



IBM or Microsoft? To Move or Not to Move

Many organizations continue to struggle with legacy environments and the ongoing costs these platforms require. In many cases, the original architects of these applications left the company long ago, leaving behind legacy platforms that may not meet the expectations of senior management. Legacy platforms are notorious for being major inhibitors towards business growth, flexibility, and change. These platforms do not easily allow collaboration, which is critical in today's business environments.

Excipio and Casahl have interviewed numerous clients and compiled the most common business challenges faced by organizations with legacy platforms.

- The platform is perceived as too complex with too much potential exposure
- Lack of a legacy platform's ability to change with the business
- The organization's inability to get meaningful information the appropriate people in a timely manner
- Existing systems operate on costly, outdated, or unsupported platforms, thus the systems are unreliable
- "It's always worked this way, so why change?"
- Operating costs continue to rise, while the value of the legacy systems continue to decline
- The feeling that the vendor appears to "hold us hostage" versus more cost effective alternatives

The Solution

Excipio and Casahl have partnered to help organizations solve this business need. Our combined expertise will help any organization understand the current application environment, including the unknown number of Domino databases. We work with organizations to help them understand the costs associated with continuing to operate on the legacy platform, as well as the costs associated with migrating to a new platform.

Many firms have published this type of analysis, but with one fatal flaw; the information uses industry benchmarks or averages that simply are not relevant to your organization. Our methodology uses will use the

organization's exact costs, accounting practices, and tax rates in our analysis. In addition, the methodology will include risk adjusted financials to provide an expected, best, and worst case scenario.

Unlike firms that use industry averages and benchmarks, Excipio will provide documented assumptions for the organization to review and alter. This allows an organization to revisit the analysis at a later date without the risk of data lost in the transition. In addition, our analysis will provide a high-level project plan that includes cost and timeline estimates.



Top 3 Reasons Why Companies Still Run Notes/Domino

- > Inability to get budgeting approved for the migration
- > Lack of an accurate Domino database inventory to estimate the conversion effort
- > Technical bias by the IT staff

Top Reasons to Consider Moving to a Microsoft Platform

- > Lack of collaboration capabilities
- > Lack of control over the proliferation of Domino databases
- > User dissatisfaction
- > Tight integration with Microsoft Office, the dominant desktop productivity tool
- > Continued increase in market share
- > Reduced operating costs
- > Availability of Microsoft support resources

The Process

The methodology will use a combination of best in class resources to execute the assessment.

Data Collection

It is first critical to determine the size and the scope of the environment. As most organizations do not have an accurate inventory, Casahl's engineers will leverage their ecknowledge technology, which will collect information about all of the Domino applications in use. This work will be in collaboration with the organization's staff to ensure the most accurate results. Excipio's staff will be used to ensure the integrity of the information, as well as to understand any critical processes that might be impacted by any single application.

Analysis

The Casahl engineers will work with the collected information to determine the number of replica applications and databases, as well as those that can be discarded, use easily converted standard templates, or are part of the Notes email solution.

Domino Server	Total Inventory	Replicas	Actual for Analysis	Discard	Notes Specific	Mail	Final for Evaluation
Server 1	42	11	31	6	11	0	14
Server 2	358	19	339	46	7	0	286
Server 3	333	34	299	124	2	3	170
Server 4	169	17	142	26	7	1	108
Server 5	30	16	14	0	7	1	6
Server 6	156	10	146	29	18	25	74
Server 7	150	22	128	0	18	0	110
Server 8	164	19	145	0	9	0	136
Server 9	303	67	236	55	12	56	113
Server 10	245	88	167	33	38	36	50
Total	1940	303	1637	319	129	122	1067

Casahl's tools are able to automate much of the analysis. The tools used can eliminate duplicate copies, identify applications that have not been accessed for a specific period of time, and any remaining applications that have automated conversion paths to the comparable Microsoft toolset.

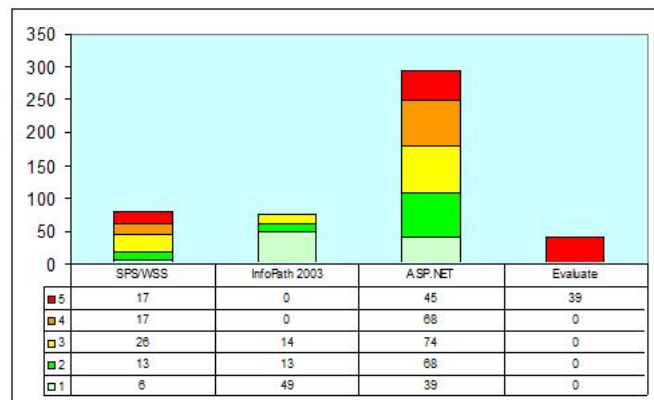
Casahl's engineers will also be able to identify applications and databases that make use of similar or

Category	Final Before Cons.	Cons Count	Cons Group	Final After Cons.
Complexity 1	117 (11%)	37	14	94 (16%)
Complexity 2	158 (15%)	89	25	94 (16%)
Complexity 3	214 (20%)	148	48	114 (19%)
Complexity 4	191 (18%)	157	51	85 (15%)
Complexity 5	219 (21%)	165	47	101 (17%)
Address Books	14 (1%)	0	0	14 (2%)
Discussion	95 (9%)	70	2	27 (5%)
Calendar	24 (2%)	0	0	24 (4%)
Doc. Library	35 (3%)	4	2	33 (6%)
Total	1067 (100%)	670	189	586 (100%)

identical templates, thus providing a realistic indication as to the number of databases that can be consolidated into a single application. In many cases, the actual number of applications that need to be studied are 20%-40% of the total applications identified in the initial inventory.

Design and Conversion

The next step will involve mapping applications to their target environment and determining the level of



complexity associated with each application. This process will typically be a collaborative effort between Casahl's engineers and development resources. In some cases, Casahl will leverage its relationship with Microsoft, especially when dealing with new technologies.

Once the various platform technologies have been mapped and the hours estimates completed, Excipio steps in with its expertise in producing the detailed business case and financial calculations. These

Application Type/Complexity Level	1	2	3	4	5	Totals
SPS/WSS Custom Apps	168	728	2,184	1,904	2,380	7,364
SPS/WSS: Discussion Team Room	144	288	432	-	-	864
SPS/WSS: Document Library	88	176	264	-	-	528
Office System 2003 – InfoPath	882	468	756	-	-	2,106
ASP.NET	1,716	5,984	9,768	11,968	9,900	39,336
Evaluate	-	-	-	-	8,580	8,580
Total Development Hours	2,999	7,646	13,407	13,876	20,865	58,778
Percent of Total Hours	5%	13%	23%	24%	35%	100%

hours, along with all of the organization's cost information that captured in the data collection process, are used to produce two distinct financial scenarios.

- The Current State scenario, in which the organization continues to operate on the existing platform with no upgrades.
- A Future State scenario in which the organization

upgrades the existing platform to the most recent version of the Notes/Domino suite.

- A third scenario in which the organization makes a transition off the Notes/Domino platform to an all Microsoft platform.

Client Validation

Once the initial draft of the report is created, Excipio will provide the draft version of the deliverable to the client in order to review for accuracy. The end goal is to ensure that all information was captured correctly and that all factual statements are accurate. Once all of the revisions are agreed upon, the final deliverable is produced.

The Results

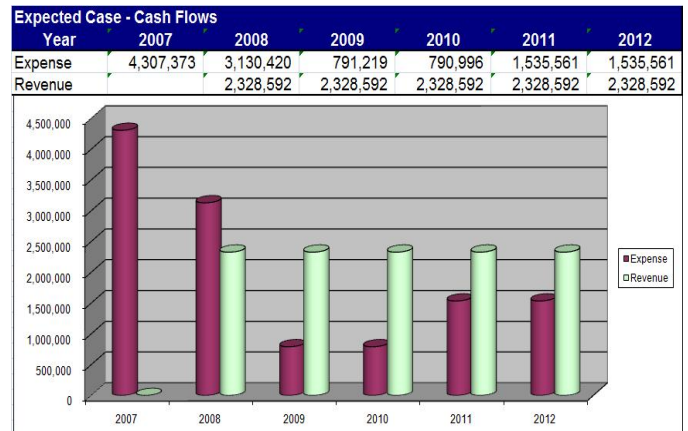
As all organizations will have different results due to their unique business requirements. In this real-life example, of a 30,000 seat client, the company would spend \$6.6M in upfront investments for software, developers to migrate applications, and incremental support staff during the migration. However, once the initial migration was complete, the Microsoft collaboration platform was \$1.5M - \$793K per year less expensive to operate.

Many organizations would look at the upfront investment costs as a one-time cost to clean up the existing environment. Once the upfront costs are eliminated, the ongoing operating cost savings are significant. When breaking this down into a manageable metric, the annual operating cost of the Notes/Domino platform was \$79 per user as compared to the \$38 per use cost of operating an Microsoft platform.

Although this section primarily addresses the financial opportunities, the organization had numerous other intangible reasons that supported a migration strategy.

Cost Component	Thousands	
	(\$K)	Percent
Software Licensing	\$ 1,323	20%
External Contractors - Email Only	\$ 460	7%
Application Conversion Costs - Yr1	\$ 1,474	22%
Application Conversion Costs - Yr2	\$ 2,339	35%
End User Training for Outlook	\$ 363	5%
Administrator Training	\$ 32	0%
Incremental Help Desk Support	\$ 114	2%
Lotus Notes Overlap Costs	\$ 541	8%
Total	\$ 6,646	100%

Metric	Lotus/Domino Platform	Microsoft Platform
Number of Mailboxes	30,000	30,000
Current Number of Server Campus Locations	15	5
Desktop Client	Lotus Notes	Outlook 2003
Fat Client in use	Y	Y
Web Client in use	Y	Y
Hardware Purchased or Leased	Leased	Leased
Upfront Conversion Costs	NA	\$5.87M
Total Five Year costs	\$11.82M	\$11.54M
Annual Operating Costs	\$2.36M	\$1.13M
Total Five Year Cost per User	\$394	\$385
Annual Operating Cost per User	\$79	\$38



Microsoft Platform ROI								Cash Basis
Components	Startup	2008	2009	2010	2011	2012	Totals	Annualized
Operating Expenses		(1,134,269)	(1,134,269)	(1,134,269)	(1,134,269)	(1,134,269)	(5,671,343)	(1,134,269)
Revenue / Benefits		2,328,592	2,328,592	2,328,592	2,328,592	2,328,592	11,642,958	2,328,592
Capital Expenditures	(4,307,373)	(2,339,200)					(6,646,573)	(1,329,315)
Pre-Tax Cash Flow	(4,307,373)	(1,144,877)	1,194,323	1,194,323	1,194,323	1,194,323	(674,958)	(134,992)
Tax Impact		343,049	343,049	343,273	(401,293)	(401,293)	226,786	45,357
Net Cash Flow	(4,307,373)	(801,828)	1,537,372	1,537,596	793,030	793,030	(448,172)	(89,634)



About Casahl Technology, Inc.

CASAHL Technology, Inc., is a leading independent provider of products for optimizing IBM/Lotus and Microsoft collaborative applications. CASAHL provides software and services to assist organizations in identifying and implementing optimization tasks — including consolidation, integration, extension, and migration of selected applications. CASAHL ecKnowledge®, the company's flagship product, helps companies to implement these optimization tasks quickly and cost-effectively.

Founded in 1993, CASAHL began by developing, then licensing, significant database technology (NotesSQL, an ODBC driver) to Lotus/IBM. In 1995, CASAHL introduced Replic-Action™, its popular Lotus Notes-based integration product, which quickly became the leading integration software for workgroup applications. With the release of ecKnowledge® in 1997, CASAHL has maintained its leadership position in the collaborative application integration and optimization

market by building on its successes and consistently expanding product functionality to meet customer needs.

Like all CASAHL products, CASAHL ecKnowledge is designed for easy application development and customization. It features an integrated graphical development environment; reusable component parts; robust, scalable server architecture; and built-in connectivity to most IBM/Lotus and Microsoft collaboration products and a wide variety of enterprise data sources. ecKnowledge is non-intrusive to the existing environment and requires no changes to a company's existing applications or security infrastructure.

CASAHL has alliances with industry leaders such as IBM, Microsoft, SAP, and Oracle and maintains in-depth knowledge of and expertise in both Microsoft and IBM/Lotus technologies. Media and industry analysts have recognized CASAHL with annual awards and honors for superior technology and professional services. CASAHL is the developer of

the Microsoft Application Analyzer 2003 for Lotus Notes. In 2002, ecKnowledge was named Microsoft's "preferred solution for connecting Lotus Notes and Domino applications and migrating application data."

CASAHL Technology is a privately held corporation located in San Ramon, California (San Francisco Bay Area). The company has attracted the best and the brightest employees from around the world to form its current world-class software development, professional services, and technical support staff. CASAHL has over 1,000 enterprise customers and a network of consulting partners around the world. In addition to its award-winning products, CASAHL also offers training and consulting services for analysis, integration, co-existence and migration projects.

About Excipio Consulting, LLC



Excipio was formed in the late 1990's to help senior management understand the value of technology investment decisions. We created a proven analysis methodology and toolset to accurately capture and communicate the costs, benefits, and risks. As most of Excipio's consultants are former senior executives we are able to bridge the gap between Information Technology, Business, and Finance to drive profitable business decisions.

We help our clients succeed in framing up projects, identifying risks, and quantifying why the technology is a good fit for their business. Excipio applies our years of individual experience in business and technology to a wide variety of industries.

Excipio Consulting is a true independent third party. Excipio does not resell any hardware, software, or service for any vendor. Our fees are paid by the clients, whom we help make financially sound business deci-

sions based on the client's actual data, not industry standard metrics or averages. This allows us to be truly objective and work in our clients' best interests.

For more, find us on the web at www.excipio.net.