



Backgrounder: Business Resiliency and Business Continuity Planning

Business resiliency is a concept that is gaining considerable interest at executive levels. While the events of 9/11 underscored the inadequacy of disaster recovery plans, the events of 2003 proved that threats to a business' ability to survive and prosper could come in all shapes and sizes. Power outages, computer viruses and the SARS outbreak illustrated events that now qualify as disasters when the total impact on business is taken into account. In addition, due to greater regulatory scrutiny, risk management within a company has expanded to include business continuity planning. Corporate boards want to know just how well prepared the company is for the unexpected. Within business resiliency lies the answer.

What makes a business resilient?

At the September 28th Toronto Hydro Telecom Speaker Series, Ralph Dunham, Director of Business Resiliency Services at IBM Canada, talked to an audience of IT executives and managers about building resilient businesses. He said that to be considered resilient a business must be able to rapidly adapt and respond to change — threats, disruptions, new opportunities and demands that can effect its operations and future potential. In the face of such events, a resilient business will be able to continue operations with little impact. Resilient businesses don't follow the old model of experience and react to disastrous events. Instead they anticipate and adjust through business continuity planning.

Business continuity planning differs from disaster recovery planning in its scope. Disaster recovery plans typically looked at how quickly IT infrastructure could be restored. Business continuity plans look beyond technology to assess the critical requirements for the business to continue to meet customer expectations in the event of a disaster. According to Ralph Dunham, the shift from planning for disaster recovery to planning for business continuity is being driven by the growing interaction between customers and businesses through technology.

Reliable networks provide the backbone

Critical to building resilient businesses is having the reliable network infrastructure to support a business' business continuity plans. Speaker Series host and Toronto Hydro Telecom President Ian Miles illustrated how Toronto Hydro Telecom has worked with Toronto's University Health Network (UHN) to provide the network services necessary for the health care facility's business continuity planning. UHN's data travels from its three hospital locations in downtown Toronto to its remote data centre over a fully redundant private network designed and implemented by Toronto Hydro Telecom. "With the cost of bandwidth falling, companies and organizations can afford a much more robust network solution for business continuity planning than they had thought possible," remarked Miles. In the case of UHN, network capacity is a full gigabit with the option to upgrade, making it possible for the health-care facility to add medical imaging files to its transmissions of voice and data over the Toronto Hydro Telecom network link.

Network solutions key to bringing risk down

During his remarks, Ian Miles identified the trend towards multiple network redundancies as businesses work to reduce the risk of being without network service. Citing the solution Toronto Hydro Telecom provided for a major brokerage firm, where quadruple network redundancy was required, Miles emphasized Toronto Hydro Telecom's ability to provide a customized network solution that best meets the customer's business continuity planning needs.

Dunham, who is also a board member of the Canadian Centre for Emergency Preparedness, stated that Boards of Directors need to demonstrate to regulators that they have a viable organization and this is one of the reasons behind the growing interest in business continuity planning. Others include the very real costs in terms of lost sales, unhappy customers and damage to its reputation when a business is unable to meet customer expectations as a result of business disruptions. Miles noted that business continuity planning network services is now the fastest growing segment of Toronto Hydro Telecom's business and currently represents approximately thirty-five per cent of the firm's annual revenues.

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About Toronto Hydro Telecom Inc.

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Established in 2000 as a subsidiary of Toronto Hydro Corporation, Toronto Hydro Telecom Inc. has quickly grown to become a highly specialized and innovative provider of telecom services to businesses in Toronto. The company is the sole owner of its vast fibre optic network, which spans 450 kilometres and connects 400 commercial buildings in Toronto. Through arrangements with other utility-affiliated telecoms, Toronto Hydro Telecom can offer network connections throughout Ontario. Today, Toronto Hydro Telecom counts many of Canada's leading businesses and institutions among its clients, including financial institutions, mutual fund companies, broadcasters, hospitals, colleges and universities.

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