

Deep Secrets

Liberty Lake company goes to great lengths to keep data safe

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Locked doors secured by keycard readers and biometric scanners lead to an underground chamber beneath a Liberty Lake office building.

Inside the climate-controlled room, closed-circuit cameras continuously watch hundreds of computer servers, some locked in metal cages, as the omnipresent whir of electronics fills the air.

Nearby, banks of large batteries and diesel generators stand ready to provide backup power for more than a week. A host of high-speed fiber-optic pathways from different providers connects the equipment to the Internet.

Owners of Liberty Lake Internet Exchange LLC (LLIX) hope that for businesses that store their Web sites and other crucial digital information at the company's roughly 6,300-square-foot data center, those measures represent peace of mind in an economy where lost data may translate into lost dollars.

The center's architects say they have tried to prepare for every contingency to keep clients' data secure from human intruders, cyber attacks and natural disasters. The corporation has attracted customers ranging from banks to medical groups that pay to keep the data available and flowing.

"The true value that we deliver is we give our customers really a world-class facility to make sure their business stays online and humming and available that they really might not otherwise be able to afford," said co-founder Octavio Morales. The company houses customers' servers and offers Web hosting, data backup, managed IT security and residential Internet service to a growing list of clients. The makers of Therm-a-Rest camping pads back up their data on servers housed there, as do regional hospitals through Inland Northwest Health Services. The center hosts Web sites for Huppin's Hi-Fi, Photo and Video, Red Lion Hotels and this newspaper.

For Red Lion, its online presence is "an absolutely critical component to our business and needs to be up all the time," said David Barbieri, chief information officer for Red Lion Hotels Corp., based in Spokane. "It all is exactly what you would expect it to be from a very high-quality data center."



TierPoint executives, from left, Bernard Daines, Octavio Morales, Chris Walter and Dan Seliger at their headquarters. (BRIAN PLONKA The Spokesman-Review)

The four-year-old firm, backed by Spokane computer luminary Bernard Daines, is about to evolve. It's completing a 54,000-square foot building expansion that will more than double the size of its data center, looking to branch out from serving Inland Northwest and Seattle-area customers by targeting Portland and introducing new services. And it is undergoing a name change to become TierPoint (www.tierpoint.com); a title owners believe better reflects the firm's efforts to become a world-class provider of "business continuity" services.

While Daines remains a TierPoint employee, day-to-day operations are handled by part-owners Morales, Dan Seliger and Greg Zemp, some of whom worked with Daines on past ventures. TierPoint has about 25 employees, owners said.

"Spokane now has many businesses to whom the network stream of information is absolutely mission-critical 24 hours a day," said Steve Simmons, director of the Center for Network Computing and Cyber Security at EWU.

TierPoint's owners declined to disclose revenues, but Morales said they have roughly doubled every year and that the company is profitable.

While TierPoint's business continuity services primarily drive revenues, it also offers regional, residential Internet service as WebBand (www.webband.com) and Web site hosting as Webiness (www.webiness.com).

The company's current data center, with a capacity for 1,700 servers, is nearly full, but clients will be located in the expansion by early next year, owners said. Hundreds of customers are represented in the data center, Seliger said.

The name change will become official Jan. 1. TierPoint refers to four tiers, or classes, of data centers. Unlike large, private data centers planned by firms like Yahoo! Inc. and Microsoft Corp. for Grant County, TierPoint targets medium-sized businesses, seeking to provide high-level services those companies otherwise might not be able to afford.

"We also have the good fortune that there really isn't anybody with this kind of facility in this part of the country," Daines said.

Daines, founder of World Wide Packets and Packet Engines, purchased what became the Liberty Lake Internet Portal building, 23403 E. Mission Ave., in 2000 and later expanded it to its current 38,000 square feet. In June 2005, Daines bought an adjacent parcel from Robotic Process Systems for a two-story expansion. TierPoint is moving its offices into the new building, which will also include more rental office space. Construction of the approximately \$9 million project started this summer.

TierPoint touts the relative security of its Eastern Washington location, sited only a day's drive from major Northwest population centers but considered less prone to earthquakes and other disasters.

"It previously had been the idea was we would fly to some big fancy center that IBM had in Denver or Atlanta or wherever they had it," Daines said. "But in 2001 companies realized they couldn't rely on flying to the backup data center."

That quality attracted Seattle-based outdoor equipment manufacturer Cascade Designs Inc., known for its Mountain Safety Research and Therm-a-Rest brands, said Terry Stokes, IT operations manager for the company. Cascade Designs hosts its Web sites and keeps real time copies of its customer- and internal-work orders on servers at the TierPoint data center as part of its disaster-recovery plan. Now, if Cascade Designs' Seattle operation is disrupted, its sister facility in Ireland could continue operations remotely, Stokes said. While Cascade Designs looked at other places to host, none were built specifically for preventing service interruptions, he said.

"The question you have to ask yourself is: How long can I afford to be without technology resources, and how much does that cost me?" Stokes said.

Inland Northwest Health Services — which provides electronic patient records and IT support for 36 regional hospitals — backs up its data there every few hours, said chief information officer Fred Galusha. INHS has used TierPoint as a second data center for almost a year, and it will probably create a third site outside the geographic area, Galusha said.

Spokane-based Huppin's Hi-Fi, Photo and Video also houses servers for its online store, www.OneCall.com, at TierPoint. The company had hosted the site internally, but decided to move it after experiencing interruptions, said Kent Schafer, IT director.

In 2005, the company secured a contract with the Washington Department of Information Services as the exclusive Eastern Washington provider for redundant server hosting for state agencies — a deal that has been extended through 2010.

TierPoint also functions as a place where different telecommunications companies or Internet service providers intersect. By maintaining connections to several companies, including Qwest, OneEighty Networks and AT&T, TierPoint can switch clients between carriers in the event of an emergency.

"Their infrastructure is as good as it gets," Barbieri said.

Accessing the data center requires two forms of ID. Once the expansion is finished, the center will feature six generators and nine uninterruptible power supplies. The generators will be fueled by two 15,000-gallon underground tanks of diesel fuel. A fire-suppression system expels a special chemical that quenches flames.

TierPoint's owners foresee expanding the company's range of services, including those for IT security and compliance with federal regulations. Requirements of the credit card industry and federal Health Insurance Portability and Accountability and Sarbanes-Oxley acts are driving growth by increasing security and other requirements for businesses, said TierPoint sales manager Chris Walter. The company will look to provide simple solutions to clients to make sure they are in compliance.

TierPoint executives have been active in local initiatives aimed at economic development through data networks, Simmons said. TierPoint participates in the Virtual Possibilities Network, the local fiber-optic network that connects area hospitals and educational institutions. The company also recently participated in bringing the Inland

Northwest Gigapop, a \$2.5 million project to link Spokane to Seattle and international high-performance networks through a fiber-optic connection.

"They are very well-connected throughout the community, both in Seattle and Spokane, so they see what's out in the industry, what other people are doing, and that's vital as well," said Schafer, the OneCall IT director.

Initially, the Gigapop, administered by a nonprofit run by the University of Washington, is slated for research use, not business. But Walter said having that fast connection could lead to new business possibilities. Daines still floats the idea of a cluster of high-end computers to crunch data — an idea he proposed as a lower-cost alternative to supercomputers in 2005 but which didn't get off the ground. "I haven't seen anything like it," Simmons said of TierPoint. "The secret is that Bernard Daines is such a pioneer of network technology that he is usually ahead of his time by a certain amount of time."

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