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IDG Research and FalconStor Software Find Companies Inadequately Prepared for IT Disasters

KUALA LUMPUR, February 28, 2013 — [FalconStor Software](#), Inc. (NASDAQ: FALC), a market leader in disk-based data protection, announced the results of its independent “Disaster Recovery Trends and Metrics” quick poll, which was conducted in partnership with IDG Research Services. Featuring responses from 189 IT managers and executives, the survey found that 42 percent are still not adequately armed with modern disaster recovery solutions, even though they experienced at least one instance of data loss in the past year.

Many of those surveyed continue to rely on ineffective manual processes and tape backup systems; however, most respondents anticipate an evolutionary move toward highly available, automated systems with data replication within the next 18 months.

“In conducting this survey, we found it surprising that participating companies experienced an average of 34 instances of data loss and IT outages; even with this level of system failure, disaster recovery testing was not a priority for these businesses,” said Janet King, general manager and vice president at IDG Research Services. “This poll illustrates why companies must remain vigilant on the topic of data protection by implementing automated solutions that eliminate unexpected losses.”

The survey also found that tape backup was the most pervasive data backup solution, with 23 percent of large enterprises, 48 percent of medium enterprises and 27 percent of small businesses relying on this technology. Additional survey findings include:

- Sixty-five percent of respondents reported using manual disaster recovery processes; however, 83 percent reported that they believe automated disaster recovery and data replication technologies will be more widely used in the next 18 months.
- Seventy-two percent of overall IT leaders stated that their disaster recovery plans are only tested an average of once a year, with 82 percent of large enterprises completing disaster recovery testing one or more times yearly as compared to 75 percent of medium enterprises and 63 percent of small businesses.
- Forty-two percent of respondents said their organizations experience at least one data outage per year, with an average of 34 instances across enterprises of all sizes; of these companies, the majority of respondents stated that downtime in excess of four hours for any outage is

unacceptable.

- Fifty-three percent of organizations responded that an outage of more than four hours is unacceptable, with the most common consequence being loss of productivity as reported by 67 percent, followed by 27 percent reporting harm to reputation, financial loss and loss of irreplaceable data.

Driven by decreased IT budgets and the conventional perception of disaster recovery as a manual, time-intensive process, IT has not quickly adopted new automated solutions. [Data protection and disaster recovery technology](#) is an insurance policy for today's data centers, which must be able to operate 24/7 without IT downtime. In part, the delay in adopting these automated service-oriented recovery technologies lies in the education of the market and the executives who must approve these new systems.

"As demonstrated recently by Hurricane Sandy's impact on the Northeast, businesses must have a plan in place to quickly restore both data and IT services to curb the cost of downtime. With the increased adoption of virtualization and the extraordinary amount of time required for tape backup, companies are turning to disk-based solutions," said Ralph Wynn, senior product marketing manager at FalconStor. "Through the use of highly available automation technologies and consistent disaster recovery testing, firms can be assured that they are prepared to handle any issue that may arise."

FalconStor's RecoverTrac™ automated disaster recovery solution was chosen as the SearchServerVirtualization "Best of VMworld 2012" award gold winner in the Business Continuity and Data Protection category for its ability to perform service-oriented recovery in mixed physical/virtual environments and for enabling continuous data protection. By automating the complex recovery process, RecoverTrac technology eliminates the costly, time-consuming task of manually bringing IT services back on line and provides IT managers with the ability to resume services quickly.

Study demographics

The online poll conducted by IDG Research collected information from 189 IT leaders across all market segments that were using or planning to use disaster recovery and data protection technologies. Thirty-two percent of these individuals worked at firms with more than 5,000 employees; 23 percent of these individuals had between 1,001 and 5,000 employees; 37 percent of these individuals had between 101 and 1,000 employees; and eight percent had between 50 and 100 employees at the time of the survey.

Additional resources:

InfoWorld QuickPulse disaster recovery [report and survey data](#)

Disaster recovery automation [white paper](#)

About FalconStor Software

FalconStor Software, Inc. (NASDAQ: FALC) is a market leader in disk-based data protection. The company's mission is to transform traditional backup and disaster recovery into next-generation service-oriented data protection. Built upon an award-winning platform, FalconStor solutions deliver [disk-based backup](#), [continuous data protection](#), [WAN-optimized replication](#) and [disaster recovery automation](#). FalconStor solutions are available through a worldwide network of partners, including solution providers, top-tier strategic partners and major OEMs. Thousands of customers worldwide, from small businesses to Fortune 100 enterprises, entrust their data to FalconStor solutions. FalconStor maintains headquarters in Melville, N.Y., and offices throughout Europe and the Asia Pacific region. For more information, visit www.falconstor.com or call 1-866-NOW-FALC (866-669-3252).

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