

AXS-One White Paper

TAKING CONTROL OF BURGEONING E-MAIL MANAGEMENT & COMPLIANCE

The AXS-One Compliance Platform™ for
Lotus Notes





AXS-One Inc.
301 Route 17 North
Rutherford, NJ 07070
(201) 935-3400
www.axsone.com



Table of Contents

- ▶ Executive Overview
- ▶ AXS-One Solution
- ▶ E-mail – A Mission Critical Business Asset with Painful Side Effects
- ▶ E-mail Archiving – An Effective Antidote
 - ▶ Controlling Storage Costs
 - ▶ Mail Server Efficiencies
 - ▶ A Boost for Backup & Recovery
 - ▶ Compliance, Litigation, & Discovery Ready
 - ▶ Slashing Administrative Workloads
 - ▶ Removing the E-Mail End-User Burden
- ▶ Conclusion
- ▶ Appendix A - A Sample ROI

AXS-One Inc.
301 Route 17 North
Rutherford, NJ 07070
(201) 935-3400
www.axsone.com




EXECUTIVE OVERVIEW

Imagine a business without e-mail – it is inconceivable. Simply stated, e-mail is the most prevalent method of information exchange within businesses today, and likely the “unofficial” standard for business communications. As such, e-mail volumes are growing exponentially, creating significant operational risk and cost issues in many areas including: additional storage capacity and mail servers, cumbersome backup activities, administrative overload, and decreased end-user productivity. In addition, organizations must comply with government and corporate mandated regulations and policies pertaining to e-mail retention, discovery, and litigation requirements, or risk serious financial penalties and business-impacting sanctions. Organizations are now faced with an imperative albeit daunting challenge of taking control of their e-mail systems from the desktop straight through to the mail servers, mail stores, and backups. They also must come to terms with the fact that adding more storage appliances, mail servers, and IT personnel to manage the e-mail infrastructure is not a cost-effective or sensible solution. This paper focuses specifically on e-mail archiving for Domino environments. It will discuss how the policy-based technology of the AXS-One Compliance Platform™ for Lotus Notes can help organizations streamline e-mail management. The solution is proven to significantly reduce operational costs, and the impact to IT staff and business users while simultaneously meeting government and corporate compliance mandates for e-mail retention and discovery.

E-MAIL – A MISSION CRITICAL BUSINESS ASSET WITH PAINFUL SIDE EFFECTS

There is no dispute over the critical role e-mail plays in day-to-day business operations. The time is long gone when users checked their e-mail once a day, or maybe not at all for the digital resisters. E-mail has evolved into its own identity that is now an integral part of the corporate brain. Without e-mail, corporations are lobotomized. So while e-mail has become a corporate communication mainstay capable of handling a wide variety of information types and formats, e-mail systems were not originally designed for long-term storage; they have had to evolve over the years to keep pace with usage requirements. This evolution has resulted in messaging systems like Domino Lotus Notes becoming a collaborative business tool that not only supports composing, sending, and reading e-mail, but also allows users to share and store all kinds of file types. In the end though, as e-mail volumes grow, e-mail systems can experience problems - data becomes corrupted, files are lost, backup windows are elongated and more prone to failure, end-user systems crash, .nsf files aren't available for corporate discovery, and overall e-mail system performance deteriorates. Adding more storage and mail servers may resolve some of the issues for the e-mail application itself, but it introduces an entirely new set of operational and cost issues that are exacerbated as e-mail growth continues.



Inevitably though, organizations are facing e-mail reality and embracing concepts such as e-mail archiving systems, which represent an economical solution to help organizations regain control of e-mail, its associated costs, and also mitigate legal risks. The AXS-One Compliance Platform for Lotus Notes directly impacts the following e-mail pain points:

- ▶ High Storage Costs – To accommodate e-mail growth in messaging systems, many companies purchase and install new storage media on a monthly or quarterly basis, which is very costly - E-mail storage requirements per user, per day will be at 21.3 MB by 2009, managing storage can cost an organization between \$0.66 and 1.5 per MB.¹
- ▶ Expensive E-mail Servers – As performance deteriorates with e-mail growth, corporations add more expensive mail servers adding hard costs and further complicating system management.
- ▶ Exhaustive Backup & Recovery – As e-mail stores grow, e-mail systems are less and less equipped to deal with high volume backups. Backups are done per server in specific time increments and then stored either on - or off-site costing corporations thousand upon thousands of dollars.
- ▶ Increased Risk of Non-Compliance – Improperly managed e-mail can lead to costly lawsuits, fines, and personal sanctions including prison. Approximately 1 in 20 companies have battled a workplace lawsuit triggered by employee e-mail.²
- ▶ Escalating Administration – Adding storage and servers further complicates system administration and associated costs. IT organizations must be staffed to manage constantly growing e-mail server and storage environments, and perform the unending backups.
- ▶ Decreasing End-user Productivity – end-users should be spending their time on their actual work, not managing their mailbox. A single user will fill an average mailbox of 166MB in less than nine days¹.



E-MAIL ARCHIVING – AN EFFECTIVE ANTIDOTE

The AXS-One Compliance Platform for Lotus Notes is a policy-driven archiving and management solution for Lotus Notes e-mail. It provides a single platform to address efficient archival and retrieval of Notes documents to reduce the size of Domino databases and associated server and storage infrastructure. In addition, the AXS-One Compliance Platform for Lotus Notes delivers compliance capabilities pertaining to retention, disposition and management of e-mail records.

AXS-One Compliance Platform for Lotus Notes provides significant benefits and solves the operational, backup, and compliance issues plaguing messaging systems including:


CONTROLLING STORAGE COSTS

To accommodate e-mail growth in messaging systems, many companies purchase and install new storage media on a monthly or quarterly basis. While this addresses the physical capacity requirements, it does nothing to ease the overall management of the e-mail infrastructure for day-to-day operations, backup and recovery, or compliance. In addition, it can be expensive and IT organizations are not always staffed, nor have the appropriate budget to support the escalating capacity requirements. Equally important, adding storage does not address the duplicity of information that is inherent in e-mail systems. It doesn't make sense to store the same e-mail and attachment ten times just because it is sent to ten recipients, which is exactly the case in the traditional messaging environment.

According to the "Email Archiving Market, 2005-2009," report by the Radicati Group, a typical corporate user generates a total of 19.5 MB of e-mail traffic per day. In one year, that is the equivalent of over 5GB of e-mail for just one individual. With inefficient backup processes that store redundant information, it is not inconceivable for e-mail storage requirements to reach the terabyte or even petabyte capacity level for an average size organization. Imagine the management nightmare to maintain acceptable operational performance levels in the messaging system, not to mention being in a perpetual backup mode with warehouses (and/or offsite storage facilities) full of tapes that will make it virtually impossible to accurately respond in a timely manner to a discovery order.

The AXS-One Compliance Platform for Lotus Notes helps organizations ease their storage pain by applying an intelligent policy-driven e-mail archiving solution with storage consolidating features such as single instant store (SIS), indexing, short-cutting of messages, compression, and rules-based record retention. These features enable organizations to implement and enforce policy-driven archival to address key storage issues impacting Lotus Domino mail environments, such as server backups, restores, capacity planning and quota management.

AXS-One Inc.
301 Route 17 North
Rutherford, NJ 07070
(201) 935-3400
www.axsone.com



Compression – All e-mail brought into the archive is compressed, dramatically reducing the physical storage requirements without losing content, location, or formatting of information.

Short-cutting – Short-cuts replace original e-mails on the mail server while the complete e-mail is automatically moved to the archive, again, significantly reducing storage requirements. The size of the short-cut is pre-defined by the organization, and a simple click on the message short-cut from the user's Inbox makes the complete message seamlessly viewable from the archive. Attachments to messages with short-cuts are likewise archived.


Single Instance Storage (SIS) – All messages archived through the AXS-One Platform benefit from SIS. The SIS feature stores a single copy of individual Lotus Notes e-mails regardless of the number of e-mail recipients. SIS is also applied to message attachments. In this case, each attachment or attachments over a certain size are separated from the message and stored in the archive. If the exact attachment is already resident in the archive, then the system simply points the message to the existing attachment.

Policy-based E-mail Retention – Keeping with the need to minimize end-user intervention for managing e-mail, the AXS-One Compliance Platform for Lotus Notes applies flexible archival rules such as dates, soft quotas, message size, and content to automatically manage each user's mailbox according to corporate policies. E-mails are automatically archived from the message store based upon pre-defined organizational policies, which not only frees valuable storage space, but also reduces administrative requirements for both IT and the end-user. Administrative staff no longer needs to implement mailbox quotas for every user, and users no longer have to delete or move messages to address the constant "mailbox full" issue.

MAIL SERVER EFFICIENCIES

When storage must be added to accommodate e-mail growth, overall e-mail system performance is adversely impacted forcing companies to invest in new mail servers to support the additional hard disk capacity – an expensive proposition when acquisition, administration, and maintenance costs are factored in. In addition, mail servers are not particularly designed to manage storage, but when forced to support the mail store, management becomes extremely important in order to maintain performance. In the absence of an e-mail archiving system, it becomes a vicious cycle of reaching capacity, adding more mail servers, more storage, and ultimately more IT resources to manage the growing e-mail infrastructure just to maintain performance levels.

With an e-mail archiving system such as the AXS-One Compliance Platform for Lotus Notes, mail servers are left to do what they do best, process e-mail. In fact, as a result of the dramatic decrease in attached storage to the mail servers due to significantly smaller mailboxes, 30 percent of existing mail



servers, as well as 50 percent of storage appliances can actually be re-purposed. Remember - the size of the short-cut messages that are left in end-user mailboxes are predefined and average only 1K bytes in size – significantly smaller than storing the entire message and any attachments - thus the need for fewer servers and less storage capacity. In addition, new purchases of mail servers and storage are also decreased due to the capacity and performance efficiencies invoked in the e-mail system with the integration of the AXS-One e-mail archiving system.


A BOOST FOR BACKUPS & RECOVERY

As e-mail stores grow, e-mail systems are less and less equipped to deal with high volume backups. In fact, relying on e-mail systems for backups exposes organizations to significant risk. Many e-mail systems are error-prone in high volume environments and some do not adhere to incremental backups. As a result, e-mail system backups can be lengthy processes with no true guarantee that all of the e-mails have been successfully captured, exposing organizations to considerable risk in the event of litigation or discovery. For example, personal e-mail folders (i.e. .nsf files) can easily be overlooked during backup processes. Heavy fines may ensue if an organization cannot produce mandated records. Bank of America Securities was fined \$10 million for not retaining e-mail records regarding a merger. According to the U.S. Securities and Exchange Commission (SEC), this was a record fine amount for a violation of this type.

Because the AXS-One Compliance Platform for Lotus Notes reduces the primary e-mail server data store through features described earlier, then logically backup disk capacity, quantity of backup tapes, and the time and administration of the backup process is also reduced. The amount of savings is also linked to how often backups are performed. Companies performing daily, weekly, and monthly backups will realize higher savings. The e-mail archive also acts as a near-line backup for corporate knowledge to the primary e-mail environment in the event of a disaster– an extremely important asset given the critical role e-mail plays in day-to-day business. Additionally, organizations reduce their exposure to risk of losing data, inadvertently deleting data, or not backing it up at all through the automatic archiving capabilities of the AXS-One Compliance Platform for Lotus Notes.

COMPLIANCE, LITIGATION, & DISCOVERY READY - MITIGATING RISKS

In addition to providing operational e-mail archiving functions that reduce storage costs and improve backup processes, the AXS-One Compliance Platform for Lotus Notes addresses stringent requirements for broad compliance issues, including regulatory compliance, corporate governance, litigation support, and legal discovery – *within the same platform*. Compliance is imperative to avoid fines, exposure to costly lawsuits (and subsequent impact on share price/corporate brand), personal financial sanctions, or in some cases prison time. With the AXS-One Compliance Platform for Lotus Notes, real-time copies of e-mail can also be captured and stored within the archive. These can be re-




produced irrefutably, and an auditable chain of custody is maintained for every message and attachment, enabling organizations to enforce compliance, retention, disposition, legal discovery, case management, and comply with regulations such as:

- ▶ SEC CFR Part 240 17a-3 and 17a-4
- ▶ NASD 3010
- ▶ FDA Title 21, Part 11
- ▶ Telecommunications CFR Title 47 Part 42
- ▶ Sarbanes-Oxley
- ▶ HIPAA 1996, Public Law 104-191, Parts 162, 164
- ▶ UK: Financial Services Authority
- ▶ France, Commission des Operations de Bourses
- ▶ Australia: National Archives of Australia

The AXS-One Compliance Platform for Lotus Notes includes additional value-added features such as patent pending grid-enabled, high performance search technology that allows administrators to configure portions of the archive within a grid of low-cost, commodity processors for memory speed searching across years of archived data that may be needed for legal discovery.

AXS-One's search capability and discovery function delivers an unprecedented level of performance for search and retrieval of e-mail (exhibiting 2 to 3 second response times on standard archive search queries across 10 million sample e-mail records). The solution is highly configurable to achieve specific performance, search requirements, or service level agreements to satisfy diverse needs within an organization. In this way, AXS-One significantly reduces the time associated with legal or other discovery searches, while increasing speed and accuracy of combing through millions or billions of records in the event of litigation or discovery.

Employee use of company computer systems, such as e-mail and instant messages exposes organizations to electronic risks including contractual lawsuits, sexual harassment claims, exposure of confidential information, as well as infringement of regulations. High profile corporate governance cases and unprecedented fines and legal damages involving e-mail should be strong motivators for practical e-mail supervision. Case in point, Harry Stonecipher, CEO at Boeing was fired partially due to an extramarital affair with an employee, but also due to the fact he used the corporate e-mail system to send explicit e-mails to women he was involved with.



AXS-One supervisory review applications apply highly configurable review criteria, processes, and roles to help organizations mitigate the risks associated with messaging by scanning the content of every archived e-mail, instant message, and associated attachments for suspicious content. When suspicious content is found, AXS-One supervisory review automatically routes the message to the appropriate supervisor's queue for review and disposition. This eases the response to regulatory audits, and deters employees from engaging in e-mail correspondence that violates corporate policies and regulations, and compliance to regulations such as NASD 3010.


In addition to the features above, retention rules based on regulations and/or corporate records management policies are applied to all e-mails either automatically or manually determining how and the duration they are retained and subsequently destroyed. Individual e-mails selected for a discovery order can be automatically put on retention hold to accomplish a firm's legal duty to preserve and avoid spoliation. Normal retention schedules can be suspended in the event of actual or pending litigation. In addition, an auditable chain of custody for every e-mail is preserved throughout the e-mail's lifecycle from initial capture through final destruction.

SLASHING ADMINISTRATIVE WORKLOADS

Timely backups, disaster recovery, retrieval of e-mail for litigation and discovery, and compliance place a significant strain on IT. Overworked IT staffs may be unable to provide adequate help desk service, leading to lower staff productivity and poor customer satisfaction. While establishing mailbox quotas and shifting administration requirements to end users may ease the IT overhead, it effectively shifts the burden, imposing a loss of productivity in critical end-user business functions. In addition, organizations can ill afford the risk of information assets being inadvertently deleted through improper e-mail management. The AXS-One Compliance Platform for Lotus Notes dramatically improves e-mail administration functions. With fewer mail servers and less storage to manage, maintenance is drastically decreased, automated policy-driven e-mail archiving eliminates end-user training, backup times are reduced due to smaller e-mail stores, IT resources are free to focus on other business enhancing functions, and built-in compliance features reduce the time needed to support litigation and discovery processes, and the risk of non-compliance overall.

REMOVING THE E-MAIL END-USER BURDEN

Keeping with the need to minimize end-user intervention for managing e-mail, The AXS-One Compliance Platform for Lotus Notes applies flexible archival rules such as dates, soft quotas, message size, and content to automatically manage each user's mailbox according to corporate policies. With a single click, original e-mails and attachments are seamlessly retrieved, requiring no end-user training. In addition, by applying mailbox "soft" quotas, end-users have virtually limitless



mailbox quotas thereby removing end-user frustration, lost productivity, and the need to store messages locally or on network file shares where they pose a greater risk to an organization.

While the costs associated with lost user productivity vary, and may be difficult for an organization to accurately quantify, particularly in order to cost-justify implementing an e-mail archiving solution, everything points to a direct correlation to an increasing loss of productivity as e-mail volumes increase. Osterman Research estimates that a typical user spends one hour per week managing his mailbox. Even at a medium salary of \$45 per hour, that represents \$2,250 per year per employee. A company with only 500 employees could potentially recover over \$1 million dollars in end-user productivity with an end-to-end archival platform such as the AXS-One Compliance Platform for Lotus Notes.

CONCLUSION

AXS-One Compliance Platform for Lotus Notes delivers a complete e-mail archiving solution for the Lotus Notes Domino environment. Using the unique architectural design of the AXS-One Compliance Platform for Lotus Notes to build an end-to-end solution, organizations can implement a scalable platform to address small (less than 5,000 users) to very large (greater than 100,000 users) Notes e-mail archiving and retention requirements. In addition, the AXS-One solution for Lotus Notes truly addresses the pain points faced by IT organizations tasked with managing the burgeoning growth of e-mail. The solution reduces storage costs, decreases time and resources for backups, and eases the administrative burden while simultaneously meeting regulatory and corporate compliance mandates and significantly reducing e-discovery and litigation support costs. Couple this with the fact that the AXS-One technology provides these benefits on the same platform for all content types and disparate applications, every organization, even those not using Lotus Notes for e-mail should investigate the considerable value AXS-One delivers.

E-mail management challenges are significant, and they are not specific to any industry, the size of an organization, or even the e-mail application itself. E-mail is a critical business asset and must be managed as such. To do so, organizations must regain control by implementing technologies that create, store, and manage e-mail archives across the entire enterprise, and deliver unimpeded self-serving access for searches, discovery, and extraction to meet business and compliance requirements without the intervention of IT. AXS-One solution is addressing these needs through robust and integrated e-mail archiving software. With AXS-One organizations can reduce operational costs, improve operational efficiencies, secure the backup environment for e-mail, establish an infrastructure to ensure compliance with government and corporate mandates, and reduce the e-discovery burden.

AXS-One Inc.
301 Route 17 North
Rutherford, NJ 07070
(201) 935-3400
www.axsone.com



Appendix A

A Sample ROI

Major organizations using Notes have implemented AXS-One Compliance Platform for Lotus Notes for the following reasons:

- ▶ Significantly reduces Notes infrastructure costs especially storage and associated management costs.
- ▶ Enhances the speed and performance of regular e-mail backup and restores, and reduces Notes backup costs.
- ▶ Mitigates corporate e-mail liability and compliance costs by automatically enforcing corporate e-mail retention policies for regulatory compliance and corporate governance.
- ▶ Reduces time and costs associated with e-discovery

Company:

XYZ Enterprise is an insurance company headquartered in Chicago employing 5,000 people company wide with satellite offices throughout the U.S.

IT Infrastructure:

- ▶ User Environment:
- ▶ Claims Processors
- ▶ Administration
- ▶ Financial services
- ▶ Legal

Assumptions:

- ▶ XYZs' use of e-mail storage is rising at a compound rate of 30% per year
- ▶ XYZ spends \$100k per year for additional storage
- ▶ XYZ spends \$500k per year to backup e-mail messages
- ▶ Since 2003, XYZ has spent \$600K to research and defend various claims involving employees



Challenges:

- ▶ Reduce storage cost for archiving and backup
- ▶ Meet compliance regulations

AXS-One Solution:

- ▶ AXS-One Compliance Platform for Lotus Notes

Results:

- ▶ XYZ spent \$450K on software, h/w and implementation services
- ▶ XYZ now has e-mail storage costs under control
- ▶ XYZ reduces backup expenses by \$250k per year
- ▶ XYZ can search/retrieve & report on company e-mail without involving expensive 3rd party consultants reducing costs \$150k per year
- ▶ XYZ is saving an average of \$500K per year

ABOUT AXS-ONE

AXS-One is a leading provider of Records Compliance Management solutions. The AXS-One Compliance Platform™ enables organizations to implement secure, scalable and enforceable policies that address records management for corporate governance, legal discovery and industry regulations. AXS-One's technology has been critically acclaimed as best of class and delivers digital archiving, business process management, electronic document delivery and integrated records disposition and discovery for e-mail, instant messaging, images, SAP and other corporate records.

AXS-One Inc.
301 Route 17 North
Rutherford, NJ 07070
(201) 935-3400
www.axsone.com