

Case Study

California Employment Development Department Puts CommVault® Simpana® Software to Work for Significant eDiscovery Cost Savings

QUICK FACTS

Industry/Solution:

- State Government

Platform/File System:

- Microsoft Windows Server 2008

Applications:

- Microsoft Exchange
- Microsoft Active Directory
- Microsoft SharePoint
- SQL, Oracle and Informix databases

Partner Hardware:

- HP StorageWorks SAN, EMC Centera

Challenges:

- Manual data collection in response to legal discovery was laborious, which prevented EDD from producing eDiscovery documents in a timely fashion.
- Escalating outsourcing costs were compounded by the additional time and effort required by IT and legal staff to respond to eDiscovery requests.
- A centralized, automated solution was needed to streamline ever-increasing search requests.
- Skyrocketing storage costs required improvement in storage utilization.
- As a government entity, they sought an integrated solution with fewer moving parts to ease deployment and ongoing management.

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Customer Profile

The California Employment Development Department (EDD) offers a wide variety of services to millions of Californians under Employment Service, Unemployment Insurance, State Disability Insurance, Workforce Investment and Labor Market Information programs. As the state's largest tax collection agency, EDD handles the audit and collection of payroll taxes while also maintaining employment records for more than 17 million workers.

EDD is one of the largest state departments in the country, with 13,500 employees at more than 400 locations. Among the many critical functions these employees perform, are facilitating matches between qualified job seekers and employers, supporting state and local economic development and workforce preparation as well as overseeing programs that bolster the education, training and support needs of the statewide workforce.

As CIO of the California Employment Development Department, Dale Jablonsky spearheads IT governance, strategic planning and enterprise architecture, including an active project portfolio that exceeds \$500 million. Many of these projects focus on improving the customer experience by increasing Internet-based services that make it easier and faster to interact with the department. "To keep pace with ongoing service and program enhancements, we've overhauled our technology infrastructure and added best-of-breed solutions to ensure that data is available, accessible and protected at all times," he explains. "With 15,000 users

and millions more in the public sector counting on us, any downtime can cost millions of dollars and untold ill will, neither of which is acceptable."

In addition to maximizing system uptime and safeguarding millions of records generated over the past quarter century, EDD is dramatically improving its ability to respond to legal requests for data discovery. "With CommVault Simpana software, we have a single solution with fully integrated capabilities for protecting our data while also improving how we collect, analyze and produce massive amounts of information for eDiscovery," says Jablonsky. "As a government entity, we prefer to invest in integrated solutions that reduce refresh cycles and enable us to invest incrementally."

Data Management Environment

A 750-person IT team oversees EDD's extensive technology environment encompassing 15,000 workstations and laptops, nearly 900 file servers running Windows 2008 and a mix of business-critical SQL, Oracle and Informix databases. The team also manages Microsoft Exchange with approximately 11,000 mailboxes. A 10-person storage and infrastructure services team manages EDD's HP StorageWorks Storage Area Network (SAN) and EMC Centera disk array, which provides data storage for the department's imaging system. This group also is responsible for data protection and has played a pivotal role in accommodating EDD's burgeoning eDiscovery demands.

QUICK FACTS (continued)

Solution:

- CommVault Simpana software Backup & Recovery, Archive, Search and Storage Resource Management modules as well as embedded deduplication, content indexing and content director features.

Benefits:

- CommVault Simpana software's singular platform with integrated modules has streamlined deployment while providing EDD with additional flexibility to customize functionality as needed.
- Centralized solution for collecting, preserving and searching all types of electronically stored information is expected to slash time and effort required by IT and legal teams.
- One-click legal holds will ensure data integrity and authenticity while search agility will keep pace with evolving eDiscovery requirements and changing case law.
- Up to 87 percent data reduction with Simpana software's embedded deduplication is exceeding expectations while shrinking eDiscovery results sets.
- Total eDiscovery costs are cut in half, with the team projecting a potential savings of more than \$1 million over five years in handling an average of 20 eDiscovery events each year.

More than five years ago, EDD migrated from server-intensive storage to an HP SAN environment, which provided a more extensible platform for rapid data growth. "It was clear that consolidating on a central storage model was the way to go in terms of cost, expandability and administration," adds Jablonsky. "Since we're always looking for opportunities to add new functionality while improving operational efficiencies, we also decided to upgrade our data protection platform."

To that end, EDD replaced its CA ARCserve backup and recovery environment with a more robust platform, which prompted a review of EMC Legato Networker and Symantec Veritas NetBackup. "We conducted a bake-off in our lab and weren't pleased with the results," recalls Jablonsky. "Then HP recommended CommVault Simpana software for backup and recovery and we discovered a full suite of capabilities, which was very appealing."

According to Craig Law, server architect for the California Employment Development Department, the fact that CommVault provided different software modules that could be unified on a single platform was a major selling point. "We realized that CommVault could support us from a backup perspective while enabling us to address eDiscovery with fewer moving parts. With CommVault, we could add modules and enhance services much more economically than purchasing and managing discrete products."

Initially, EDD deployed CommVault® technology to bolster backup and recovery for ever-increasing amounts of data. In 2007, the team upgraded to Simpana® software and began looking at other capabilities, including Simpana Archive and Search modules. The team also wanted to leverage Simpana software's embedded deduplication feature to support growing eDiscovery requirements while improving overall storage utilization.

Promoting CommVault to Automate eDiscovery Data Collection

Over the years, the amount of effort to manually collect data and e-mails in response to legal discovery requests intensified, causing EDD's IT and legal teams to struggle. Not only was the process laborious, it wasn't auditable, which presented problems as accuracy in collecting and producing data is paramount in any litigation.

Additionally, EDD faced skyrocketing storage costs as users retained more data-intensive files and e-mails. As a result, the team started to evaluate the benefits of archive and search technologies to automate the discovery process while helping control the growth and cost of primary storage. As part of EDD's focus on IT best practices, the department wanted to reduce its storage footprint. "Deduplication seemed like an ideal solution for reducing redundant data," adds Jablonsky. "CommVault explained how Simpana software could help and we realized the extended platform would solve a lot of problems. Taking advantage of Simpana Archive and Search modules along with deduplication felt like a natural evolution."

EDD also approached its legal department to get a better understanding of what the eight attorneys and general counsel needed in an eDiscovery solution. It was clear they wanted to improve the data collection process, which spanned multiple collection points ranging from desktops and laptops to central storage and e-mail. Data collection needed to be automated to expedite the process while enabling the team to respond quickly, easily and accurately to legal requests and audits. Since a lot of resources were expended during the analysis phase, the team also sought a solution that would let them streamline the process of manipulating, managing and producing relevant files and messages.

"Our general counsel wanted to offer attorneys and legal staff an automated

tool that would speed, simplify and reduce the costs of enterprise-wide eDiscovery," notes Law. "From an IT perspective, we wanted a single solution for handling the collection of data across multiple points to replace a manual process that wasn't accurate and couldn't be audited." The IT team also was eager to assist legal by streamlining how data was classified, preserved, analyzed, reviewed and filtered. Previously, varying groups within EDD used different tools to collect data and then retain it in different places, which made it exceedingly difficult to produce accurate eDiscovery results in a timely manner.

After soliciting input and getting buy-in from EDD's legal department, the IT team developed various use-case scenarios and then worked with CommVault to fully understand how Simpana Archive and Search would respond. "We saw a lot of value in Simpana Archive and Search modules, so adding them to the mix became a no-brainer," says Jablonsky. "Performing various ROI calculations helped us justify the investment as we saw significant reductions in eDiscovery costs." The addition of Simpana software's deduplication feature enabled EDD to project further savings in storage costs as well as reductions in eDiscovery result sets for faster document reviews.

Simpana Archive & Search Get the Job Done

In rolling out Simpana Archive and Search modules, EDD is leveraging a centralized solution for collecting, preserving and searching all types of electronically stored information (ESI). Previously, the department's tedious manual process sometimes prevented responding to requests in a timely fashion. Automating and adding intelligent search capabilities better positions EDD to lower costs and risks.

Armed with accurate, relevant data earlier in an eDiscovery event, EDD's legal team is poised to perform case assessments much sooner. The legal team also will be empowered to perform one-click legal holds globally as well as selectively based on search criteria and custodian. The ability to execute legal holds without having to rely on end-users to preserve critical data will help EDD's legal team ensure data integrity and authenticity. "CommVault's Search and Archive modules already are improving our eDiscovery accuracy while reducing the time to collect and produce data," notes Law.

Both Simpana Archive and Search modules provide a lot of flexibility, which lets EDD accommodate evolving eDiscovery requirements and changing case law. "We're expecting a 50 percent increase in eDiscovery requirements next year and each new case has slight twists and subtle differences in what we're requested to do," notes Law. "With CommVault Archive and Search modules, we have the agility to address new use cases as they arise. EDD already is seeing the benefits of combining multiple types of data into a single, searchable archive. Data collection is faster and accuracy has improved."

Simpana software flexibility also lets EDD leverage the browser-based interface to search for data using attributes and content that can be located anywhere within the file, document or e-mail, including attachments. Additionally, EDD can apply intelligent stubs to e-mails with exact metadata location of the archived message. "We must be really accurate in what we're collecting," Law says. "It will be very useful to apply different archive and search rules so data collection and production is precise."

Currently, EDD is working on assigning different retention policies to assist with eDiscovery and storage optimization.

Another aspect of Simpana software's flexibility the team likes is being able to easily change retention policies. "If we change our data retention policy from 10 to five years, I can simply make the change without having to reinitialize the software," Law says. "Customization is extremely important as we can't think of all the use-case scenarios upfront. With CommVault technology, we have all the features for an adaptable, best-of-breed eDiscovery solution."

EDD also is starting to take advantage of Simpana software's Content Director feature to classify, organize and retain information to increase storage efficiency and support eDiscovery. By automatically categorizing different data, EDD's legal team will be able to expedite information access while gaining valuable insights into trends that may impact a legal case. "We're first looking into the areas that are most likely to be contested in a legal action," explains Law. "In the future, we could use the large content engine to extend our capabilities into other areas, such as our evolving SharePoint implementation."

Simpana Software's Integrated Functionality Pays Off

EDD also has deployed Simpana deduplication software with impressive results. The team is achieving up to 87 percent data reduction on redundant file shares, home directories and Exchange .pst files. With an 8:1 deduplication ratio on select data, EDD is well positioned to leverage Simpana software's hardware-agnostic dedupe software to shrink result sets for eDiscovery review while making great strides in improving overall storage utilization. "Dedupe will be a real lifesaver," says Jablonsky. "We'll continue to look for ways to leverage this capability, especially as our storage continues to double."

EDD also has projected solid returns with its Simpana Archive and Search software deployments. Overall, the team estimates that total projected annual costs associated with eDiscovery could be reduced by more than half as they calculate decreases in time and costs. By moving to an automated platform, for example, EDD expects to eliminate the costs of purchasing and managing backup tapes for discovery along with restoring and searching them for a forecasted savings of \$44,000 annually.

Additionally, EDD predicts the move to an automated eDiscovery platform will result in up to a 99-percent reduction in attorney review hours. The forecasted total savings in attorney review time exceeds \$235,000 annually for an average of 20 eDiscovery events per year.

The team also calculated further savings by dramatically lowering its outsourcing requirements by 75 percent to support the projected 20 events per year.

EDD also believes that it could see a drop of 25 percent in the time taken to collect information by EDD's IT team despite a likely increase in eDiscovery requests and complexity.

Without taking into account the additional storage costs savings associated with deduplication, EDD is positioned to save nearly \$1 million in eDiscovery costs over five years by migrating to Simpana software. "While we're still looking at projected cost savings, I can see it actually happening based on the impressive results we've attained so far," says Law. "As we incorporate trend history and other factors, we might find other opportunities to reduce cost and risk.

EDD has worked closely with CommVault to develop and execute this cost-savings plan. As a subscriber to CommVault's Business Critical Gold Level Support services, EDD has access to a specialized team of technical support engineers

and additional tools to streamline and manage their deployment. "We see our relationship with CommVault as a partnership and it's a huge advantage that EDD has assistance with integration services and dedicated support," says Law. "Many of our questions get answered before we have to leverage the higher-level support. That's a testament to the power of the Simpana platform."

For EDD, Simpana software's single platform and integrated functionality provides an extensible framework for handling a wide variety of data management requirements. The team has purchased the Simpana Storage Resource Management module to gain insight into data on primary storage through discovery, trending and analysis. "We're not sure what's on our roadmap," concludes Jablonsky. "But we are certain that CommVault's singular approach will give us opportunities to add more time- and money-saving capabilities."



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