Open-Xchange – Hosted Webmail/Groupware Solution
September 2009

Overview

- Introduction Open-Xchange and addressed market

- OX – Parallels integration

- OX product overview

- OX Webmail For Free program

- OX business potential

What we do

Open-Xchange provides Open Source Business-Class eMail & Collaboration Solutions

• As "Software-as-a-Service" solutions through service providers (hosters, service providers, carriers, internet companies)

Open-Xchange leads the Open Source SaaS push

• First to market with the launch of the 1&1 MailXchange offering 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.
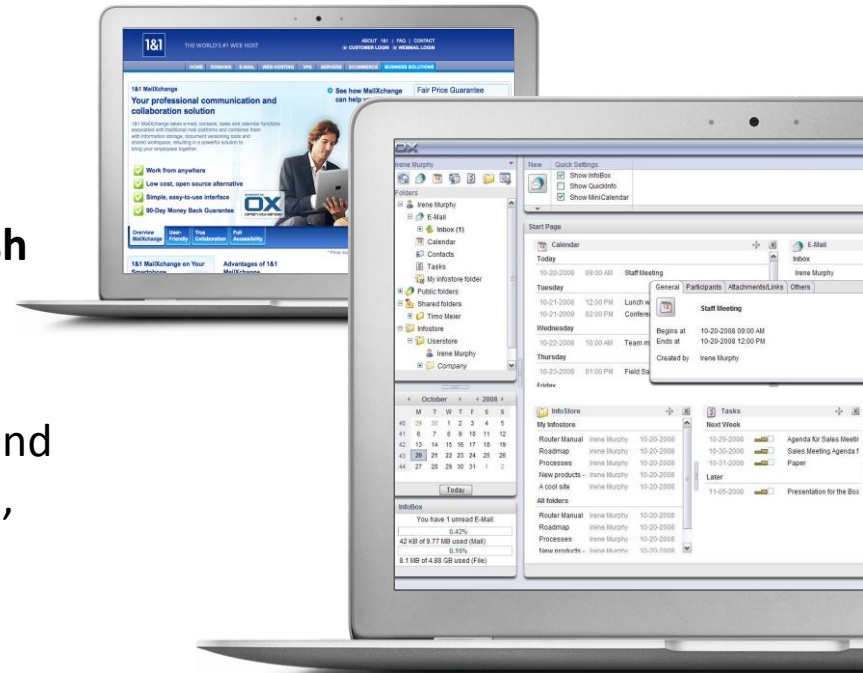
The main issue Open-Xchange is tackeling

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 …

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» 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**

Messaging and Collaboration market: SaaS vs. On-premises

- **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…)
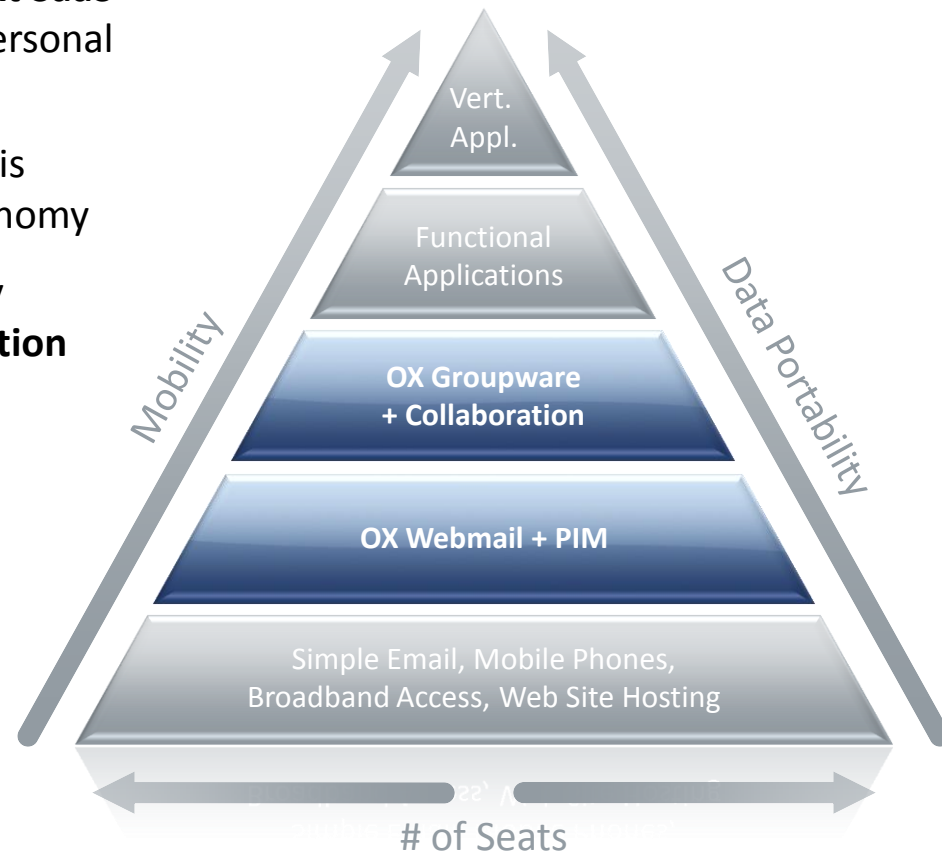
e.g. SME SaaS vs. **On-premises**

Chart: $ Millions (y-axis, 0 to 3000), years 2007–2012 (x-axis). Legend: In-house ICE, SaaS
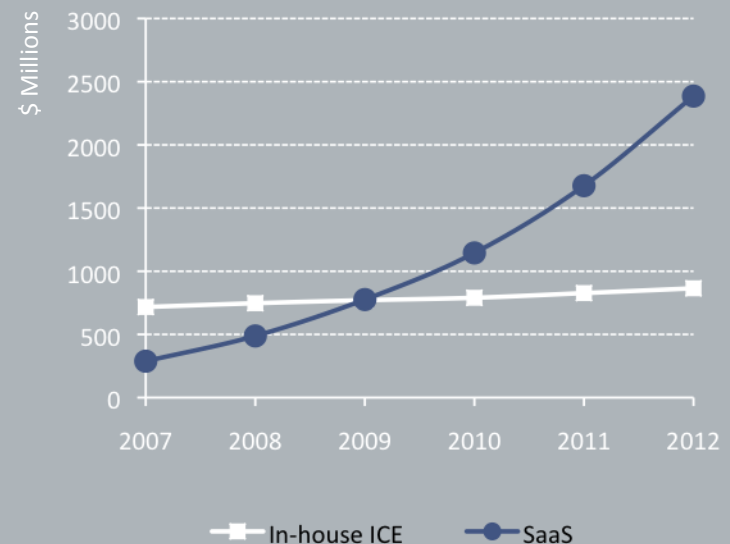
The „next big" SaaS application for the Open Cloud is Business-Class Email and Groupware
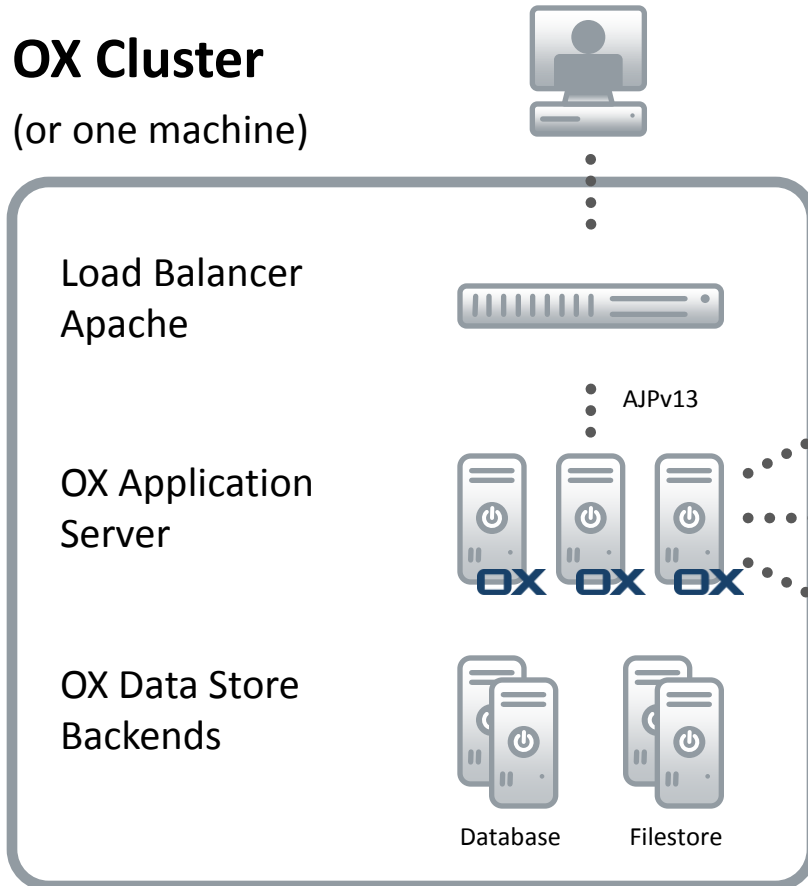
OX
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- After getting a web site and simple email, **next SaaS application is business-class webmail** and personal information management ("PIM")

- Then access to **sharing features** (groupware) is prerequisite to competitiveness in global economy

- Functional applications like **CRM** and industry vertical applications **complete the SaaS adoption hierarchy**

- OX's provides the open **integration** platform for the higher level applications, enabled by **OSGI**, UWA GUI plug-in architecture, open standards (mobility, unified messaging, ISV applications, mash-ups) and **microformat** based **publish & subscribe**
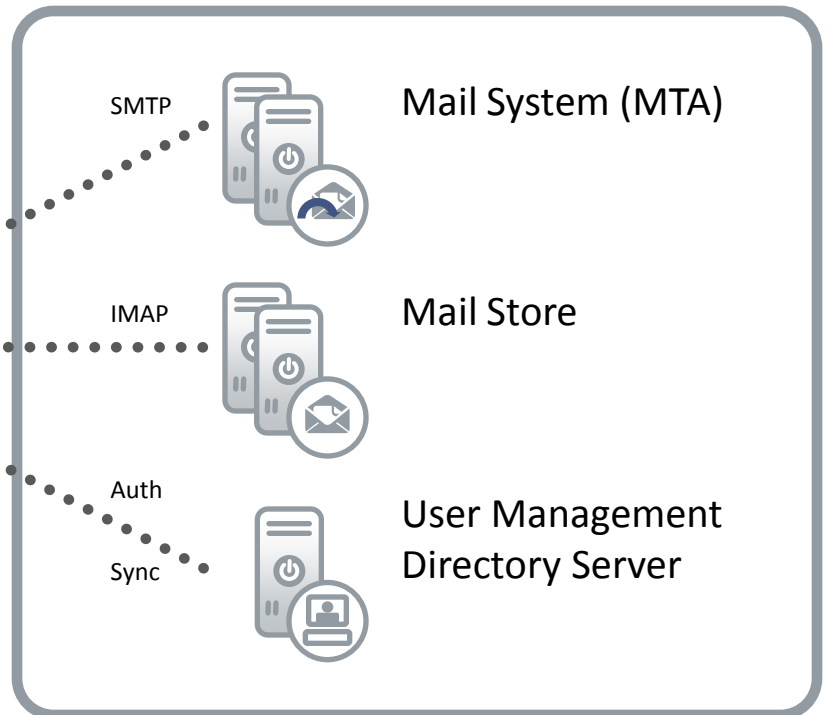
Mobility

Data Portability

Vert. Appl.

Functional Applications

OX Groupware + Collaboration

OX Webmail + PIM

Simple Email, Mobile Phones, Broadband Access, Web Site Hosting

# of Seats

Open-Xchange – Infrastructure/Architecture

OX

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OX Cluster

(or one machine)

Required/Existing Infrastructure

Load Balancer
Apache

SMTP   Mail System (MTA)

AJPv13

OX Application
Server

IMAP   Mail Store

OX OX OX

OX Data Store
Backends

Auth   User Management
Directory Server
Sync

Database   Filestore

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OX Cluster

(Deployment as Virtuozzo Template)

Load Balancer
Apache

AJPv13

OX Application
Server

OX OX OX

OX Data Store
Backends

Database   Filestore
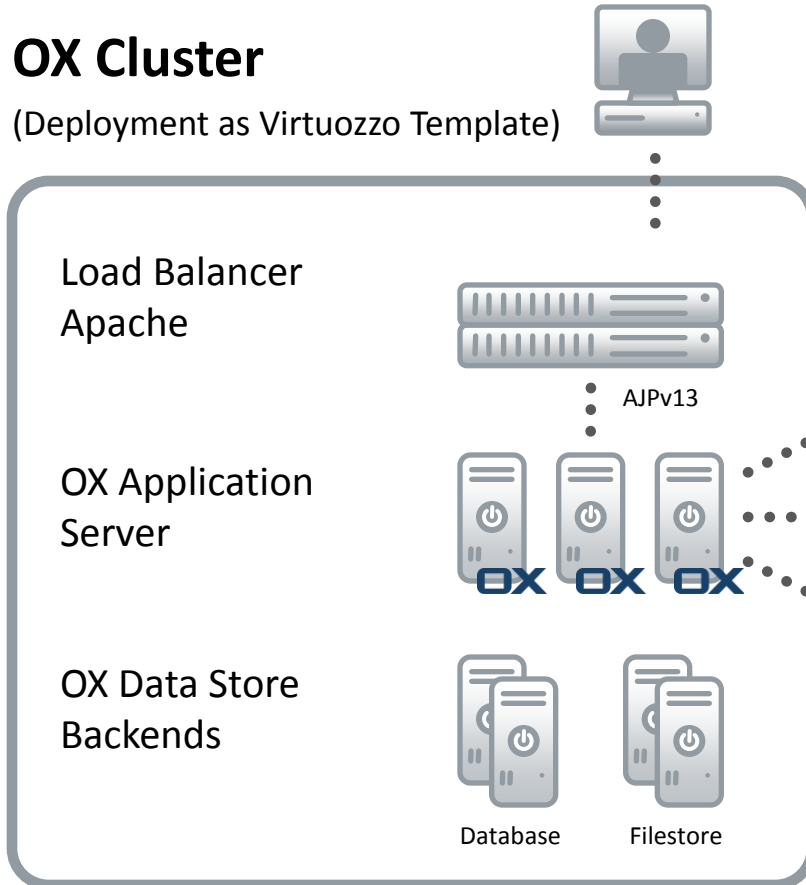
Parallels Operations Automation

Fully transparent OX Management as APS Package

Mail System (MTA)

Focus on your service. Gain flexibility.
Increase customer retention

Parallels
Business Automation

Includes
User Control
Panel

Complete billing and business support system
designed for the unique needs of sevice providers

Online storefront · Order workflow engine · Full reseller support

APS

OX and POA integration is focused on Business
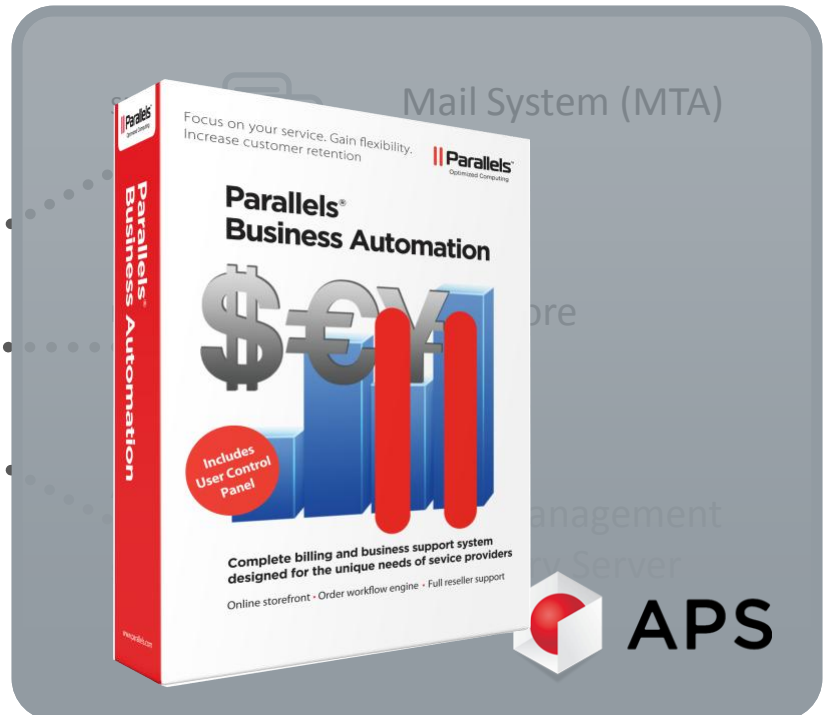
Support for Business Model

- Support of multi-level OX business model incl. Up- / downgrade of service users

- OX features like mobility packages can be activated per service user

- POA up-sell features like Postini, Global Relay can be activated per service user

- Branding for resellers is supported

- Email quota and email folder sharing (ACL) is supported

- Upload limits can be managed in POA (upsell)

Better Support for Users/Technology

- Enhanced single sign on (SSO) support

- POA anti-spam solution (spam assassin) integrated in OX web frontend

- Migration of existing Horde contacts and appointments to OX is supported to allow upsell to existing user base

- Virtuozzo template for easy deployment available

First lower-cost business-class E-Mail & Collaboration solution for SMEs

- Enables team work – any time, anywhere, and with almost any possible device

- Integrated document management (InfoStore, "online disk")

- AJAX based browser user interface

- Standard internet browsers are supported

- Integration with Microsoft Outlook

- Integration with Mac OS X

- Mobility/Push E-Mail ("Blackberry feeling")

- It is only paid what is actually needed -> "Pay as you go"

- Attractive prices with full functionality

Messaging
- Email
- Contacts

Collaboration
- Calendar
- Tasks
- Folders

Advanced Collaboration
- InfoStore
- Mobile Access
- Mobile Sync
- Win/Mac Connector

- **Replacement** of existing **Webmail**

- No migration efforts, transparent integration

- Easy **upsell** to full Groupware and Mobility

- Available via **standard browsers**

- **Desktop-like** user experience

- Contacts, Calendar, Tasks

- **Disruptive** price point

What we offer: Full Groupware with Team, Outlook and Mac platform support, usually bundled with Mobility

- **Upsell** package for OX Webmail or PIM

- **Shared and public folders**

- InfoStore (**Documents**, Knowledge, Bookmarks)

- **Platform Integration** for Win/Mac (Outlook …)

- Mobility: **Push Email, Calendar, Contacts**

OXtender for Business Mobility
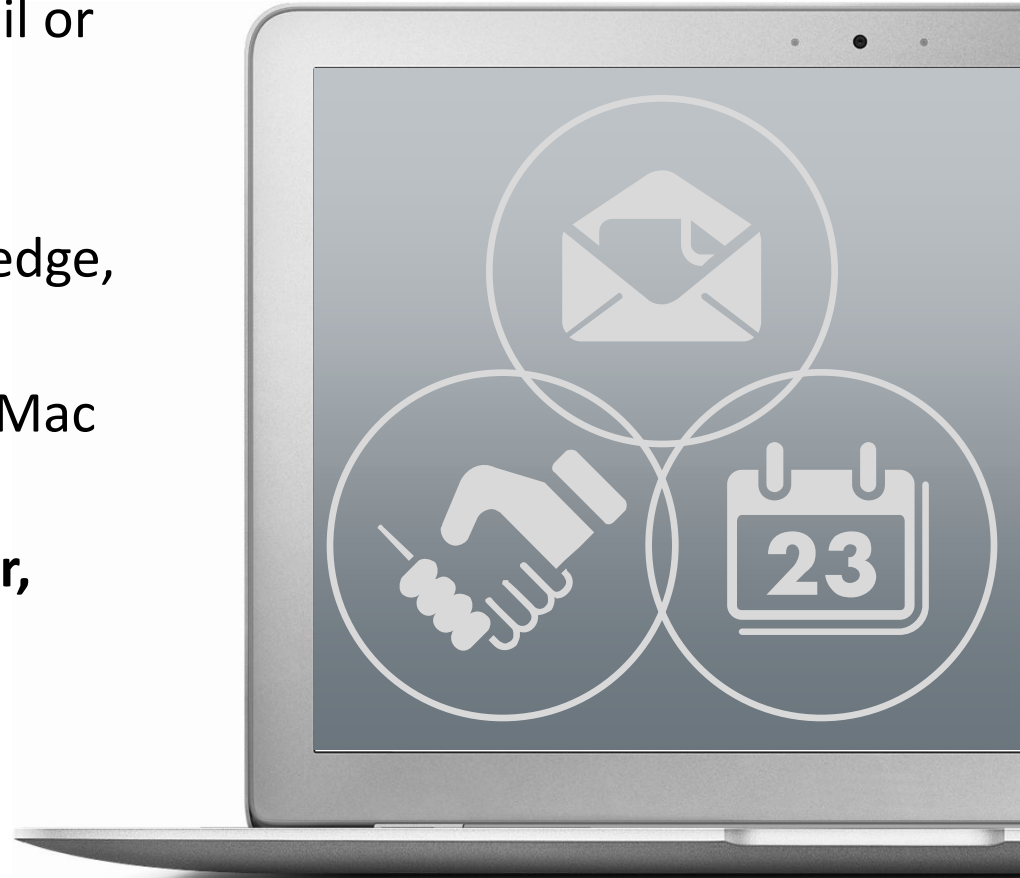
- Sync personal, shared and public contacts, calendar, tasks
- Sync into native applications
- Global /public address book, calendar
- „Assistant function" synchronized
- Based on Microsoft Exchange Active Sync (EAS)
- All WinMobile devices, most Symbian smart phones, iPhone
- RIM/BlackBerry and Android Clients available
- Real Push

Open Cloud – Current situation

Paul maintains his profile in the Cloud.

Marie is connected to Paul's profile, but she must use special applications to access this information.

| Xing | Delicious | Facebook | Flickr | LinkedIn | lots more |

Open Cloud – Summary current situation
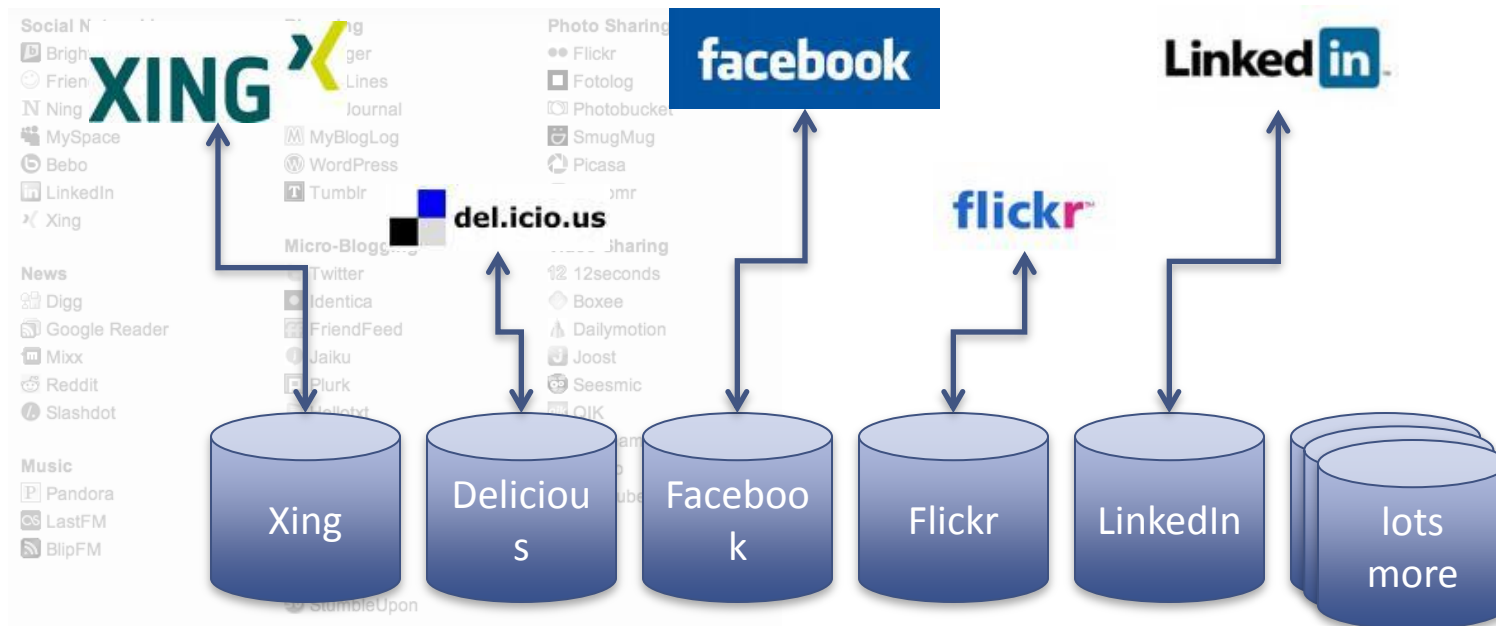
- User content is stored in several "Silos"

  » Xing, LinkedIn, Facebook, Twitter, Flickr, Delicious, ...

  » No aggregated access for this content available

  » Every profile must be maintained

  » No consolidated views possible

  » Client nightmare

- Backup of your data not very common

- Cloud concept lacks features like "offline" access or "trust" your content

- **The OX Publish & Subscribe feature addresses all these issues!**

Open Cloud – The Open-Xchange way

OX is **the one** place for content through publish and subscribe

OX → Cloud

Xing | Delicious | Facebook | Flickr | LinkedIn | lots more

                                                                Confidential!

Open Cloud – The Open-Xchange way
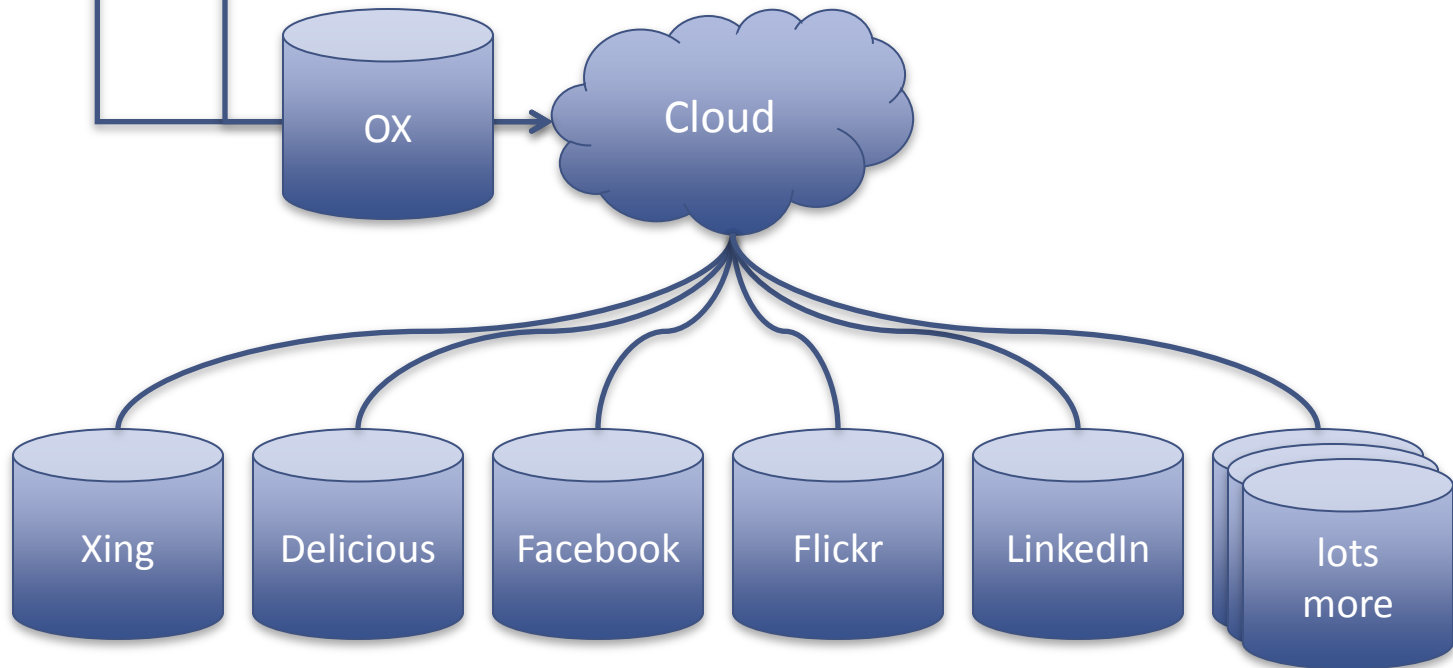
- One platform to use for all kind of devices and content

- Break up silos and publish your content in open format (e.g. Micro format, HTML)

- OX will be able to consolidate different content sources into one object (e.g. address)

- Enables to provide backup and restore capabilities

- Easy information exchange (free/busy, addresses, events, etc.) through websites, HTML, Microformat

- Eliminate outtakes and "out of business" situations

- **Open means: Open-Source; open formats; open API**

Open Cloud – The Open-Xchange way

- Please stay tuned on our "Social OX" website: www.ox.io

Open-Xchange vs. MS Exchange

MS Exchange / SharePoint:

- Direct and indirect sales
- Positioned as "high end" product (brand, price) addressing brand-aware, mid and large enterprise customers
- Service Provider License Agreement
- Completely based on MS Hosting Platform
- MAPI for email
- Microsoft branded product

Open-Xchange:

- Sales only through hosting partners
- "Mass market" product addressing a broad audience including price-sensitive and smaller customers
- Flexible Pay-as-you go / revenue share model with Service Providers
- Low-cost operation (multi-tenancy, low footprint, etc.)
- IMAP, POP3, Social OX (Publish&Subscribe)
- Fully brandable for partners (white labeling), designed for effective marketing out of the product

Open-Xchange Webmail For Free Promotion

- **Replace** your existing **Webmail** without any license costs

- **Keep** your existing Mail backend – **No migration** necessary

- **Simple and easy** to start with

- **Revenue** through **Up-Sell**
  - » Increase ARPU immediately
  - » Full Groupware
  - » Mobility Features

- Ends Dec. 2009

Open-Xchange Webmail For Free

Possible OX-based Provider Offerings – Two Examples

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Option 1 – Webmail For Free

- Provider offers new OX Webmail/PIM to all customers free of charge

- Offer Mobility up-sell to webmail users for 1.95 € per user/month (incl. VAT)

- Offer OX Groupware incl. mobility for 4,95 € per user/month (incl. VAT)

- Example: OX Groupware and Mobility up-sell (50%/50% split)
  » 100,000 existing email accounts
  » 15% upsell rate (15,000 users)
  » ~31k revenue p.month from OX Groupware (net) + ~12.3k revenue p.month from OX Mobility (net)
  » **43.5k total new revenue**

Option 2 – OX Stand-Alone Offering

- Provider offers OX Groupware incl. mobility for 4,95 € per user/month (incl. VAT) as stand-alone product

- Volume discount (required stand-alone):
  » 5 user for 4.25 € per user/month
  » 25 users for 3.50 € per user/month
  » 50 users for 2.95 € per user/month
  » average price: ~4.20 € per user/month

- Mobility offered stand-alone (including OX Webmail/PIM) for 2.49 € per user/month

- Example: OX stand-alone
  » 5000 new users for each
  » **~31.5 k revenue p.month from OX Groupware and Mobility (net)**

Our technology: Java Groupware stack built for SaaS from ground up, architecture leverages provider infrastructure

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Multi Tenant/Multi Domain

Scalability

Architecture

Integration

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1101100
0010010
1011001

Server Density