

No-trade clause

For a quick lesson in network crash and revenue burn, one need only look back to the well-publicized August 1999 case of MCI Worldcom. It began about 10 p.m. on August 5th when technicians noticed a high level of congestion on the frame relay network. It evolved into a nightmarish house of cards for both MCI and its customers.

MCI had recently upgraded to a more scalable infrastructure, a move that reportedly caused the initial congestion and led to under-performance and complete network instability for over a week. As efforts to fix the problem repeatedly failed, MCI was forced to shut down the whole system for 24 hours.

The Chicago Board of Trade was one of MCI's 3,000 customers rendered helpless by the outage. The failure disabled the electronic system that governs the board's exchange leading to an estimated loss of some 180,000 trades. At anywhere between \$10,000 and \$100,000 per trade, the loss of business was significant and tough to calculate.

The same could be said for national truck stop operator TravelCenters of America, another customer for whom the wheels of commerce ground to a halt. In an InternetWeek story published at the time of the meltdown, Bill Bartkus, vice president of information systems for TCA, said he would seek compensation for lost business. "We're not satisfied at all with this," he said. "There has been a serious impact on our business." In the end, the only thing everyone involved has learned to rely upon is imperfection. Even the most reliable of systems will fail-it's only a matter of when.