

B1) I've had an entrepreneurial spirit for a long time - I was in a business leadership program back in High School for this reason, but since my interests are very technical I've seen a hosting provider or other internet service as a great business idea for a long time. The VPS space is very competitive but also pretty easy to get in to, and this competition prize would give a huge boost! I think that I could do well.

B2) I have about three years of IT experience, almost entirely with Linux although in a current position I am working primarily with Windows. In particular I administer RHEL and Fedora servers and workstations, including a KVM virtualization environment attached to VNX storage, and personally I use a number of personal VPS and physical boxes running Debian with a pretty full set of applications running from web servers to IRC bouncers to DNS. Recently I've been running Windows Server VMs on one of my Debian personal boxes for some personal amusement. Moreover, I am currently finishing my degree in Information Technology.

B3) I have not previously worked for a web hosting provider. My employment history is with MSPs and corporate IT departments, although my focus in those organizations has been servers.

B4) Of course not. :)

C1) The provider that I would like to run is oriented towards users like myself: people who are technically advanced and would like a solid service on a limited budget. This means unmanaged services, but technical support should still be responsive when there's a more complicated problem or something really is broken! I know, this sounds like what a lot of companies we hear about on LEB are going for, but...

C2) I'd like to emphasize personal support. If I won this competition I'd be a one-man operation, and to the greatest extent possible I'd like to get to know all of my clients! There are so many different options for VPS providers that word-of-mouth and reviews in communities like LEB/LET make all the difference, and I think the best route to positive reviews is to be friendly and helpful whenever possible. As an example of my execution strategy, I'd like to emphasize support via less formal, realtime channels like IRC/Twitter/etc and community interaction over rigid adherence to a ticket system (where, of course, you submit a ticket and then wait at least a full business day to hear the first thing back). This kind of approach to service means a lot of work, but fortunately these communications channels also allow the community to help out! And besides, being a student my work hours tend to be late in to the evening when most of this community is probably most active.

C3) As previously discussed I have knowledge and experience as a Linux administrator and with virtualization technologies in particular. I have personally worked with KVM both directly and through Red Hat Enterprise Virtualization as well as vSphere with ESXi. I have not personally used OpenVZ yet but I am excited by the potential that it

offers, especially for low-price options. I am also interested in these same technologies as a hobby, beyond my professional involvement with them. It's not a rare day that I configure postfix at work and then go home and fiddle with BIND for fun. I'm always trying to push the limits of what I can serve up from my small herd of VPS (I use Frantech primarily right now, but I also use services from End of Reality and OVH... all of which I learned about from LEB), and I'm always trying to learn to set up something new or in a more advanced way than I had before. A recent accomplishment I'm still tweaking is a full hand-rolled internal DNS infrastructure for my home network, as well as Nagios monitoring for my network devices. Excessive, I know, but I had fun doing it.

C4) I hope many of the skills I just discussed. I think the number one thing I bring, though, is the fact that I love learning about and doing this kind of administration. I'm always reading about the latest server software stacks and then often setting them up just for the experience, and I'm rarely daunted by technical documentation. I learn about IT infrastructure very quickly and I'm often the one explaining it all to my coworkers.

C5) Capital! As I said the VPS industry is not so hard to get in to, but the prize here is pretty much what you'd need and it still adds up to \$1500. As a college student I'm just not able to spend that kind of money all at once. Maybe if I win the contest I'll be able to start a business that gets me to that point! This competition also helps a lot with the marketing aspect, because it ties you right in to the great LEB community with a lot of people that are willing to try out a new service. It's encouraging to see so many prospective customers right in the comments of the contest announcement hoping that it produces a service they can use. I hope if I win I can meet their expectations - I'd certainly stay in very close touch via LET.

D1) I'm targeting hobbyists or small businesses with a high level of technical expertise. They're looking for a service where they can spin up a Linux box or two quickly at a very reasonable price and then be left undisturbed. They still want a company that offers reliable support though, because sometimes services break or you get stuck in a really tight technical spot. I'm not so targeted towards the videogame server community, although they're certainly welcome - I like to run a few game servers myself so I have some advice and experience there too.

D2) To start, right here and LowEndBox and LowEndTalk. There are other communities like this one too, where technical enthusiasts gather to discuss this kind of personal IT infrastructure. I hope to take full advantage of all kinds of community websites from here to Reddit to connect with potential customers. Since I'm all about personal support, I intend to connect personally too - not just copy-and-paste spam but actual dialogue.

D3) I think the size of LEB's readership and the number of services

advertising deals here is a testament to the ability of this community to support another VPS provider, especially one that they had a hand in starting. Through my work and university I meet more people every day that are looking for a service like the one I'm describing.

D4) Absolutely. This competition prize gives the push that I need to get up the first hill, and from there I can commit the time and resources to build something that customers will enjoy. Especially time, I already spend so much free time setting up infrastructure that it'd be nice to do it for someone other than myself...

E1) I think I've already discussed this quite a bit, but to reiterate I have quite a bit of experience as a Linux administrator (and specifically with virtualization technologies) both professionally and personally. I would like to emphasize here that I have taken coursework and done a lot of personal reading in to business, and it's an area that I think I understand better than a lot of people in my technical field. It's tempting to think that running a VPS provider will be all Linux, but it's absolutely not true! I believe that I have the business acumen to build a business that will stick around longer than 6 months.

E2) I think that problem-solving is the fun part of system administration. It challenges you to really make sure that you understand what's going on, and it seems like every log warning is a learning opportunity. I find personally (and I have been told by supervisors) that I learn very quickly and am always willing to dive in to a system that I have never used before. I think it's fun, getting a piece of software to do what you want for the first time.

E3) More than you might think. I spend probably over 20h/week right now working on personal projects that could easily be redirected to working on the same projects... but now for clients. It'd be more fun than what I'm doing right now when it's actually for people that care.

E4) I absolutely hope that if I win, it continues in to the long term. I am nearly finished with my degree and I am not committed to anything from there.... if this could become a full-time occupation, nothing would make me happier.

F1) I think that OpenVZ is the best option for my target market. Certainly there are disadvantages to OpenVZ - less isolation, less low-level control of the VM, and of course it allows some unscrupulous providers to overprovision resources far beyond sustainable ratios. I think in the hands of a competent administrator with reasonable provisioning policies these drawbacks are outweighed by the fact that because of the "container" approach's more flexible scheduling, OpenVZ is just more efficient in terms of VMs per host resources, allowing for lower pricing. And I don't think that Linux-only will be a problem for my client set, at least not in most cases. Windows Server service is a possible area for future expansion, but not something I see

offering at the outset.

F2) I would like to keep the plan structure nice and simple. Running some quick math, I think a plan structure could look something like this:

F3)

128MB RAM, 1 CPU core, 15GB storage -> \$3/month, probably prepaid annually only to prevent constant account churn raising expenses

256MB RAM, 1 CPU core, 25GB storage -> \$5/month

512MB RAM, 2 CPU cores, 45GB storage -> \$8/month

1024MB RAM, 2 CPU cores, 70GB storage -> \$15/month

2048MB RAM, 4 CPU cores, 100GB storage -> \$30/month

Those prices seem acceptably competitive, and they could come down as the service expanded or even come down immediately to gain market traction - they leave enough margin for sales.

F4) 3 months in or halfway through the initial sponsorship period, I would like to be on track to break even in time for the end of the period - that is about \$125/month gross income or about half offsetting expenses. This is a minimum threshold, failing to meet this means that things aren't working out and something has to change. Fortunately at this point that income is going to a cash reserve since the infrastructure is still paid for.

F5) Following on the same strategy, 6 months out I need to break even with about \$250/mo coming in. This would be a great time to reevaluate pricing based on how the profit margin really looks. Depending on the mix of plans can probably be achieved with about 30-40 clients, I would like to make pricing most competitive at the high end to encourage quality over quantity initially. It will be difficult to compete on the very low-end until the business has scaled bigger, nonetheless I think it's important to offer the smaller plans since it'll let customers have a full range of VPS with one provider.

F6) At one year the business is hopefully successful! At this point I would like to have expanded to a second node and be paying for that easily within the cash flow coming in - fortunately the cash reserve built up during the 6 months will help finance the initial acquisition of a second node.

F7) Two years out I would like to be operating at least 3-4 nodes with a full set of clients on each.

G1) Anything positive is good, but I think 30 cents on the dollar is a good point to aim for with normal pricing. This should be reasonable in terms of allowing a margin for sales to cut in to while also allowing competitive pricing.

G2) This depends on the mix of plans... as I said I hope to promote the larger plans more heavily, so I think that hopefully with a solid number

of 1GB VPS there will be 50-60 VMs per node. I will have to watch memory overprovisioning carefully to prevent degrading service, and of course CPU allocation could become a problem depending on the users. There is of course the potential of doing more than that as long as service is not degraded.

G3-6) At a minimum I would like to extract \$250/mo from the one node before costs, approximately enough to break even. Of course this leaves no profit so at that point my time is not being paid for, but at least I can pay for the resources. Ideally I would like to be earning about \$200 after expenses on each node... and I can see around \$250-\$300 as a sane maximum since that will put profit at over 50%.

H1) Thanks for the opportunity, and sorry I went on for so long. This competition is very exciting to me and I hope that you will consider my application! Feel free to let me know if there are any questions.