

MacStadium Business Technology Sourcing

Establishing a Data Center for Growth in a
New Part of the World



Client Objectives

MacStadium is a technology company that provides a cloud-based platform to build, test and manage macOS projects. Expanding globally, the company needed to establish its first foothold in India to service existing customers and to attract new customers in the APAC region.

- MacStadium did not yet have experience in India
- The company wanted to consider alternative geographies, including Singapore, if the network latency was acceptable
- MacStadium sought assistance navigating potential shipping and customs challenges in India
- New product releases and customer demand required a quick assessment and procurement process

Results

Upon being engaged, Cresa immediately evaluated Singapore, India and nearby countries to obtain competitive market bids and create context for decision-making. 6 vendors were compared in Singapore and 4 vendors in India. Ultimately, Mumbai was chosen for its geographic desirability, lower operating costs and the quality of available data centers and their operators. Specific successes:

- Cost Savings: Cresa negotiated over \$235,000 in reduced charges over the contract term.
- Cost Savings: Compared to the 2nd choice, the chosen colocation provider was \$496,000 less expensive.
- Cost Savings: Cresa negotiated over \$22,000 in reduced upfront charges for building the cage, AC circuits, cabinets, and PDUs.
- Timeline: MacStadium was able to thoroughly investigate the market and execute the contract in time to meet customer requirements.
- Non-economic terms: Cresa negotiated key expansion rights that provide maximum flexibility to expand and include exclusive use of its own data hall.
- Non-economic terms: Cresa and MacStadium worked together to negotiate key contract terms such as protecting itself from being relocated, delaying the billing commencement date, slowing the ramp into full rent payment, ensuring the right to terminate for “chronic failure” of infrastructure and achieving a longer notice from the landlord for planned maintenance on critical infrastructure, among others.

“Thank you for your guidance during our search for a data center in Asia. The level of detail and breadth of information you gathered was exhaustive and saved us hours of time that we could instead focus on other important projects. We appreciated your expertise and wise counsel, especially going into a new region. Most importantly, we are confident in your loyal advocacy to pursue our best interests and really feel like you are part of the team. We look forward to working on future projects together.” - Michael Landreth, CFO, MacStadium

