpiper (Florida), Cancun and Ixtapa (Mexico), Punta Cana (Dominican Republic), La Caravelle (Guadaloupe), Buccaneer's Creek (Martinique), Columbus Isle (Bahamas), and Turkoise (Turks & Caicos).

Until recently, applications and Internet connections were hosted and managed through Paris headquarters, while local Internet service providers delivered access and voice services for each village. As operations became increasingly interrelated and critical, high Internet traffic volumes slowed performance for Web-based applications. Routine after-hours system maintenance performed in Paris shut down operations in the U.S., Mexico, and the Caribbean during peak time periods. System backups were performed locally and shipped out to other locations when needed, extending downtime. In 2005, Hurricane Wilma placed Club Med's business continuity and disaster recovery strategies on the fast track.

"After Wilma hit Florida, the Coral Gables office was down for ten days while local power blocks were restored," said Jorge Lopez, technical support manager for Club Med North America. "Because all of the circuits terminated in our offices, the resorts were down as well. Call centers in Scottsdale and Montreal could take phone calls, but agents could not access the applications they needed to process reservations." Having to manually process each reservation reduced the number of customers served by 75 to 80 percent.

With so much at stake, the company began investigating options for reducing downtime in the event of a disaster, securing and backing up data offsite, and creating redundancy. After evaluating several possibilities, Club Med chose Terremark and its NAP of the Americas.® The NAP of the Americas® is a fortress-style facility that provides state-of-the-art security and guaranteed availability for peering, managed, and dedicated hosting services. World-leading carriers, Internet service providers, and content providers are housed at the NAP of the Americas,® enabling customers to take advantage of massive, carrier-neutral connectivity for extending their reach anywhere in the world. And the NAP facility itself is designed and built to withstand a Category 5 hurricane.

"Terremark allowed us to transition our data center in phases," said Mr. Lopez. "The NAP team was extraordinarily helpful in helping us ensure a smooth transition. The entire move was completed in a relatively short amount of time."

An All-Inclusive Solution

Today the Coral Gables offices, Turkoise, and Columbus Isle are connected directly to the NAP, while Sandpiper, Caribbean and Mexican villages, and call centers are connected over an MPLS network. An additional new circuit provides dial-up capabilities for accessing applications remotely in the event of a disaster. Club Med takes advantage of Terremark's peering and dedicated hosting services, with access to backup-and-restore services if needed.

"While our first priority was to ensure disaster recovery, Terremark enabled us to gain hosting services, massive worldwide connectivity, better performance, scalability, and unmatched protection — for less than we had been paying for connectivity alone," said Stephane Magnat, IT director for Club Med's North American zone.

All of Club Med's carriers and main connections reside at the NAP of the Americas,® including Cable & Wireless, France Telecom, Nexogy, Global Crossing, and others. Because equipment is housed at the NAP of the Americas,® the company also eliminated security risks from possible break-ins. Mr. Lopez can monitor operations remotely, deploy new circuits, or make changes with a phone call.

"Now if there is a natural disaster, all we have to do is turn off the lights and walk out because everything is secure at Terremark," said Mr. Lopez. "We can access our systems remotely through a VPN or relocate to a temporary office — a new cross-connect gets us up and running quickly."

Generous Coverage

The Terremark solution also quadrupled Club Med's local Internet circuit, so now the company has the bandwidth to ensure full redundancy between Coral Gables and Paris. Internet-based application performance has dramatically improved, giving Mr. Magnat the ability to outsource several local applications, such as payroll processing, and eliminate the burden of managing and supporting those servers and databases.

The Terremark solution provides Club Med executives with new peace of mind as well. Business changes quickly, but with everything at the NAP of the Americas,® the company has the flexibility to easily move people and locations without having to move its entire infrastructure.

Next Steps

Through the NAP of the Americas,® Club Med is able to take advantage of promising new technologies and vendors. A voice over IP (VoIP) project is testing the company's plan to deliver voice calls between Coral Gables and Paris over the network.

"Instead of having to negotiate a separate agreement with a long-distance carrier, we can easily set up calls over the network," said Mr. Magnat. "Running a high percentage of these calls through the NAP would save significant international calling costs." Using VoIP, Club Med could also reduce the cost of calls between Mexican and Caribbean villages and the U.S. mainland, enabling guests to take advantage of reasonably priced calls to phone home.

Club Med is also planning to virtualize its call centers to automatically re-route calls when one call center is overloaded. Instead of having to hire more agents to handle calls during peak periods, Club Med can optimize the resources it already has, ensure good service, and increase its business.

"It's more than just the connectivity and network," said Mr. Lopez. "As we move forward and expand our presence, Terremark is extremely helpful in identifying excellent technology providers in the NAP who can help us achieve our goals."

About Terremark

Terremark Worldwide, Inc. (NASDAQ:TMRK) is a leading global provider of IT infrastructure services delivered on the industry's most robust and advanced operations platform. Leveraging datacenters in the United States, Europe and Latin America and access to massive and diverse network connectivity, Terremark delivers government and enterprise customers a comprehensive suite of managed solutions including hosting, colocation, connectivity and security services. Terremark's acclaimed Infinistructure™ utility computing architecture has redefined industry standards for scalable and flexible computing infrastructure and its DigitalOps® service platform combines end-to-end systems management workflow with a comprehensive customer portal. More information about Terremark Worldwide can be found at http://www.terremark.com.