



keep in touch OPEN·XCHANGE®

# Open-Xchange – Solutions for the Open Cloud

Rafael Laguna de la Vera, CEO Open-Xchange

Version 20090203

## Vendor-driven Architectures and so-called "Standards"



keep in touch OPEN.XCHANGE

- **IBM, Microsoft, Apple**
    - Old school vendor lock-in
  - **Adobe, Google, Yahoo, Facebook**
    - Internet-Age vendor lock-in
  - **RIM, Apple, Google, Microsoft**
    - Mobile lock-in
  - **SAP, Salesforce, Oracle**
    - Vertical Application lock-in
- Lock-in creates monopolies, Ultimately stagnation



## Open Standards and Open Source made the Internet, and vice-versa

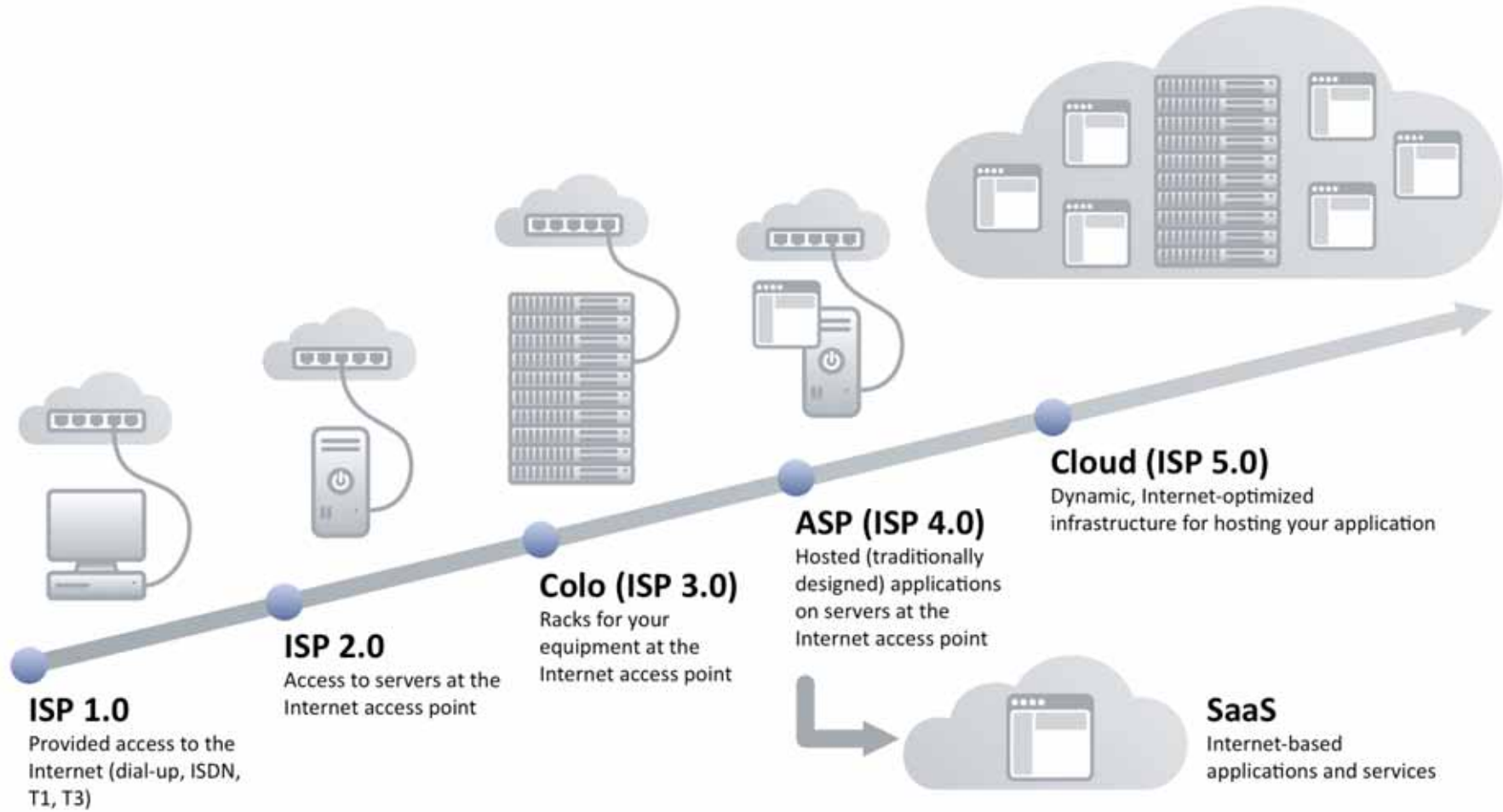


- **TCP/IP, HTTP, DNS, POP3, IMAP**
  - and not Netbios, SNA, APPC, WinNS, MAPI
- **Linux, Apache, PHP, MySQL, JavaScript**
  - and not Windows, IIS, C++/C#, Oracle DB, Java Applets

**Result:**  
185 million web sites\* and  
1.6bn hosted email accounts\*\*

\* [http://news.netcraft.com/archives/2009/01/16/january\\_2009\\_web\\_server\\_survey.html](http://news.netcraft.com/archives/2009/01/16/january_2009_web_server_survey.html) | \*\* Radicati Group, Hosting E-mail Market, 2008

# Internet Technology enables Software as a Service/Cloud



Source: Forrester

## Service Providers are SaaS pioneers also thanks to Open Source Software



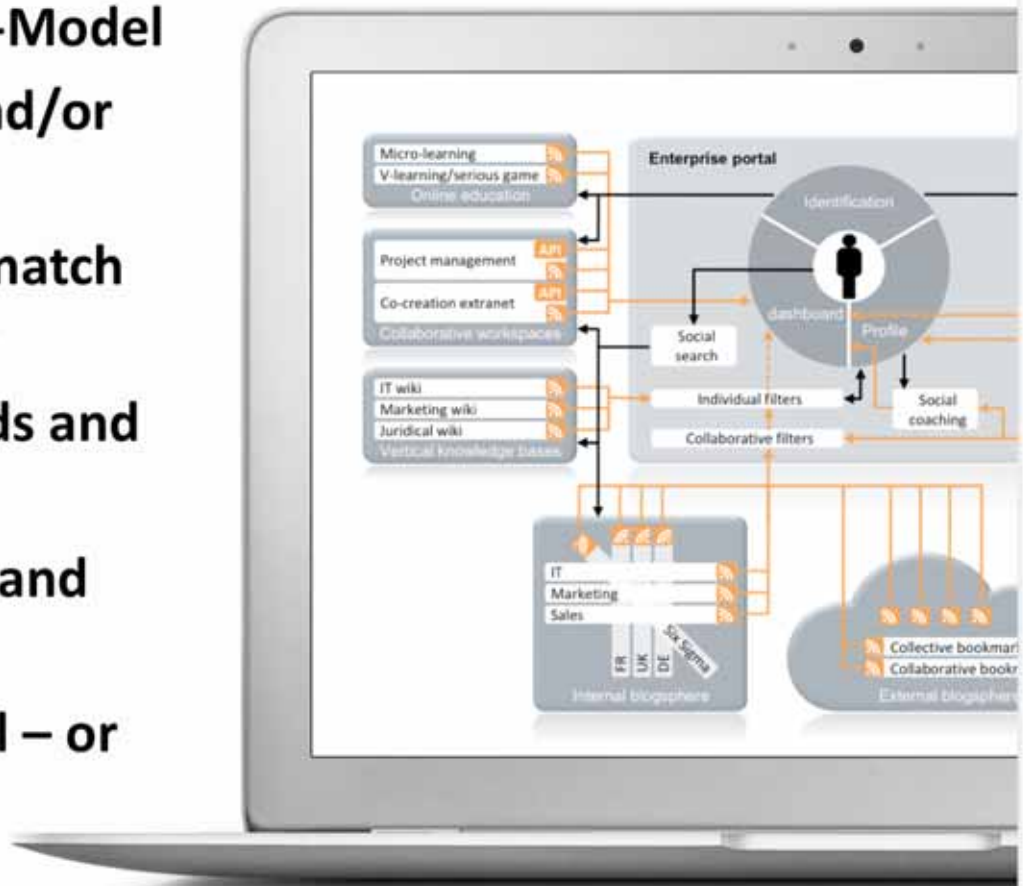
- **Used and extended Open Source Software to build and sell services**
  - First SaaS offerings: eMail, Web, Hosting...
- **Started 10+ years ago already**
- **Developed own infrastructure on Open Source**
  - Provisioning, Billing, Administration, Help-Desk, Services...
- **Have everything in place to make SaaS offerings successful, deliver on the Promise of Cloud computing**
  - **Need to automate, automate, automate**



# Edu, Gov, medium and large Enterprises can use Cloud architectures as a blueprint for internal IT



- **Adopt the Service Provider IT-Model**
- **“Use” services in the cloud and/or “become” their own cloud**
- **Move back and forth, mix & match**
- **Reduce cost by factor 5-10 by utilizing open source standards and Internet technologies**
- **Increase efficiency by system and process automation**
- **Mimic Service Provider model – or become Service Provider**



## Next Step I: Software and Internet merge to "SaaS" and Cloud Architectures



- **Software is much cheaper as a Service**
  - but needs SLA's
- **New players with no legacy:**
  - Google, Amazon - just as proprietary with an "Open-Touch"
- **Open Source application makers in a good position for SaaS/same genes!**
  - high integration, low resource requirements
- **Service Providers in a good position for SaaS/same genes!**
  - Fully automation makes enables high margins on disruptive price points



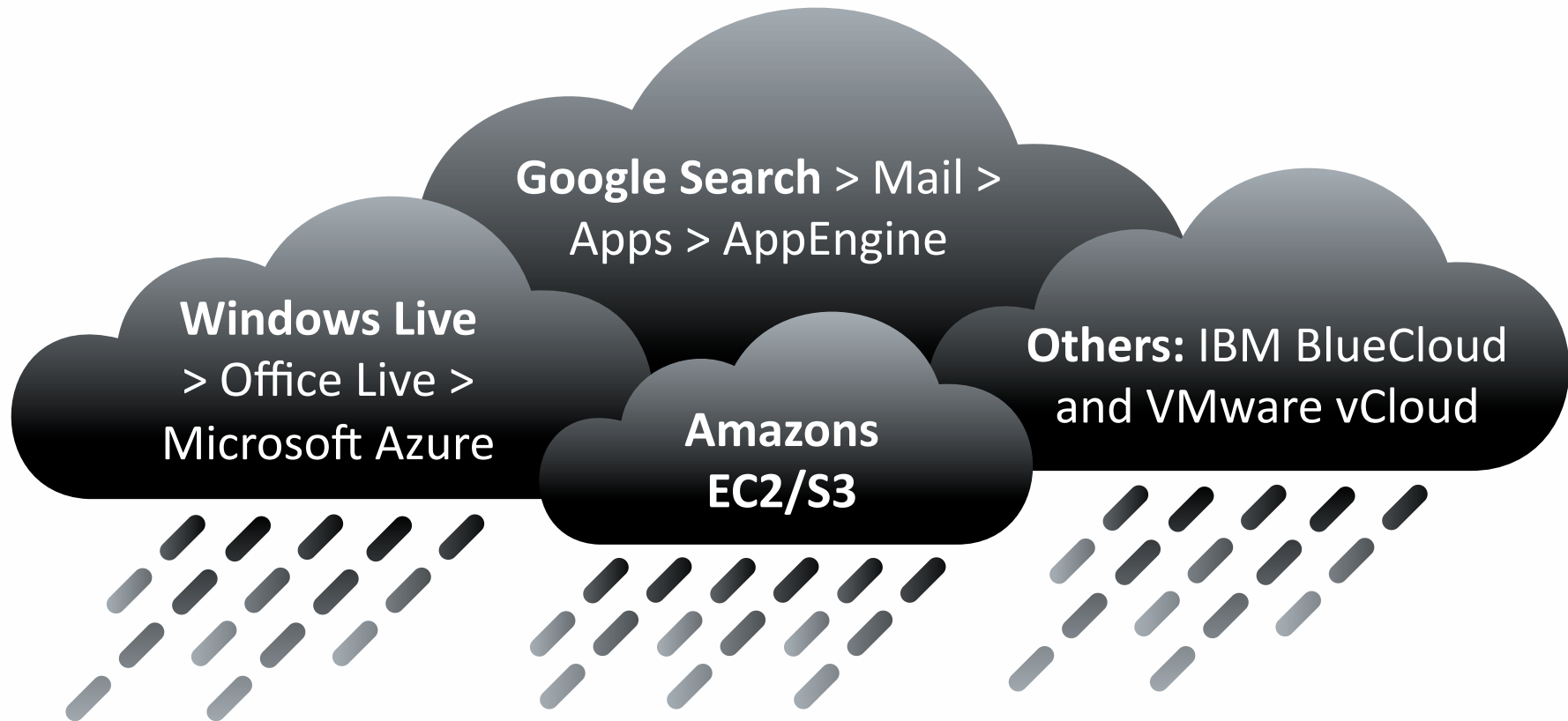
## Next Step II: Cloud Architectures rule



- **The Internet technologies are foundation of current Cloud technologies**
- **The Cloud architecture becomes the dominating architecture for IT**
- **Enterprises move away from vendor-dominated to Cloud architectures**
  - Use Cloud/SaaS Services, "become" their own Cloud
  - **But: Two Worlds colliding - Vendor meets the Open**



## The battle for control over the Cloud API has begun



- **With proprietary software no freedom over data-formats and cost**
- **With proprietary Cloud:** additionally losing control over the data/content
- **The closed Cloud is an extended Software monopoly**

**Worst case:  
A Cloud Lock-in**



## We need the Open Cloud



- **Most existing Internet and Cloud technology is already Open Source**
- **Most of what is needed to provide cloud services is available as Open Source**
- **Some cool technology is not, needs open equivalent** (eg. Google MapReduce, Google file system)
- **Need to define parameters for what constitutes an Open Cloud application**

➤ **Beware of Lock-In!**



**Users today are challenged by information overflow, especially by too many and too big emails** – and now also Twitter, LinkedIn, FaceBook, MySpace, Meebo, Xing, RSS ...

- › Requires functions beyond simple eMail to avoid information overflow and attachment-hell
- › Strong need for more advanced groupware and sharing capabilities
- › Access information from almost any device – mobile device support
- › Intuitive easy-to-use user interface, Windows/Mac Integration
- › Integration into other Internet Applications through mash-up's



## Open-Xchange provides Open Source-based Messaging and Groupware solutions

- to the community
- as on-premise software to .gov, .edu and businesses
- as “Software-as-a-Service” solutions through service providers (Hosters, Telcos, Carriers, Internet Companies)



## Open-Xchange leads the Open Source SaaS push

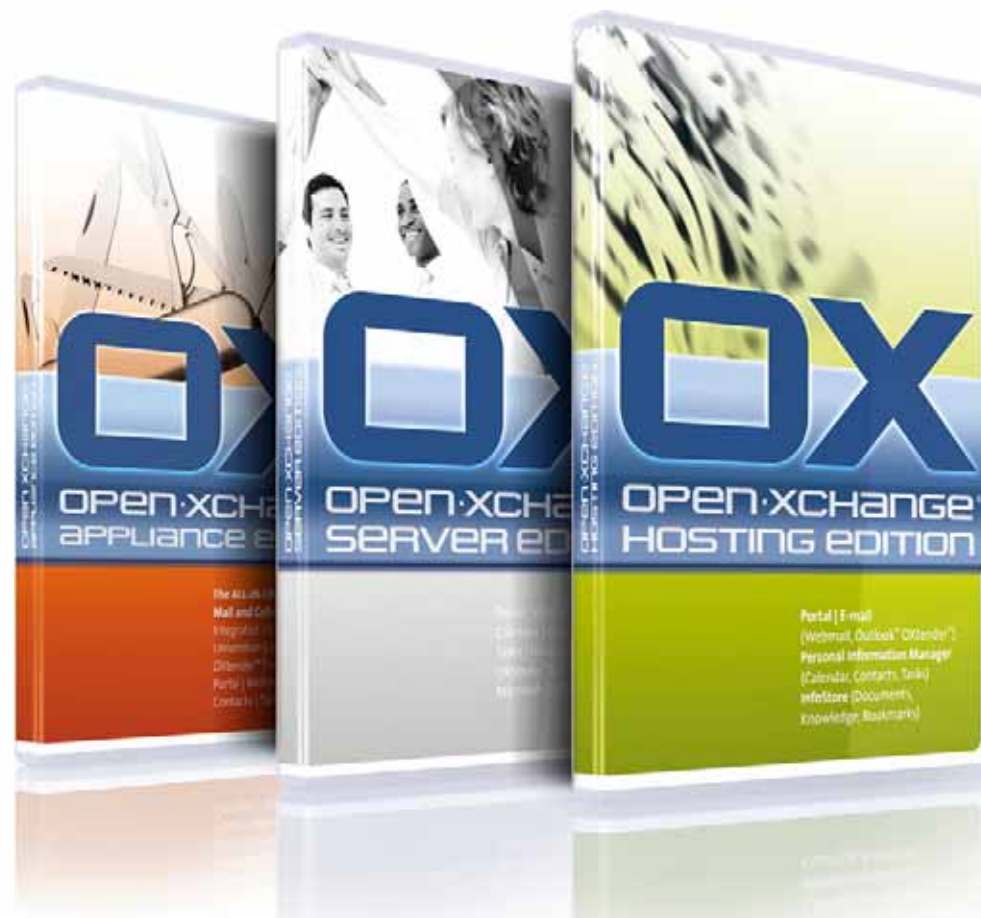
- first to market with the launch of the 1&1 MailXchange offering in Germany in Feb 2007 (#1 WW)
- expanding service provider base with 1&1 US and UK, Network Solutions (#3 US), OVH (#1 France), Hostpoint (#1 Switzerland) in '08
- Fastest-growing: quadrupled # of paid users to 8.4m in 2008

Novell.  redhat.  univention  Parallels™  HOSTPOINT  1&1 NetworkSolutions.

## What the product does: Open-Xchange features



- **Messaging**
  - Email
  - Contacts
- **Collaboration**
  - Calender
  - Tasks
  - Folders
- **Advanced Collaboration**
  - InfoStore
  - Linking
  - Privacy controls
  - Mashups

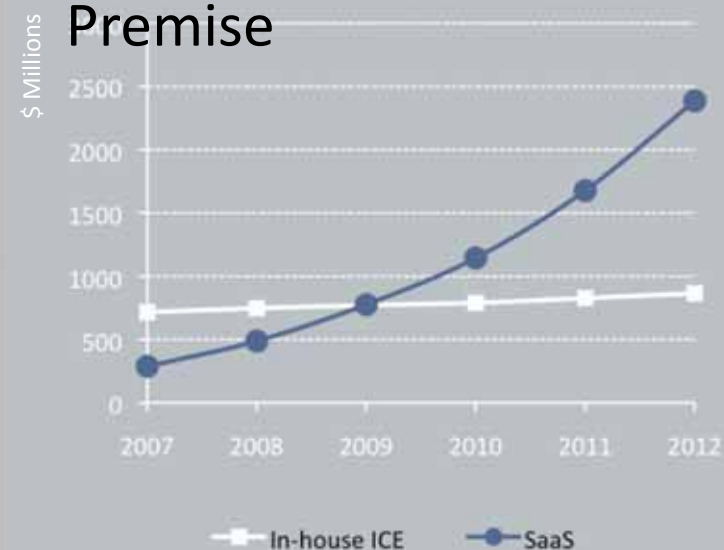


## Messaging and Collaboration market: SaaS vs. On-Premise



- **Mid-size and large enterprises** are forced to reduce cost significantly and add new features at the same time
- **As SaaS becomes dominant method** of application adoption in the market, the total addressable SaaS market will grow quickly to \$2.4B
- **y/y CAGR** is expected to be >35%
- **Drivers** include convenience, low price, availability of broadband, mobility, growth in devices, Web 2.0 technology, Open Source software, social networks, and unified messaging solutions (SMS, Instant Messaging, VoIP, GSM...)

### e.g. SME SaaS vs. On-Premise





The screenshot shows the 1&1 MailXchange website. At the top, it says "1&1 THE WORLD'S #1 WEB HOST" and "ABOUT 1&1 | FAQ | CONTACT" with links for "CUSTOMER LOGIN" and "WEBMAIL LOGIN". A navigation bar includes "HOME", "DOMAINS", "E-MAIL", "WEB HOSTING", "VPS", "SERVERS", "ECOMMERCE", and "BUSINESS SOLUTIONS".

The main content area features the heading "1&1 MailXchange Your professional communication and collaboration solution". It includes a sub-heading "See how MailXchange can help your business" and a "Fair Price Guarantee" section with a table of pricing:

Users:	Per user per month:
1-4	\$4.99
5-24	\$3.99
25-99	\$2.99
100 or more	\$1.99

Below the table, there is a "90-DAY MONEY BACK GUARANTEE" badge and a price of "\$4.99 per user/month" (Total \$4.99/month). A "90-DAY MONEY BACK GUARANTEE" badge is also present.

Key features listed include:

- Work from anywhere
- Low cost, open source alternative
- Simple, easy-to-use interface
- 90-Day Money Back Guarantee

At the bottom, there are sections for "1&1 MailXchange on Your Smartphone", "Advantages of 1&1 MailXchange", "Benefits for Users", and "Benefits for Administrators".

# Back to the Open Cloud: Parameters for qualifying as an Open Cloud application



## Example: Messaging and Groupware

- Platform agnostic (runs with all major OS, DB's, Web-Servers etc.)
- Standards based (SMTP, POP3, IMAP, iCal, vCard, CalDav, Microformats)
- Integrates into established Open Cloud infrastructure and languages
  - Operating System, Mail, Database, Web Server, Identity, Archiving, Unified Messaging
  - PHP, Python, Ruby, Perl, Java, JavaScript
- Client Agnostic
  - all major browsers (at least IE6,7,8; FF3; Safari) on all OSses (at least WinXP, Vista, OS X, Linux)
- Not bound to specific Cloud service
  - „Migratable“ from one service to another
  - „Migratable“ between on-premise and Cloud and back

Many qualify – only “open” will work



keep in touch OPEN.XCHANGE



- The Cloud is opportunity and risk
- Should not become successor of proprietary vendor architectures
- A dominating proprietary Cloud architecture will make things worse
- The Open Cloud is available

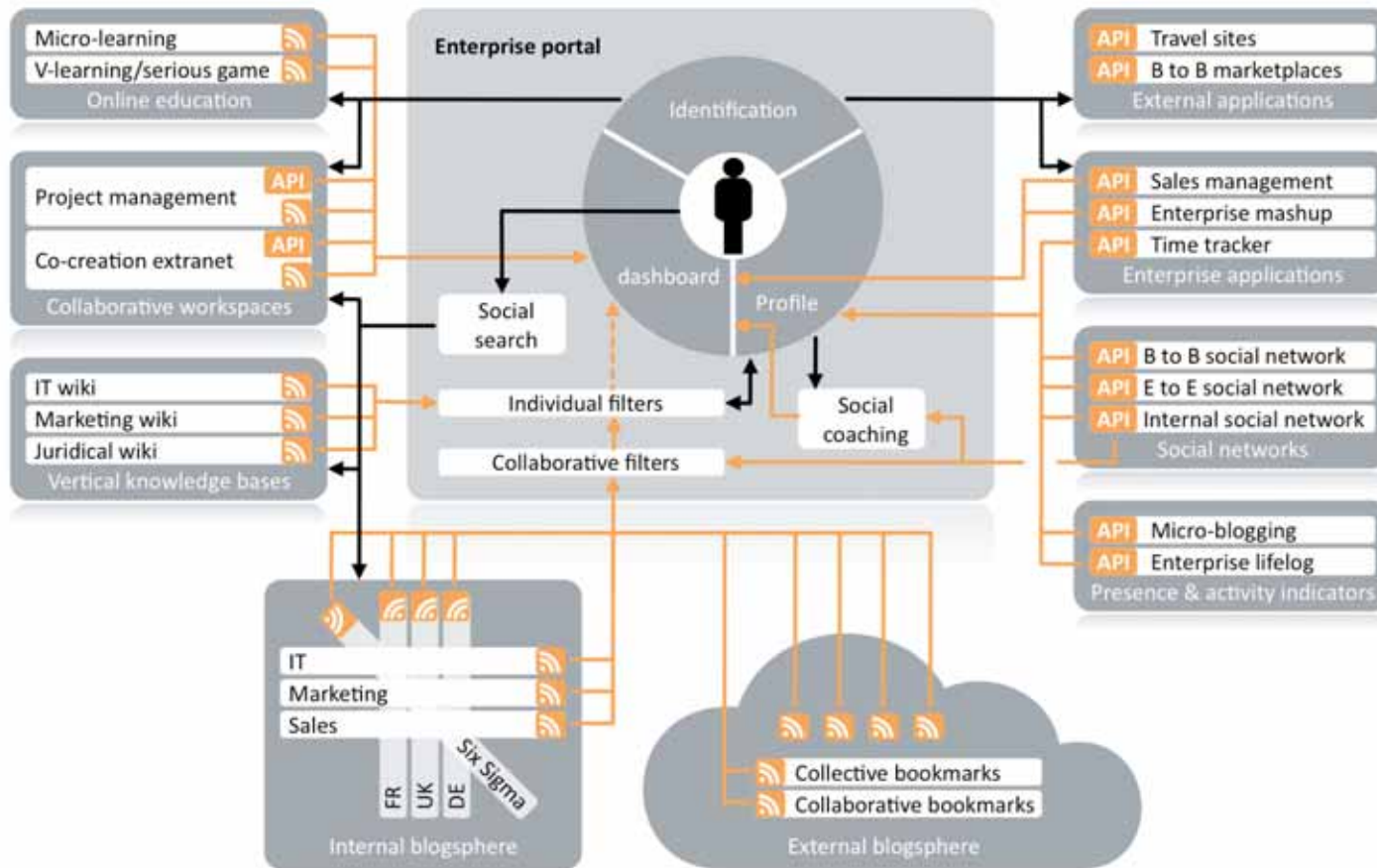


- **Enterprises, EDU, GOV:** Make cloud architectures and Service Providing your new principle, pick Open Cloud Applications only
- **Service Providers:** Act now to compete with Google and MS

**“You never change things by fighting the existing reality. To change something, build a new model that makes the existing model obsolete.”** R. Buckminster Fuller



# Enterprise 2.0 | Fred Cavazza definition



Source: <http://www.fredcavazza.net/2007/07/27/what-is-enterprise-20/>

- S** **Search** – Discoverability of information drives reuse, leverage and ROI.
- L** **Links** – Using URIs to forge thousands of deep interconnections between enterprise content 24/7.
- A** **Authorship** – Ensuring every worker has easy access to Enterprise 2.0 platforms.
- T** **Tags** – Allowing natural, organic, on-the-fly organization of data from every point of view.
- E** **Extensions** – Extend knowledge by mining patterns and user activity.
- S** **Signals** – Make informations consumption efficient by pushing out changes.

