

Merger, Acquisition and Reorganization

Companies are born, go through a productive life, merge with other companies, create new companies that focus on different core competencies, acquire yet other companies to achieve greater business value and constantly reorganize to reflect the changing economic and business landscape. The agile company is able to continually reorganize its digital resources to reflect this dynamic environment. Differences in digital resources from company to company are efficiently negated, incorporated into a highly interoperable environment, and productivity quickly restored.

Customer Scenario

Excelsior Widgets had a long history of internal growth. However, the pace of business change in the last five years had forced it to look to acquisitions to keep up with industry expectations. Acquisitions forced it to reconsider its core competencies and its real revenue model. As it re-examined the core competencies, it prepared to sell some divisions to other companies to better align its production focus and its most profitable revenue flows.

The two activities of acquisition and divestiture brought quite different demands on the IT staff. Several of the companies acquired by Excelsior had IT infrastructures that were very different from those at Excelsior. The new companies also had different regulatory compliance requirements, particularly if they were headquartered in different countries. The IT staff was tasked to make everything work together ASAP. Most of the companies used Windows* workstations at the client end, but one of the smaller companies had deployed Linux* workstations. The back-end servers offered up a mixture of Microsoft* Exchange and Novell® GroupWise®, NCP-

and CIFS-based file access, and the storage systems of Novell Storage Services™ and Novell Network Appliance filer. The line-of-business applications required a porting of data to the resident Excelsior systems. The IT department kept busy for months following an acquisition to get people productively working again.

If acquisitions were a problem, divesting a division was even more difficult. Data had to be analyzed and secured. Individual employees had to be removed from the Excelsior system and migrated to the system of the acquiring company. Even though the employees moved on, Excelsior still had the problem of resolving ownership of projects, equipment and data that were associated with that employee.

Fossa Project Today

The first thing that Excelsior looked for and found in the Novell product line was interoperability. Many vendors had nicely integrated systems, but the tightness of the integration made for very difficult interoperation with applications from other vendors.

Key Customer Benefits

- Enhance the ability of businesses to engage in mergers and acquisitions or to outsource activities and more quickly complete the separation or integration process
- Provide interoperability in the heterogeneous workspace of multiple companies by supporting any device at any location to improve productivity
- Bring together identity, security and policy to facilitate sharing of information within compliance requirements both inside and beyond your enterprise

The Fossa is the most agile animal on the planet. We're working to make IT just as agile. Join us on the journey. Together we can define a world where IT is truly agile and where people and technology work as one.

To address its Windows interoperability issues, Excelsior started by standardizing on SUSE® Linux Enterprise as its key platform. With unique support from Novell for virtualized Windows workloads, Excelsior could confidently deploy its Windows workloads on top of the Xen* virtualization hypervisor.

With this virtualization technology, services could be put into virtual machines that could be executed on any piece of hardware that supported the base Novell virtualization technologies. This meant a potentially faster integration of the disparate systems that came in with the new company. Hardware could be abstracted and managed separately from the services that the employees would continue to use. The Novell system provided the ability to manage the virtualized services while consolidating the underlying hardware, and the end users never noticed any differences. The hardware consolidation of two companies became transparent because of the Fossa Project architecture.

The Novell identity system allowed for the synchronization of identities. Novell eDirectory™ and Microsoft Active Directory* were able to synchronize identity across the two companies and thus accelerate the integration of the work forces.

Fossa Project Vision for 2012

When the Fossa Project vision is fully realized, the Novell Domain Services product will provide access to the data in both Novell and Microsoft systems without duplicating all of the identity records for all of the clients. This cross-access to information will bring down a huge wall for the IT team.

Additionally, the Fossa Project architecture is evolving in a direction that will allow many separate systems to interact using tokenized identity and open standards such as SAML. The Fossa Project architecture will help bring together disparate systems transparent to the end user. Part of the value in the identity-based Fossa system is the focus on compliance. As the identity system evolves, it will add automation capabilities that help to monitor policies and compliance guidelines. From that monitoring, the system will analyze the

various types of content and help generate predictive services that will facilitate employee productivity within the boundaries of compliance requirements.

The virtualization story will continue to grow in ways that will facilitate growth of virtualized services. Novell will provide image building services, auditing, compliance and event reporting services, and performance monitoring services that help to optimize the operation of the data center. Furthermore, Novell is moving to improve the security of virtualized systems. Through use of its existing identity fabric, Novell will be able to provide highly granular monitoring of services and users.

Finally, the important thing in any merger is that the employees are quickly able to collaborate with one another to leverage the value brought by the two companies now working together. Novell is bringing together existing mail, messaging and file sharing services with new teaming and conferencing services that will allow the integration of e-mail, voice, video and data into an optimized and secure collaboration data store. The hardware will be virtualized, the services virtualized, the work teams virtualized and the individual employees empowered to exploit all of these resources for greater productivity.

The Fossa Project represents our technical vision for the future of enterprise IT. The project is a key building block of our corporate positioning around Making IT Work As One™. It is also a key element in our strategy as an enterprise infrastructure software company. This strategy leverages the world's best-engineered Linux and IT management software. Our Fossa Project is about computing and collaborating with agility.

Novell invites you to join us on this journey. We offer applied technology that provides real solutions for today while bracing for, and in fact helping shape, the inevitable changes that are coming. Whether you are a customer, partner, Novell employee, a member of the open source community or just an interested observer, we welcome your input. Together we can define a world where IT is truly agile and where people and technology work as one.

