HP Utility Sourcing Services za Oracle rješenja

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Sales Principal

HP Enterprise Services

Agenda

Utility Sourcing – changing cost structures & increasing flexibility

AIS Utility Sourcing – Solution overview

AIS Utility Sourcing - Applications

AIS Utility Sourcing – Customer references

Utility Sourcing – changing cost structures & increasing flexibility

Challanges faced by businesses & impact on the IT

Challenges	Impact on Business	Impact on IT
Optimize Cash Flow	• **Reduce Capex** spend for non differentiating topics • **Shift fix cost to variable cost** • **Cost transparency & scalable** cost calculation models • Mitigate risk	• **Reduction** of IT- and project **budget** • Need for more cost transparency • **Scalable IT cost along business development** • Need for new sourcing & IT strategy to comply with business needs
Reduce Cost	Sustainable **reduction of operational cost** • showing **quick results** • cost savings in the end to end processes • while **ensuring flexibility and scalability for the future**	• Ability to scale cost with business development • **Reduction of operational cost**, by standardization, consolidation and automation of the IT environment as well as consideration of new sourcing strategies
Innovation & Differentiation	• Products & Technologies • Market positioning • **New business models & business concepts**	• **Balancing act between budget reduction and new business requirements** • Need for changes in resource management and in operational model
Merger & Acquisition	• **Acquisition of companies** to enlarge footprint in the market or complement portfolio • **Spinoff** or Selloff of business to align with future company strategy	**Agile modular IT** capable of quickly integrating IT environments of acquired companies or carve out IT of businesses sold

Challanges faced by businesses &
impact on the IT

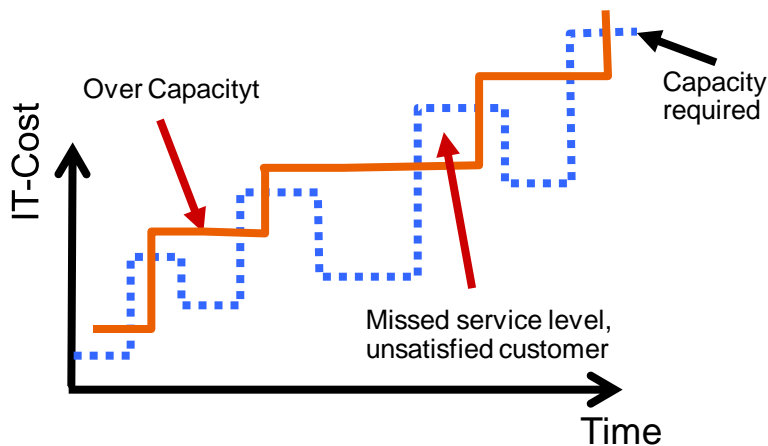| Challenges	Impact on Business	Impact on IT
Optimize Cash Flow	• Reduce Capex spend for non differentiating topics • Shift from fixed to variable cost • Greater flexibility & scalability cost calculation models • Mitigate risk	• Reduction of IT- and project budget • Need for more cost transparency • Scalable cost along business • Need for new sourcing & IT strategy to comply with business needs
Reduce Cost	• Sustainable and rigorous cost reduction • showing quick results • cost savings in the end to end processes • Cost savings and maintaining scalability for the future	• Ability to reduce cost of IT development • Reduction of operational cost, by standardization, consolidation and virtualization of IT environment as well as consideration of new sourcing strategies
Innovation & differentiation	• Products & Technologies to keep positioning • New business models & business concepts	• Balancing act between budget reduction and new business requirements • Need for changes in resource management and in operational model
Merger & Acquisition	• Acquisition of companies to enlarge footprint in the market or complement portfolio • Spinoff or Selloff of business to align with future company strategy	Agile modular IT capable of quickly integrating IT environments of acquired companies or carve out IT of businesses sold

Increase flexibility and scalability of IT

Shift CAPEX expenses to OPEX expenses
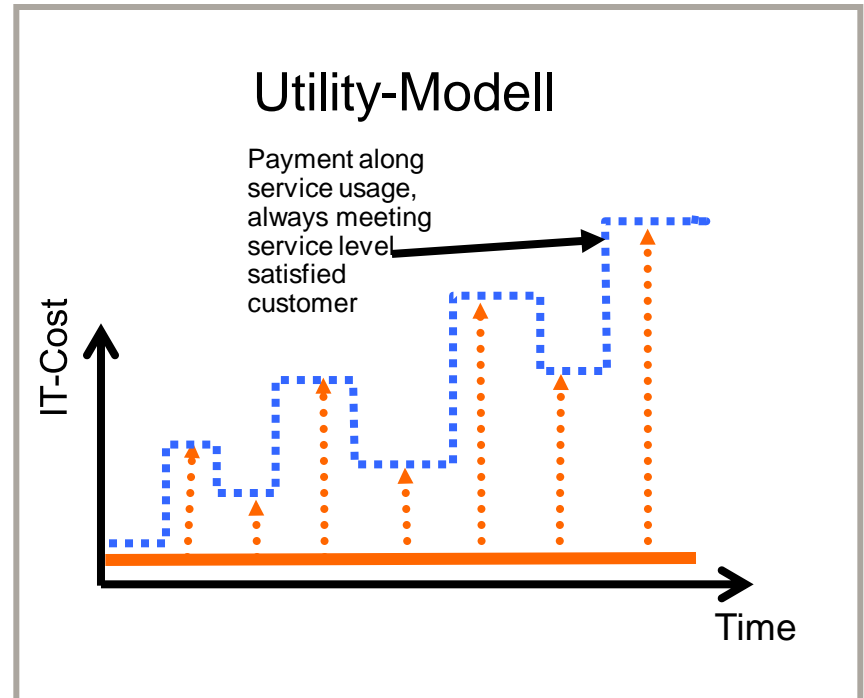
Shift to reduced and predictable cost

Shift from operation to innovation

hp invent

Increase flexibility and scalability of IT
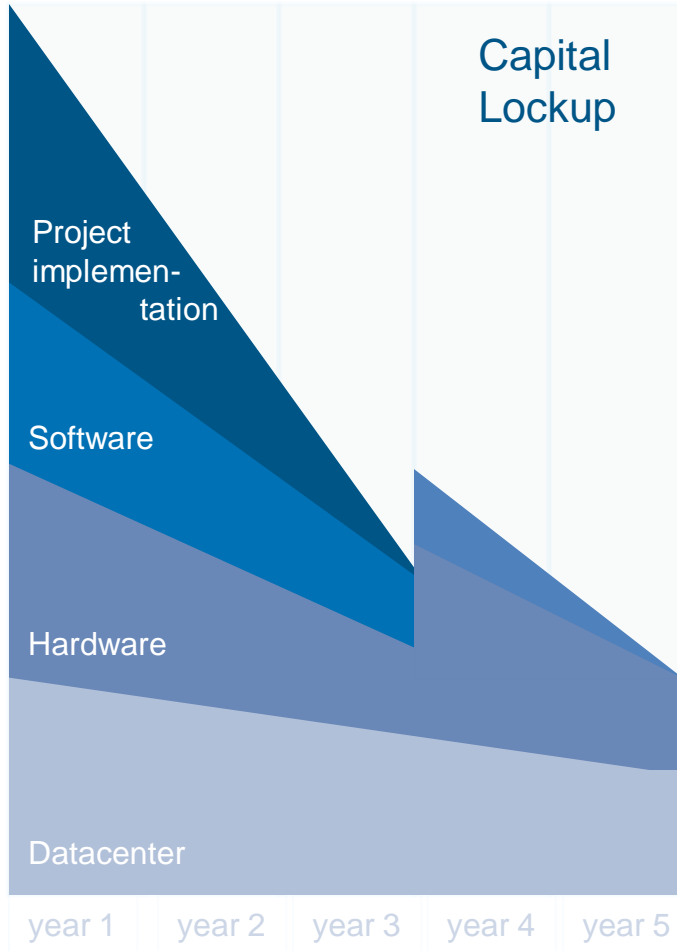

Traditional IT-Modell

IT-Cost / Time

Over Capacityt

Missed service level, unsatisfied customer

Capacity required

Utility-Modell

IT-Cost / Time

Payment along service usage, always meeting service level satisfied customer

Shift from CAPEX to OPEX

Capital Lockup

Project implemen-tation

Software

Hardware

Datacenter

year 1 | year 2 | year 3 | year 4 | year 5

Capital Lockup

Project implemen-tation

Software
if no SAAS model is available

year 1 | year 2 | year 3 | year 4 | year 5

Infrastructure enhancement

Traditional-Modell
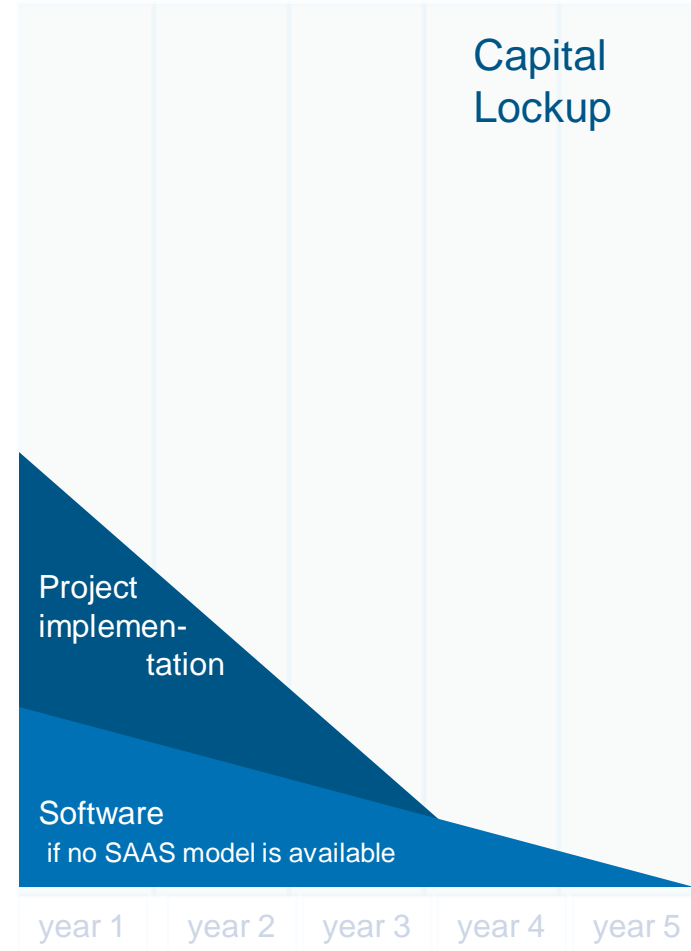
Utility-Modell

Shift from CAPEX to OPEX

Capital Lockup

No more Capital Lockup

Project implemen-tation

Software

OPEX

OPEX

Operational cost

Depreciation project implementation Services

Depreciation Software

Depreciation Hardware

Depreciation Datacenter

Connectivity

AMS

Utility Sourcing

Project implementation cost*2

Non SAAS Software lease *1

year 1	year 2	year 3	year 4	year 5

year 1	year 2	year 3	year 4	year 5
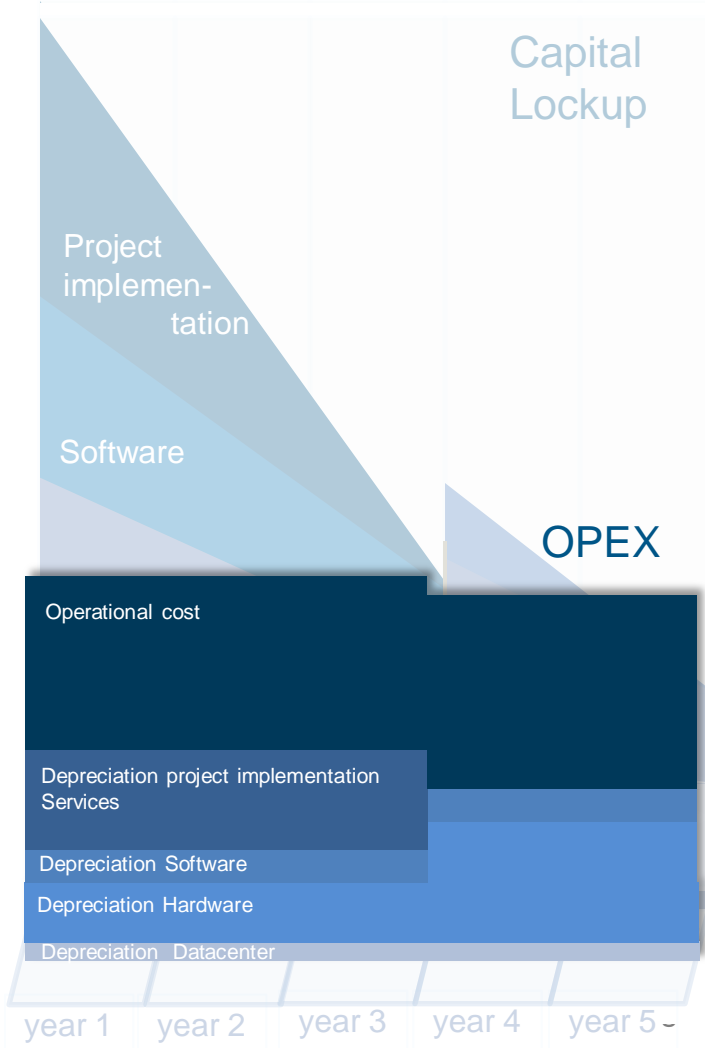
Traditional-Modell
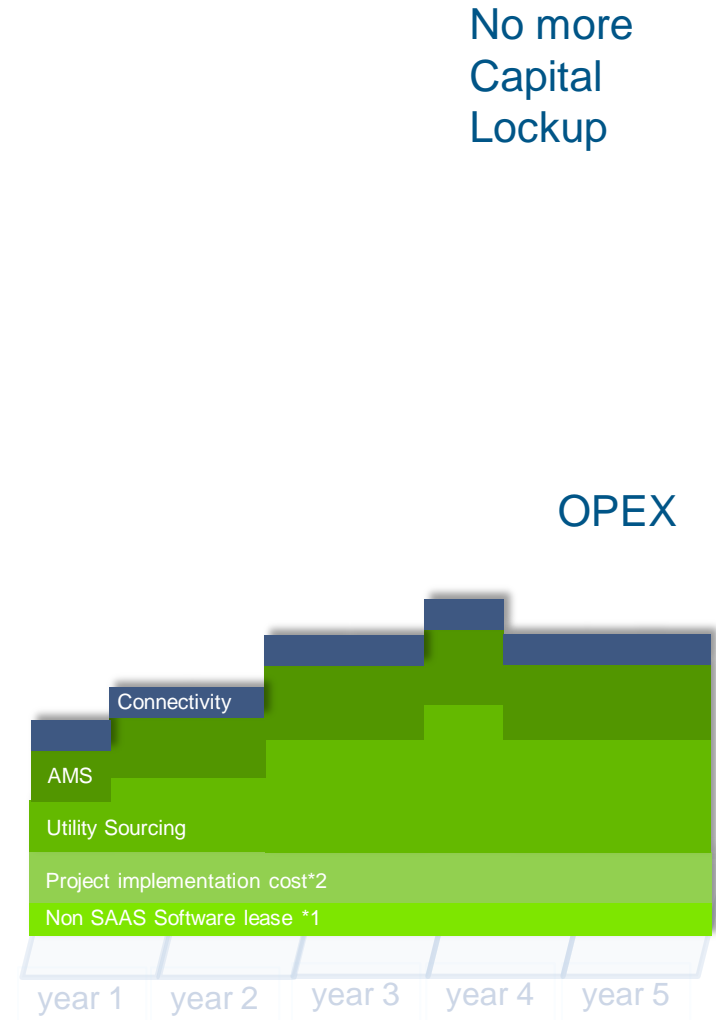
Utility-Modell

*1 Software leasing requires upfront approval of the ISV
*2 Diversion of Implementation Services is only offered by HP if HP did the project implementation and the customer is purchasing
HP-USS and AMS services for ongoing operation. For implementation projects with high implementation cost relative to the monthly
hosting and AMS fee may require non linear diversion or a onetime payment at the end of the implementation phase.

Cost reduction ensuring scalability

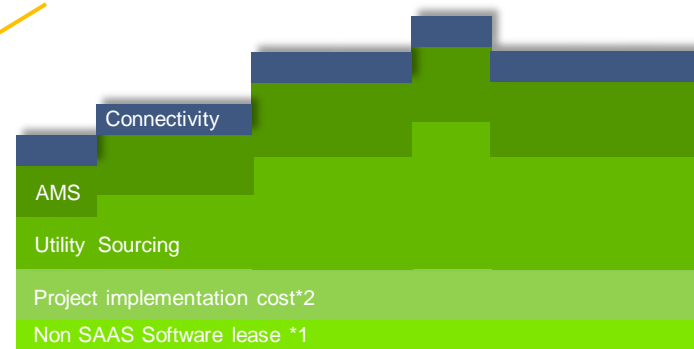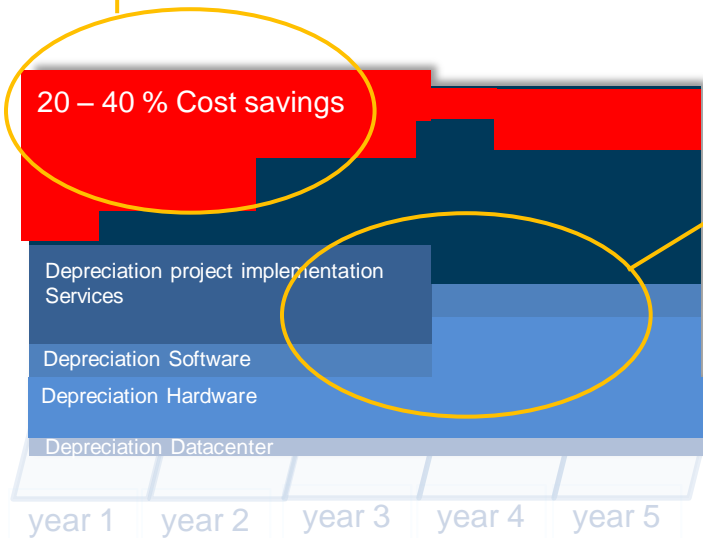**Optimized utilization of infrastructure**
Using utility sourcing services the customer only pays for services he consumes

This helps to reduce cost
• during the ramp up of a solution
• in off season times
• or in downturn situations

Operational efficiency
Due to the long lasting experience of HP in operating IT environments for customer - due to the use of proven processes and operational models and the factory like production of standardized service products, HP often can provide those services at a lower price point compared to the customer.

20 – 40 % Cost savings

Depreciation project implementation Services

Depreciation Software

Depreciation Hardware

Depreciation Datacenter

year 1   year 2   year 3   year 4   year 5

Connectivity

AMS

Utility Sourcing

Project implementation cost*2

Non SAAS Software lease *1

hp
invent

Shift from operation to innovation

Innovation and New Functions — 10%

Migration and Upgrades — 25%

Operations - Management and Maintenance — 65%
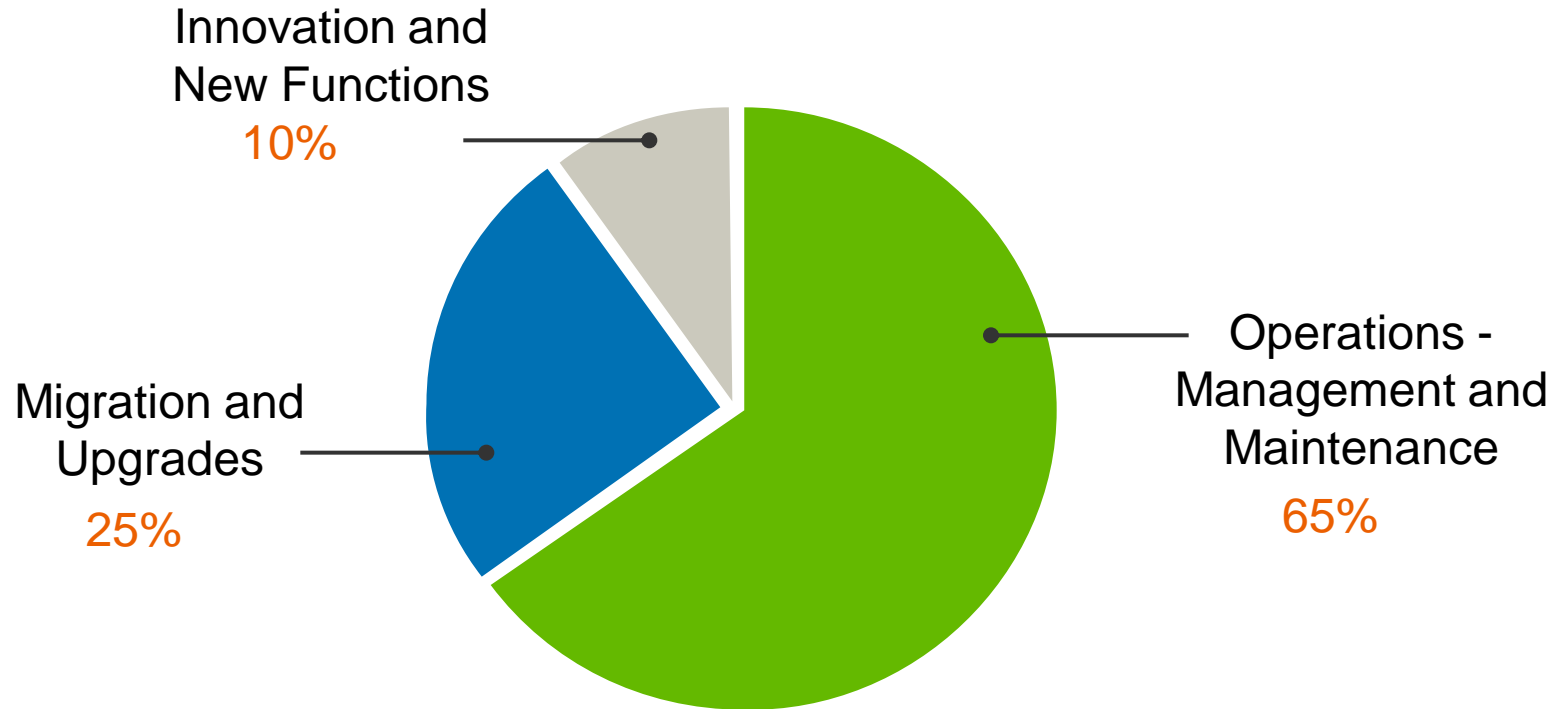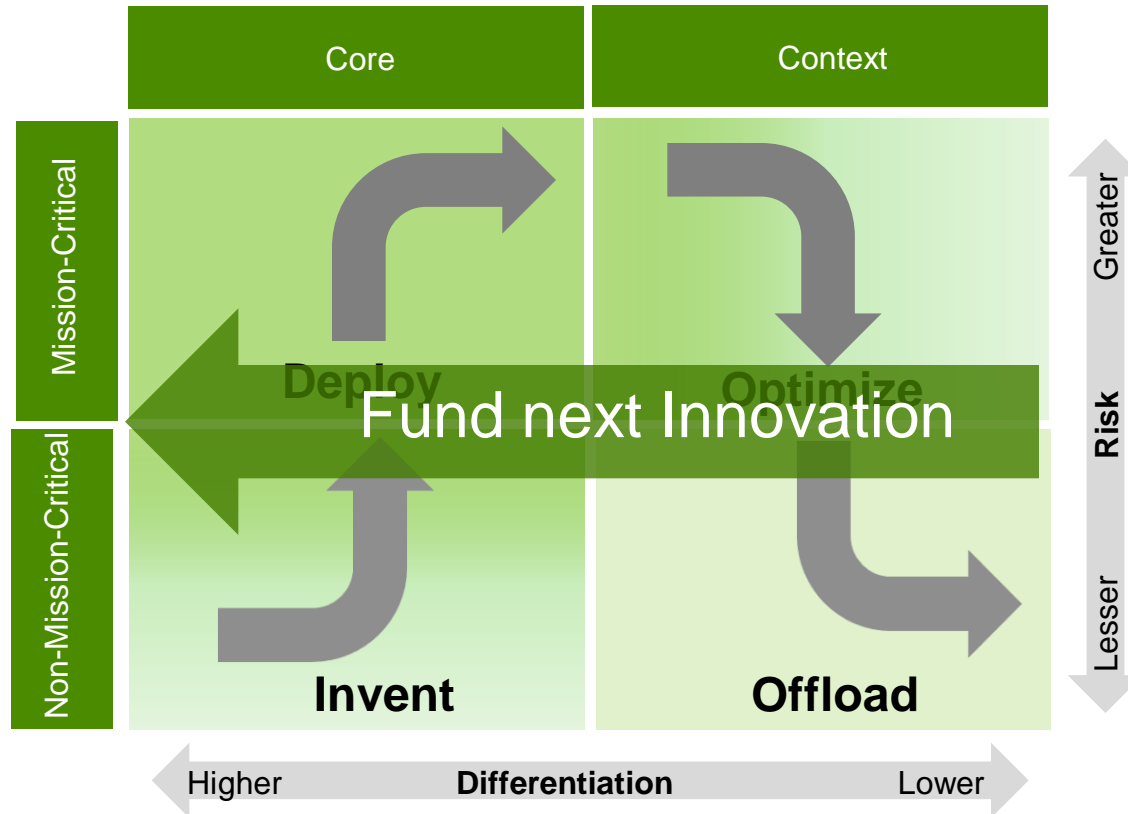
…less than 10% of resources focused on innovation

Shift from operation to innovation

Source: Geoffrey A. Moore, „Dealing with Darwin"

Utility Sourcing

- Highly standardized and modularized services to support individual solutions
- Industrially manufactured services delivered out of redundant data centers
- Operated out of best-shore centers in Europe
- Billed on a monthly basis upon usage
- Adjustments of services levels and service quantites via the Utility Service web portal – possible at any point of time
- Risk mitigation for the customer due to short minimum usage periods and low minumum order quantites

Adaptive Infrastructure Services (AIS) Utility Sourcing

AIS Utility Sourcing - Applications

ERP

Utility Sourcing
MS Dynamics AX

Utility Sourcing
MS Dynamics CRM

Utility Sourcing
SAP

Messaging & Collaboration

Utility Sourcing
MS Exchange

Utility Sourcing
BlackBerry

Utility Sourcing
MS SharePoint

Utility Sourcing
MS OCS

Web Services

Utility Sourcing
Internet Access

Utility Sourcing
Web Applications

Utility Sourcing
Web Analytics

Utility Sourcing
Web Middleware

AIS Utility Sourcing EUWS

Utility Sourcing
Service Desk

Utility Sourcing
Virtual Desktop

Utility Sourcing
Online Storage

Utility Sourcing
Backup

Utility Sourcing
Archiving

Utility Sourcing
Windows Server

Utility Sourcing
Linux Server

Utility Sourcing
HP-UX Server

Utility Sourcing
Network

Utility Sourcing
Antivirus

Utility Sourcing
Database - MSSQL

Utility Sourcing
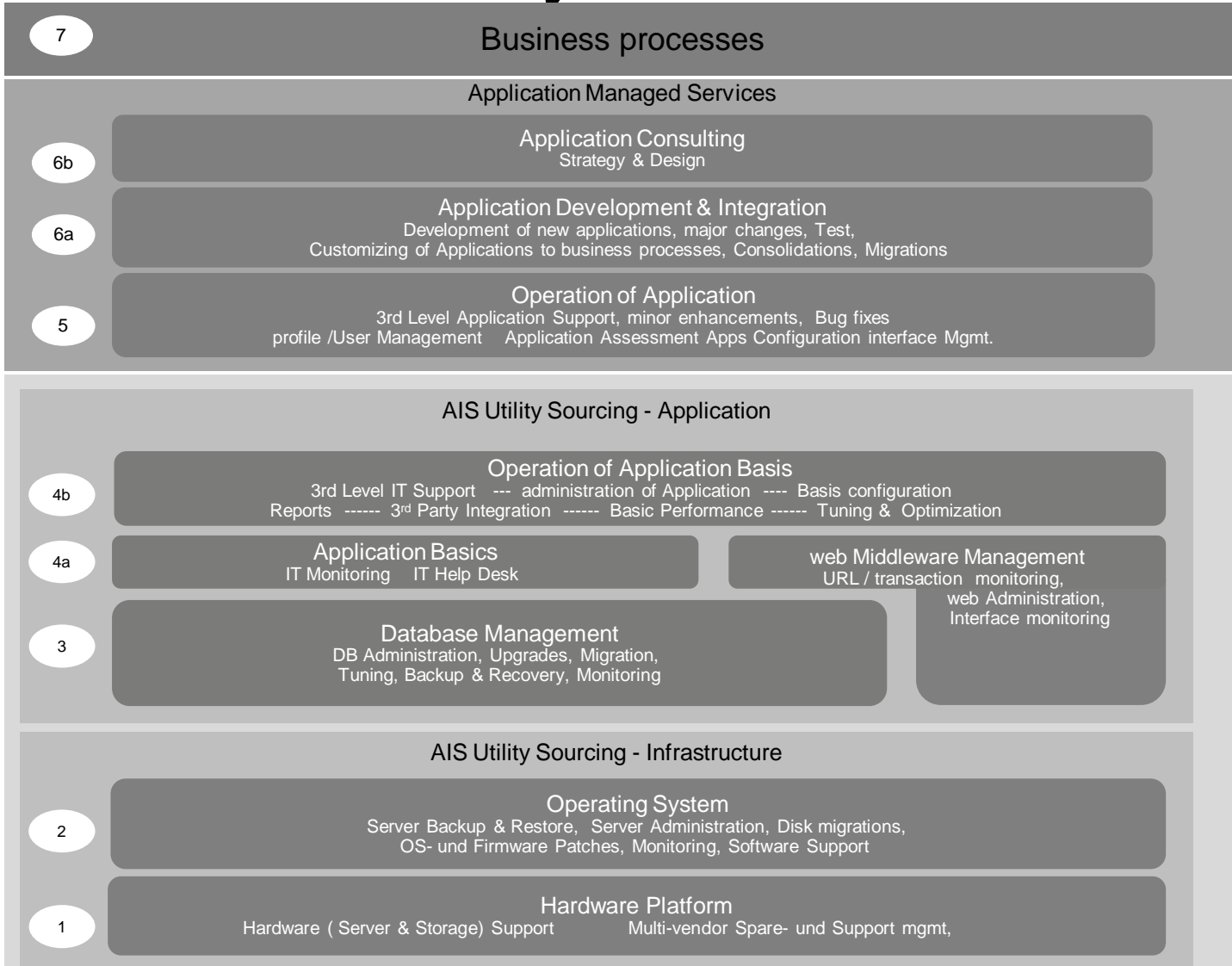**Database - Oracle**

AIS Utility Sourcing - Infrastructure

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AIS Utility Sourcing Applications

Services 7-Layer Model

| 7 | Business processes | HP BPO Services |

Application Managed Services

6b	**Application Consulting** Strategy & Design	Individual AMS services for Oracle solutions deliverred by HP or solution partner
6a	**Application Development & Integration** Development of new applications, major changes, Test, Customizing of Applications to business processes, Consolidations, Migrations	
5	**Operation of Application** 3rd Level Application Support, minor enhancements, Bug fixes profile /User Management Application Assessment Apps Configuration interface Mgmt.	

AIS Utility Sourcing - Application

4b	**Operation of Application Basis** 3rd Level IT Support --- administration of Application ---- Basis configuration Reports ------ 3rd Party Integration ------ Basic Performance ------ Tuning & Optimization	
4a	**Application Basics** IT Monitoring IT Help Desk	**web Middleware Management** URL / transaction monitoring, web Administration, Interface monitoring
3	**Database Management** DB Administration, Upgrades, Migration, Tuning, Backup & Recovery, Monitoring	

AIS Utility Sourcing - Infrastructure

| 2 | **Operating System**
Server Backup & Restore, Server Administration, Disk migrations,
OS- und Firmware Patches, Monitoring, Software Support | |
| 1 | **Hardware Platform**
Hardware (Server & Storage) Support   Multi-vendor Spare- und Support mgmt, | |

AIS Utility Sourcing

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Utility Sourcing - SAP Infrastructure Architecture

Data Center 1

Data Center 2

US for Computing, MS Server, Linux or HP-UX for DB Server

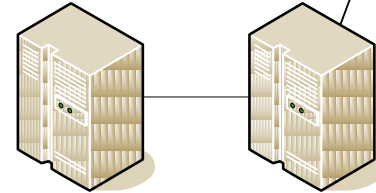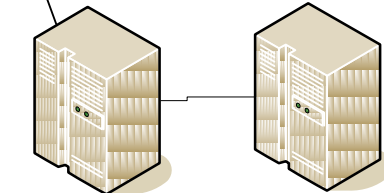US for Computing Linux, MS Server for Application Server

VLAN

US for Computing, MS Server, Linux or HP-UX for DB Server

US for Computing Linux, MS Server for Application Server

Inter Connect (SAN)

US for Online Storage

US for Backup
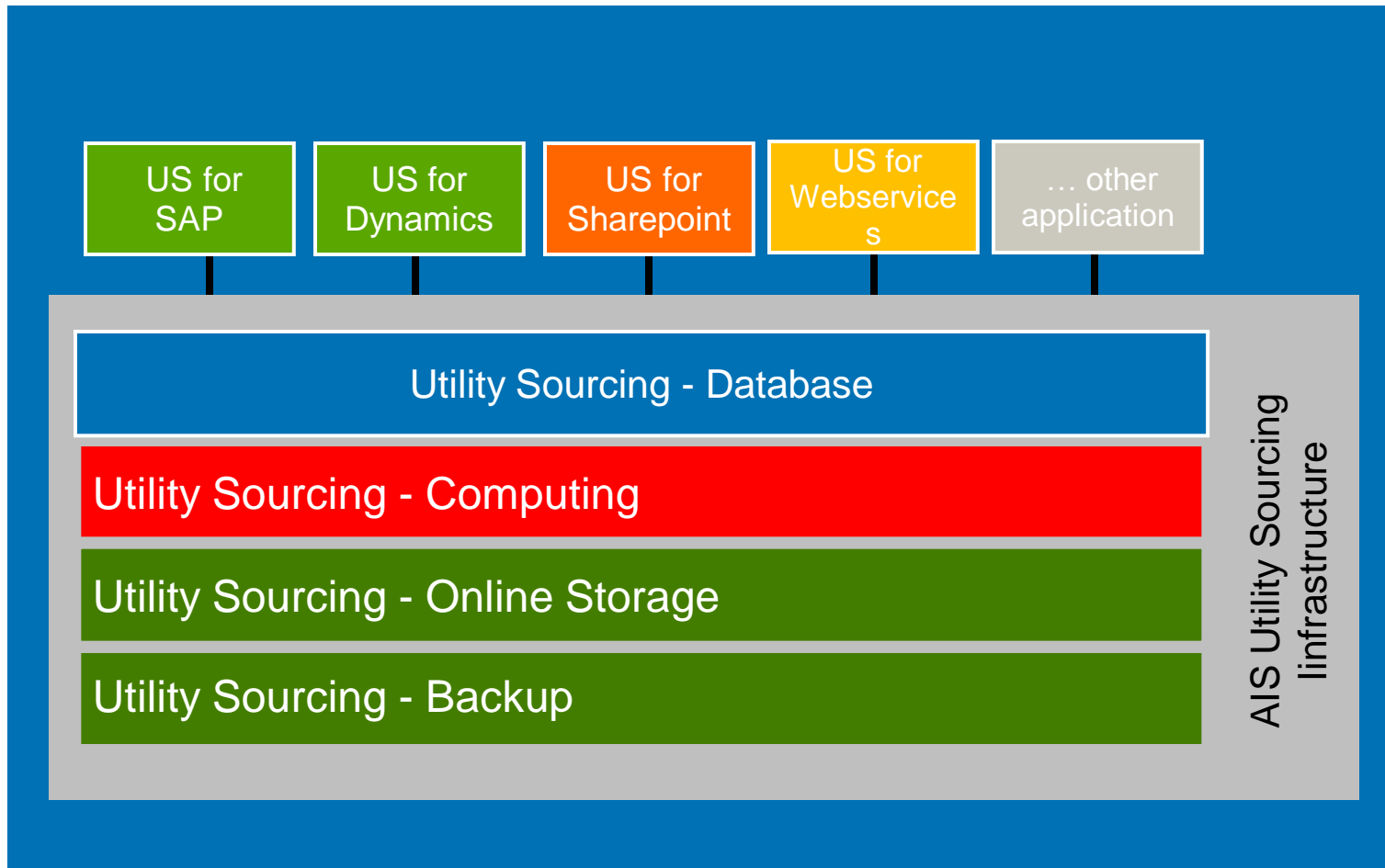
US for Backup

US for Online Storage

Utility Services for Database

US for SAP

US for Dynamics

US for Sharepoint

US for Webservices

… other application

Utility Sourcing - Database

Utility Sourcing - Computing

Utility Sourcing - Online Storage

Utility Sourcing - Backup

AIS Utility Sourcing Iinfrastructure

Utility Sourcing - Database
MS SQL- MySQL – DB2 and Oracle

Service Type	Service Description	Price
Managed SQL- Server / My SQL 98% per DB and month	Database up to 1000 GB size max.; serviced7x24; 98% availability (license not included)	351,69€
Managed SQL- Server / My SQL 99% per DB and month	Database up to 1000 GB size max.; serviced7x24; 99% availability (license not included)	414,37€
Managed SQL- Server / My SQL 99,5% per DB and month	Database up to 1000 GB size max.; serviced7x24; 99,5% availability (license not included)	455,18 €
Managed Oracle / DB2 98% per DB and month	Database up to 1000 GB size max.; serviced7x24; 98% availability (license not included)	459,49€
Managed Oracle / DB2 99% per DB and month	Database up to 1000 GB size max.; serviced7x24; 99% availability (license not included)	545,73 €
Managed Oracle / DB 99,5% per DB and month	Database up to 1000 GB size max.; serviced7x24; 99,5% availability (license not included)	597,47€
Installation database software One time fee	Installation of RDBMS (price depending on type & availability), one time fee when ordering first time	426,89 – 872,07€
Setup Database One time fee	Setup of database on installed RDBMS, one time fee when ordering first time	60,98 €
Minimum usage period/Set-Up time	3 months / 10 days	

Utility Sourcing - Database
Licenses for: MS SQL – MySQL – DB2 - Oracle

Licenses	Price/Month
SaaS Windows SQL Server 2005 Stnd - per month (1x CPU Bl460)	289,32 €
SaaS Windows SQL Server 2005 Ent - per month (1x CPU Bl460)	1.193,07 €
SaaS Windows SQL Server 2005 Stnd - per month (2x CPU Bl480)	578,64 €
SaaS Windows SQL Server 2005 Ent - per month (2xCPU BL480)	2.386,14 €
SaaS Windows SQL Server 2005 Stnd - per month (4xCPU BL680)	1.157,28 €
SaaS Windows SQL Server 2005 Ent - per month (4xCPU BL680)	4.772,28 €
SaaS Windows SQL Server 2008 Stnd - per month (1x CPU Bl460)	289,32 €
SaaS Windows SQL Server 2008 Ent - per month (1x CPU Bl460)	1.193,07 €
SaaS Windows SQL Server 2008 Stnd - per month (2x CPU Bl480)	578,64 €
SaaS Windows SQL Server 2008 Ent - per month (2xCPU BL480)	2.386,14 €
SaaS Windows SQL Server 2008 Stnd - per month (4xCPU BL680)	1.157,28 €
SaaS Windows SQL Server 2008 Ent - per month (4xCPU BL680)	4.772,28 €
SaaS Windows SQL Server 2005 Sta (virtual)	165,33 €
SaaS Windows SQL Server 2005 Ent (virtual)	681,75 €
SaaS Windows SQL Server 2008 Sta (virtual)	165,33 €
SaaS Windows SQL Server 2008 Ent (virtual)	681,75 €

Keiper

Keiper is a part of the Keiper Recaro Group and focuses on engineering services to develop intelligent seat components and multifunctional seat structures for carmakers and suppliers. The group employs 6,700 employees at 19 Keiper plant sites across the world. The company generated revenues of €931 million in 2006.

KEIPER

Objective	Approach	Results
• Reduction of operational costs associated with SAP • per-active development of enhancements by service provider • Implementation of a pay-per-use model • Scalability in order to support international expansion	• Moved the SAP operation to HP's Utility Sourcing for SAP • Keiper's SAP system shifted to a shared delivery environment • Services provided using a Utility model	• Lower SAP operation costs due to economies of scale with HP's Utility Sourcing Services • Costs for SAP operation linked to usage of services • Quick rollout of SAP for new subsidiaries without large capital outlay • Increased flexibility due to an adjustable contract and additional C&I services (enhancements, SAP ERP 6.0 upgrade)

"HP's Utility Sourcing Services provides us with a highly flexible solution and supports our global growth strategy since we only pay for the amount of SAP capacity that we use."

Fred Höwener, IT Operations Lead
KEIPER GmbH & Co. KG

OXEA

Oxea is a global supplier of solvents, polyols and oxo derivatives such as carboxylic acids, olefin derivatives and alkylamines. These perducts are used for the perduction of high-quality coatings, lubricants, cosmetic and pharmaceutical perducts, flavorings and fragrances, printing inks and plastics. The company is an international market leader in the perduction of a variety of acetates, alcohols, amines, carboxylic acids and butyraldehydes. Oxea has annual sales worth about EUR 1.2 billion and employs apperximately 1,300 people in Germany (Oberhausen and Marl) and the United States (Bay City and Bishop). They are supported by an experienced sales team worldwide. Further information about the global Oxea Group is available at www.oxea-chemicals.com.

Objective	Approach	Results
• Quickly deploy a new SAP system in Germany after buy-out from Celanese • Low capital lockup • Focus on core business objectives • Scalability to support further growth	• Moved the SAP operation to HP's Utility Services • Services provided using a Utility model • HP also built a global communication infrastructure including WAN, Exchange, Active Directory, Office SharePoint Server	• SAP operation costs lowered by ~30 % compared to in-house operation • Higher flexibility due to pay-per-use model that takes into account the number of users and storage volume • Flexibility to adapt SAP costs and link them to business development requirements • Low investment risk and capital lockup

"The setup of an SAP operation and a communications infrastructure in only five months was a critical business requirement for OXEA. HP helped us to reduce the project and investment risk. Furthermore we are now able to adapt the SAP costs and capacity based on our business needs."

Juan Soto, Vice President
    Information Technology

OXEA Group

MLP

MLP (Marschollek, Lautenschläger und Partner) – is a leading financial services firm perviding advisory services to academic and other discerning clients in Europe. MLP has offices in Germany, Austria and the Netherlands. Over 2,600 consultants support more than 700,000 clients and helped MLP generate revenues of €637.1 million in 2007.

Objective	Approach	Results
• Transform existing traditional outsourcing agreement to a utility based model • Increase flexibility and transparency • Reduce risk of capital investments and dependency on service provider	• Infrastructure assets of MLP were transferred to HP • Moved from a single large service agreement to 100 separate services each with a defined utility price and SLA • Utility Sourcing Services applied above MLP's existing assets so It services could be scaled up and down based on the customers changing needs	• IT costs depend on usage • Ability to adapt the infrastructure capacity and costs according to business development needs • End-to-end SLA, focused on end user experience and business requirements

"HP's Utility Sourcing model has helped us to reduce risk and increase flexibility and transparency. We can now sign off individual services, if required. It is faster and easier for us to adapt to the changing business environment as we only pay for what we use. Costs and SLAs are also easier to monitor."

Klaus Strumberger, CIO
MLP Finanzdienstleistungen AG

Utility Sourcing – Computing
SW-licenses & SaaS

HP AIS US Product	ISV application	SaaS	Customer license	Customer license transformation
Computing	Windows	optional	yes	yes (only Windows 2008)
	RedHat	optional	yes	no
	Suse/Novell	optional	yes	no
	HP-UX	included in the service	no	no
Backup	DataProtector	included in the service	no	no
OnlineStorage	Storage Management (e.g. CA)	included in the service	no	no
Archiving	OpenText	included in the service		no
Sharepoint	Microsoft WSS - (100% shared)	included in the service	no	no
	Microsoft WSS - (dedicated instance)	optional	yes	no
Antivirus	Exchange	included in the service	yes	no
	Windows	included in the service	yes	no
	RedHat	included in the service	yes	no
	Suse/Novell	included in the service	yes	no
ERP	SAP	no	yes	no
	MS Axapta	optional	yes	no
	MS CRM 4.0	included in the service	no	no
Web Services	MS IIS	optional	yes	no
	Apache	included in the service	yes	n/a
	Apache TomCat	included in the service	yes	n/a
	JBOSS	no	yes	no
	Bea WebLogics	no	yes	no
	IBM WebSphere Server	no	yes	no
	Oracle Application Server	no	yes	no
	Web Analytics (WebTrend)	included in the service	yes	no
	SUN One LDAP	no	yes	no
	Novell eDir	no	yes	no
	Open LDAP	no	yes	no
Database	Oracle	no	yes	no
	MS SQL	optional	yes	no
	My SQL	included in the service	yes	n/a
	DB2	no	no	no
Messaging&Collaboration	Exchange (100% shared)	included in the service	no	yes
	Exchange (dedicated instance)	yes	yes	yes
	MS OCS (100% shared)	no	no	yes
	MS OCS (dedicated instance)	yes	yes	yes