

White Paper

WORKGROUP

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Novell® Open Workgroup Suite

Save Up to 70 Percent on a Complete Productivity Solution for Your Business

Novell.

Executive Summary

As you consider upgrading to Windows Vista, you must seriously consider the fact that the true cost of Microsoft productivity products is high when you factor in all the costs associated with acquisition, maintenance, hardware upgrades, security, management and downtime.

If your enterprise uses Microsoft* products as tools to aid knowledge worker or user productivity, budget review time tells you that it's a costly approach. If you made different choices but are considering switching to an all-Microsoft environment, you're in for an unpleasant surprise because of the high prices Microsoft charges.

As you set the future direction for IT in your enterprise, you can continue to pay much more than you need to by moving ahead with a Microsoft Windows-centric environment based on rigid, proprietary software from desktop to server. It's an inflexible approach with limited options. Or, you can go with a low-cost, high-value alternative by adopting a solution based on flexible and innovative productivity tools from Novell®, other vendors (including Microsoft where needed) and open source software. It's an alternative that not only reduces your costs but also opens up new options, enabling you to choose from a broad range of best-of-breed solutions.

The alternative is the Novell Open Workgroup Suite, which gives enterprises of all sizes a secure, flexible and cost-effective IT infrastructure and a proven set of productivity or workgroup services. Unlike a rigid, Windows-centric solution, the Novell Open Workgroup Suite is made up of open, standards-based software. It includes a complete infrastructure and productivity solution from the desktop to the server at a savings of up to 70 percent over similar capabilities from Microsoft. The suite offers other advantages as well. It can run on lower-cost hardware, so you can run the latest software on equipment you may already have. And it costs less to manage, so you reduce your personnel costs.

This paper explores the true cost of a Microsoft-only environment and shows you how Novell, with its proven, open, standards-based software, can help you address the productivity challenge—giving your knowledge workers the tools they need to optimize their productivity without paying premium prices in the process.

What Microsoft Productivity Really Costs You

With Microsoft, you're paying some of the highest software acquisition and maintenance prices in the industry. As you consider upgrading to Windows Vista*, Microsoft's first major overhaul of its desktop operating system since the company rolled out Windows XP in 2001, you must seriously consider the fact that the true cost of Microsoft productivity products is high when you factor in all the costs associated with acquisition, maintenance, hardware upgrades, security, management and downtime.

Microsoft's Enterprise Agreement (Desktop Pro), a volume licensing program available to enterprises with 250 or more desktops, provides the Client Access Licenses (CALs) for Windows* Server 2003, Microsoft Exchange Server, Systems Management Server and SharePoint* Portal Server. Sign up for it and 100 percent of your desktops *must* run Windows XP Professional and Office Professional—even users who don't need the entire Office Professional suite. The annual cost is \$289 per user/device per year (at Level A, which is for 250 to 2,399 PCs). The required three-year commitment, however, translates into \$870 per user/device over the three-year contract term.

The Enterprise Agreement includes Software Assurance, an attractive-sounding program that permits enterprises to upgrade to major new releases, such as Vista, at no additional charge. But most enterprises have come to doubt the value of Software Assurance because Microsoft has consistently announced delays in its software release schedule. For example, after being delayed for several years, Vista is now slated for release during the 2006 holiday season. However, according to articles in online publications such as ZDNet¹, Gartner, Inc., expects Microsoft to miss its target date considerably, postponing broad availability of Vista until at least the second quarter of 2007. Longhorn, the next version of the Microsoft server operating system, has also been delayed.

If you signed up for Software Assurance more than two years ago, chances are your contract will expire before Vista and Longhorn are released. Consequently, you may end up paying again for the upgrade when Microsoft

finally releases the operating systems. Savvy businesses have realized this and don't buy into the Enterprise Agreement as a result. Instead they choose the less-expensive *a la carte* approach that allows them to choose just the products each user needs and upgrade when it makes sense for their business.

So how do Microsoft's Enterprise Agreement and *a la carte* licensing options compare to the Novell alternative? The "Three-year Cost" sidebar provides a detailed look but, in short, a company with 250 users will pay nearly \$225,000 for the Microsoft Enterprise Agreement and \$125,000 if they choose an *a la carte* approach. Compare this to \$60,000 for the rental option price on the Novell alternative. (The rental option is just one of several acquisition options available from Novell.) The Novell alternative ensures high productivity for your users while delivering superior security and reliability.

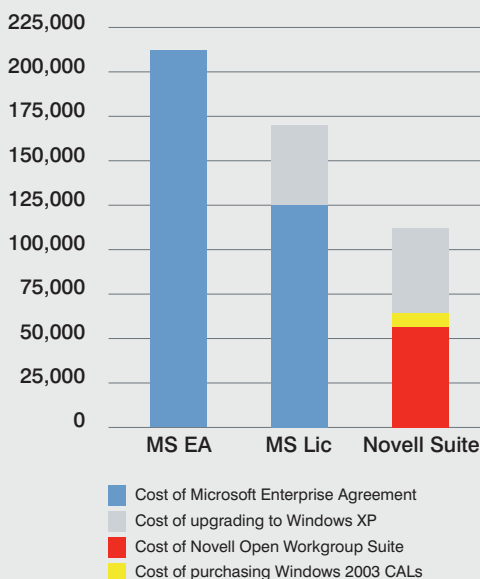


“Some of [our customers] spend more than 30 percent of their IT budget supporting the desktop and an office productivity suite. The Novell Open Workgroup Suite frees much of that budget so they have more to invest in other strategic IT initiatives. This suite also provides core infrastructure products to support their workforce from the server to the desktop. This is what my customers need, and at a very competitive price.”

John Marciano
Chief Operating Officer
Keep IT Simple

- This comparison, which assumes 250 users, shows that the cost of the Microsoft Enterprise Agreement (the MS EA column) approaches a quarter of a million dollars over three years.
- Buying *a la carte* (the dark blue part of the MS Lic column) saves nearly \$100,000. This arrangement includes licenses for Windows desktop and Office Standard.
- The light blue part of the MS Lic column represents the cost of upgrading to Windows XP, which adds about \$50,000. Customers who pay for that upgrade still save \$50,000 by opting for the *a la carte* approach instead of the Enterprise Agreement.
- The red part of the Novell Suite column represents pricing for three years of the Novell Open Workgroup Suite rental option. (Other options are available, but this is the lowest-cost option.)

THREE-YEAR COST



1 "Gartner predicts longer Vista delay," ZDNet News, May 2, 2006, (http://news.zdnet.com/2100-9593_22-6067505.html)

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An all-Microsoft approach costs you in many other ways, from higher investments in hardware, additional spending on security patches, and extra resources for managing the infrastructure to lost productivity due to system crashes and security breaches.

- At \$60,000, it represents a 70 percent savings over the Microsoft Enterprise Agreement and more than a 50 percent savings over Microsoft's a la carte option.
- Some customers who switch to Novell will continue to have dependencies on Windows server applications. The yellow area in the Novell bar represents the Windows 2003 CALs that these customers will have to purchase. This combined approach creates the necessary flexibility and still delivers significant savings over an all-Microsoft product stack.
- The light blue area in the Novell column represents the cost of upgrading desktops to Windows XP, if needed. So even for companies that feel they need to upgrade to Windows XP (or, in the future, Windows Vista), buying into a Novell solution leaves plenty of room in the IT budget to upgrade these desktops.

Bottom line: Customers pay only \$60,000 over the course of three years for the annual maintenance subscription (rental) option for the Linux* platform-only version of the Novell Open Workgroup Suite. The rental option includes support based on the level of buy-in of the contract. And even with this Linux-only platform, you still have the flexibility to run the Windows desktop.

Acquisition and Maintenance Are Only Part of the Story

Paying premium prices to acquire and maintain productivity tools is just the start. An all-Microsoft approach costs you in many other ways, from higher investments in hardware, additional spending on security patches, and extra resources for managing the infrastructure to lost productivity due to system crashes and security breaches.

Higher Hardware Costs

First of all, in a Microsoft environment, upgrading software also means upgrading to more costly hardware. Implementing the next version of Microsoft Exchange, for example, will require 64-bit hardware and Active Directory*, making it an expensive, complicated proposition. With the Novell solution, you can take advantage of the efficient Linux operating system. The Linux server and desktop software take full advantage of the functionality in the newest hardware. At the same time, they run efficiently on the lower-end hardware that so many companies have in place. If you want to upgrade your software but you're not ready to replace your hardware, Novell makes it possible.

The Novell Open Workgroup Suite frees up budget dollars by extending the useful life of your existing hardware and deferring hardware upgrade costs.

Higher Management Costs

With Microsoft, not only are software and hardware costs higher, but ongoing management creates a big strain on IT budgets as well. The time your skilled IT professionals spend managing the infrastructure and responding to problems translates into money lost. You have to hire more IT administrators and specialists to keep the network going, and invest in bigger and more expensive hardware options to solve problems.

The Novell alternative slashes management costs. With SUSE® Linux Enterprise as the foundation for your desktop, data center and workgroup environments, and the additional management services Novell offers, management is easy. In addition, the Novell Open Workgroup Suite includes Novell ZENworks® Suite to manage your heterogeneous environment, keeping operational costs to a minimum.

With Microsoft tools, IT people aren't as productive as you expect them to be. Active Directory is difficult to manage and inflexible. In some cases, it's almost impossible to change once certain structures are created in domains. Novell eDirectory™, the directory service capability in the Novell Open Workgroup Suite, combines robust security with easy management of users and resources. The result is substantially lower management costs.

Security Costs

Microsoft Exchange has become a notorious conduit between viruses and business networks. Security threats require additional investments in software and resources to prevent losing or compromising sensitive information. Virus attacks can wreak havoc in your enterprise, bringing productivity to a halt. For many years, the technology in the Novell Open Workgroup Suite has proven to be far less susceptible to virus attacks and other security breaches. For example, when comparing security of the Microsoft and Novell core collaboration products, recent CERT.org data shows that Microsoft Exchange/Outlook had 414 documented vulnerabilities compared with only nine for Novell GroupWise®.

Downtime Costs

When servers and systems are down, productivity stops. Microsoft servers go down so often that downtime is planned into IT activities. By contrast, a recent Novell study of 607 collaboration managers revealed that GroupWise environments experience 69 percent less unplanned downtime than Microsoft Exchange environments. Moreover, 87 percent of GroupWise customers experienced less than 10 hours of downtime per year while 66 percent of Exchange users experienced more than 10 hours of downtime per year. In addition, 52 percent of GroupWise users say they have not had to reboot their system for more than six months.

Novell eDirectory combines robust security with easy management of users and resources. The result is substantially lower management costs.

Microsoft environments are also more susceptible to virus attacks and experience more downtime as a result. Viable Solutions, a Novell software and service partner, estimated that the Code Red virus resulted in an average of four system down days for Microsoft Exchange, and the Nimda virus resulted in an average of three system down days. In comparison, these viruses resulted in almost zero average system down days for GroupWise environments.

The Novell Alternative—The Novell Open Workgroup Suite

Microsoft wants you to think that your only choice for keeping knowledge workers productive is a complete Microsoft solution that spans the desktop to the server. *Novell wants you to know that you have a viable alternative that costs a lot less.* The Novell Open Workgroup Suite provides everything you need to bring high levels of productivity to your knowledge workers, including:

- *Industry-leading enterprise networking services with Novell Open Enterprise Server*
- *Secure and reliable collaboration with Novell GroupWise*
- *Cross-platform systems management with the Novell ZENworks Suite*
- *Open source desktop with Novell Linux Desktop*
- *Open source productivity suite with Novell Edition of OpenOffice.org for Windows and Linux*
- *Open source Linux server as the foundation for all of these services*

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With the Novell Open Workgroup Suite, you can leverage open source software without compromising the support and reliability you need. The result? You reap the benefits of open source innovation today, while taking advantage of Novell experience and global reach.

Open source translates into more choices and options for you. You even have the flexibility to run a mix of Novell and Microsoft software as your business may require.

This powerful combination has several key characteristics that make it highly appealing for businesses that want to maintain high productivity at an affordable price.

It's Open

By open, we mean the solution is built on open standards and provides the flexibility IT managers want. As a result, you can integrate easily with other standards-based solutions. We also leverage open source, which means you have innovation, top security, and visibility and access to the code.

Open source translates into more choices and options for you. You even have the flexibility to run a mix of Novell and Microsoft software as your business may require. And with the Novell Open Workgroup Suite, you can leverage open source software *without* compromising the support and reliability you need. The result? You reap the benefits of open source innovation today, while taking advantage of Novell experience and global reach.

The Novell Open Workgroup Suite provides an attractive counterpoint to Microsoft's Enterprise Agreement and core CAL licensing approach. The suite's desktop productivity environment is similar to Microsoft's and offers the global support customers expect.

However, with the Novell solution, you have the flexibility to run on a variety of platforms. The GroupWise back end, for example, runs on Linux, Novell Open Enterprise Server, NetWare and Windows. GroupWise clients run on Linux, Macintosh*, Windows or a Web browser. You can even continue to use the Outlook client while taking advantage of the increased security and reliability of GroupWise on the back end. And with GroupWise Mobile Server, powered by Intellisync, you can deliver secure, real-time access to GroupWise e-mail, appointments, contacts, tasks and notes on hundreds of mobile devices. Customers who purchase maintenance contracts for the Novell Open Workgroup Suite will be entitled to GroupWise Mobile Server free of charge, as will customers who choose the annual maintenance subscription option.

For organizations that need the flexibility to deploy the suite components on NetWare®, Novell offers a version of the Open Workgroup Suite licensed for deployment on multiple platforms.

It's Based on Proven Technologies

The Novell Open Workgroup Suite combines technical innovation from the open source world with Novell experience and global reach. Novell has more than 20 years of experience in networking, communication and collaboration solutions. It has developed a reputation for delivering rock-solid technology that customers can rely on to run their businesses efficiently. Novell has received industry awards and recognition for its advanced file and print services, resource management, collaboration and other solutions. The "Proven, Award-winning Technologies from Novell" sidebar provides a list of major awards for key components of the Novell Open Workgroup Suite.

Proven, Award-winning Technologies from Novell

- 2005 Network Magazine "Product Breakthrough" Innovation Award for Novell Open Enterprise Server in the infrastructure software category
- InfoWorld's Test Center named ZENworks 6.5 the best system management tool, calling it a "venerable suite that improves support for handhelds and reaches out to Linux"
- LinuxWorld* Conference & Expo, Frankfurt, Germany, December 2005, Novell SUSE Linux Enterprise Server named Best Enterprise Server Distribution
- The Novell-sponsored openSUSE™ project was named "Best of Show" as the best total industry solution at the 2006 LinuxWorld* Conference & Expo in Boston
- Novell Open Enterprise Server was named "Best of Show: Total Industry Solution" at the 2006 LinuxWorld Conference & Expo held in Sydney, Australia
- Fifth Annual eWeek Excellence Award for Novell Linux Desktop 9
- Nucleus Research reports that customers migrating from Exchange to GroupWise experience, on average, an 80 percent return on investment and a 7.5-month payback period
- RIS News, a leading publication focused on retail technology, included Novell for the first time in its newly released annual Software Leaderboard

The Novell Open Workgroup Suite features identity-based authentication and access control, ensuring that only authorized people can view and use key resources.

It Minimizes Hardware Upgrade Costs

The Linux foundation of the Novell Open Workgroup Suite takes full advantage of the latest hardware advances. At the same time, Linux is highly efficient and runs on lower-cost commodity hardware. In many cases, hardware that is already in place can be used for deployment. Consequently, the Novell Open Workgroup Suite is a great –alternative for companies that want to move up in terms of software functionality but don't have budget available for costly hardware upgrades. The result: You save by not having to invest in new hardware to run the productivity solution your knowledge workers need.

It Brings High Productivity to Your Users

The Novell solution ensures high productivity for your knowledge workers with a proven set of communication, collaboration and productivity capabilities. The suite includes such features and functionality as Web access to key services, self-service file and print tools, reliable collaboration, instant communication, mobile support and a robust office productivity suite. Strong security prevents the

productivity losses that occur so often in Microsoft-only environments as a result of crashes, virus attacks and other security breaches. High availability and instant failover of services ensure that your users have uninterrupted access to the services they need. Uptime for Novell solutions are generally measured in months and years, not in days and weeks as is common with Microsoft.

It Strengthens the Security of Your Information Assets

The Linux foundation provides solid security. This is an inherent benefit of openness. With an extensive, global developer community accessing the code, any security issues can be identified and resolved very quickly. And Novell complements this security with a variety of capabilities and services from its Identity and Security Management product line. As an example, the Novell Open Workgroup Suite features identity-based authentication and access control, ensuring that only authorized people can view and use key resources. Novell leadership in this arena was recently validated by Gartner, Inc. in its Security Information and Event Management Magic Quadrant.

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It Scales to Meet Expanding Needs

Novell Open Workgroup Suite scales easily so you can adapt to changing conditions and business growth. It supports the needs of small businesses at an affordable cost

and scales to meet the needs of a global conglomerate. As new users are added, they automatically receive file access, collaboration accounts and productivity tools so they can ramp up to full productivity immediately.

Novell—An Industry Leader

Novell is a global leader in enterprise-class software and services, with more than \$1B in sales and 100 offices around the world. We got there by providing a flexible combination of open source and commercial technologies, based on open standards. We help our customers manage, simplify, secure and integrate their IT systems. This helps them lower cost and complexity while increasing return on investment. Novell provides global services and support and has a strong history of innovation and world-class engineering. We also build customer solutions leveraging our network of more than 800 technology partners, 900 training partners and 3,200 solution providers.

Conclusion: Open, Low-Cost, Alternative

As you plan your future IT direction, remember that Microsoft proposes a single-vendor solution that limits your options and costs a lot of money. The Novell message is clear: You can give your knowledge workers the

tools they need for high productivity while saving up to 70 percent of the money you're now spending for productivity using the Microsoft product stack. What makes the most sense for your business: paying more than you need for a Microsoft-only environment or paying a lot less for the Novell alternative? The choice is yours.



Contact your local Novell Solutions Provider, or call Novell at:

1 888 321 4272 U.S./Canada
1 801 861 4272 Worldwide
1 801 861 8473 Facsimile

Additional Resources

For more information on the Novell Open Workgroup Suite, visit: www.novell.com/nows

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