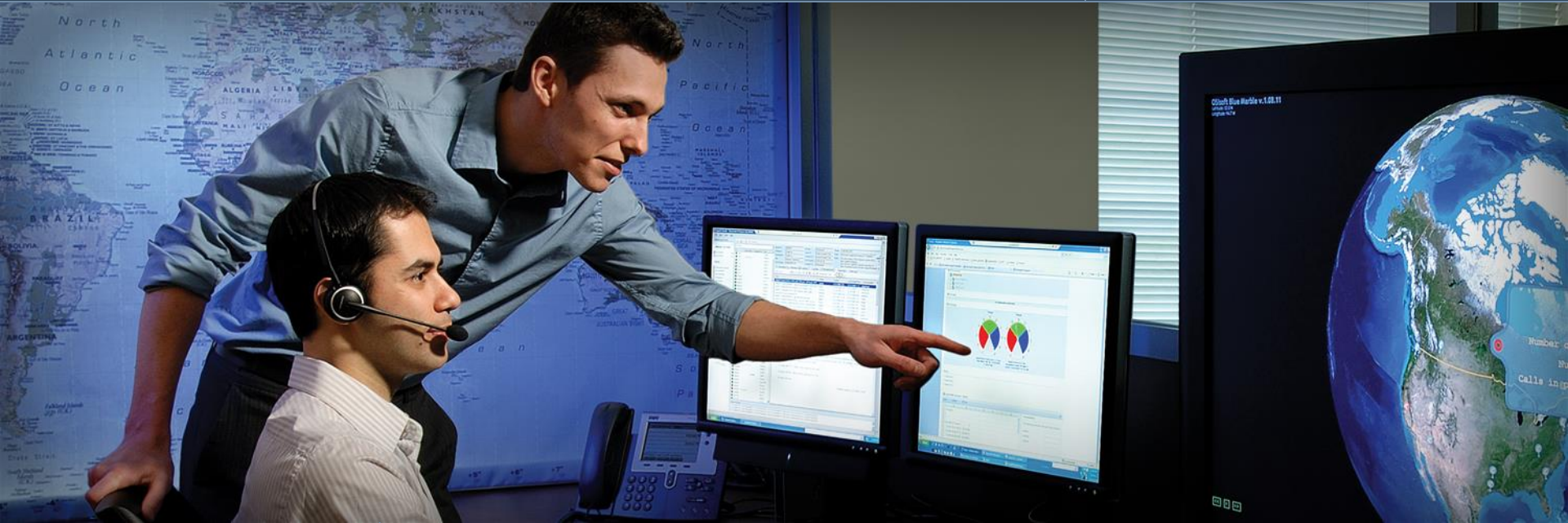# Regional Seminar Series

Enterprise Agreement

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OSIsoft Europe Gmbh.

1st October 2009

Agenda

- Today's Trends & Challenges

- Enterprise Agreement Basics

  - Definition & Key Elements

  - Methodology

  - Benefits

- Reasons for Enterprise Agreement with OSIsoft

- Summary

- Q&A

Empowering Business in Real Time.

Today's Trends & Challenges

- Industry Trends & Challenges

- IT Megatrends

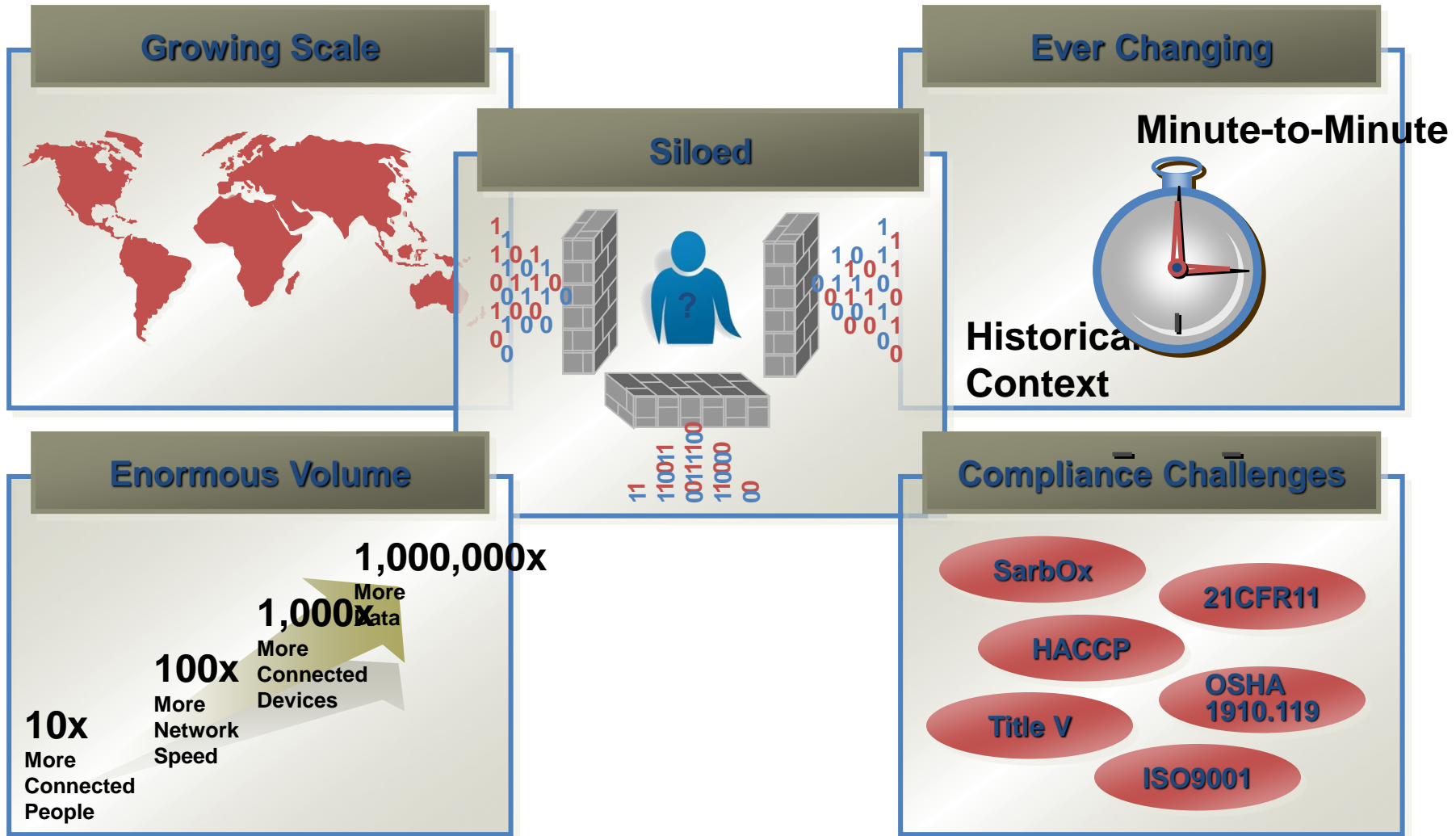- Requirements for a World Class Enterprise

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Industry is Challenged

- Produce MORE with LESS !

- Industry consolidation & new "competition"

- Rising *regulatory pressures* and compliance mandates

- Require greater *visibility* and *portability* of information

- *Integration* of customer demand & customer facing information

- *Improvement* in operational and equipment efficiency

- Increasing capital burden(s)

- Retention of key technical personnel

- An *openness to new ideas* – both business and technical

- Use of IT as a competitive strategy !!

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MORE

GLASBERGEN

"That's our new mission statement."

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Complex Enterprise Environment
Operational Information is Everywhere

Growing Scale

Siloed

Ever Changing

Minute-to-Minute

Historical Context

Enormous Volume

1,000,000x
More Data

1,000x
More Connected Devices

100x
More Network Speed

10x
More Connected People

Compliance Challenges

SarbOx

21CFR11

HACCP

OSHA 1910.119

Title V

ISO9001

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- Your environment is in constant transition

  - Acquisitions

  - Mergers

  - Infrastructure changes

  - Cross-site variability

  - Outsourcing (multiple?)

  - Joint Ventures

- A wise company starts with standards

- … But even in the best case, you end up with a heterogeneous mix of systems

HELP WANTED

Joint Ventures & Vendors

Market Factors

Raw Materials

Delivery

Regulatory Compliance

Security Factors

Customer Feedback

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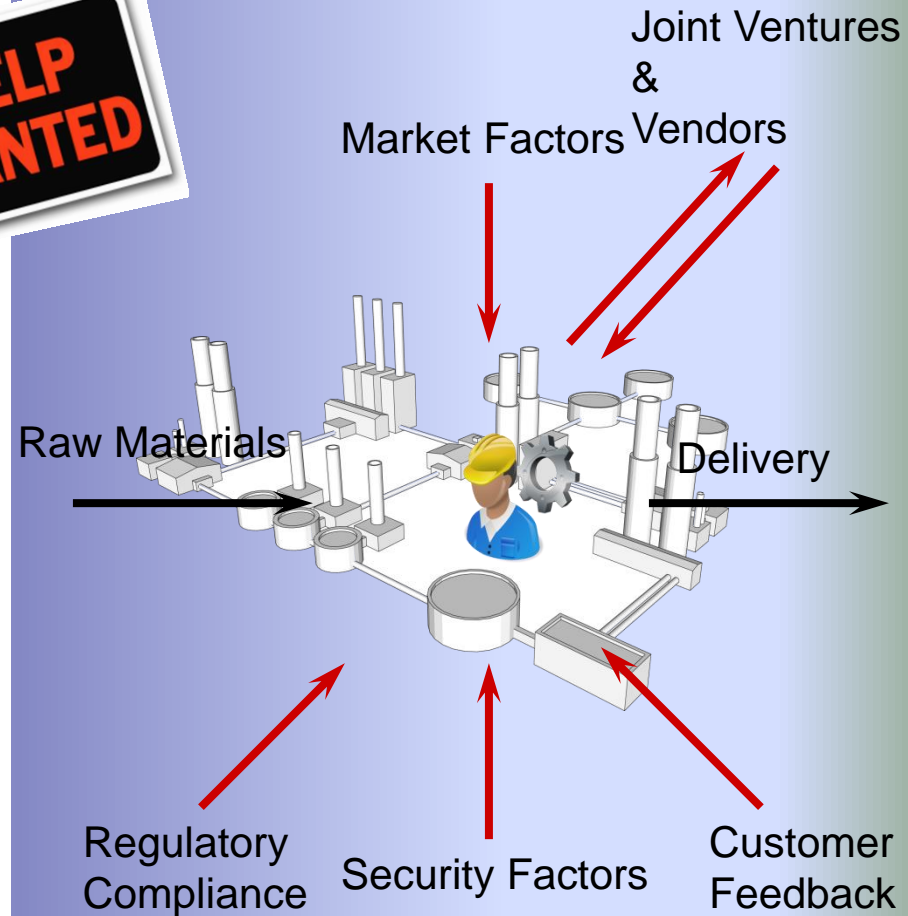
The Requirements of a World Class Enterprise Wide Infrastructure

OSIsoft

- Evolve towards enterprise standardization
  - replace vendor/app specific infrastructure in time; leverage RtPM

- Reduce the duplication of infrastructure elements
  - in each Plant, Region, Sub, and/or Vertical Application

- Leverage core competency of Vendors
  - DCS Vendors - Application vendors (SAP) - Infrastructure vendors (Microsoft, OSIsoft, etc)

- Limit Total Cost of ownership (TCO)
  - Training, Support, Maintenance – actual uptime of critical infrastructure

- Support the "Extended" Enterprise
  - Joint Ventures; Acquisitions; Other Partners or Vendors

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Enterprise Agreement Basics

- Paradigm Shift in Realationship

- Definiton & Key Elements

- Methodology

- Benefits

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Changing Relationship

Transactional

Relationship Based

Alliance type

Seller

Trusted Advisor

Organization

Buyer

Organization

End-user

End-user

End-user

Management

Enterprise Agreement

Corporate Purchasing Agreement

Traditional

VALUE

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Enterprise Agreement Defined
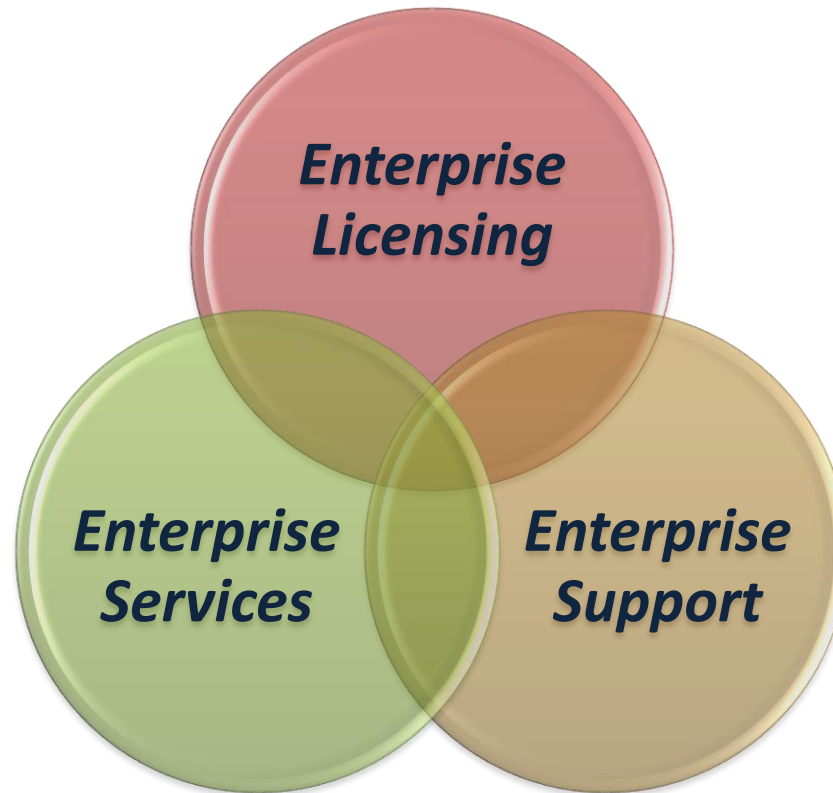
- ## What type of customers benefit from EA?

  - Want to focus on use in <u>their</u> business!....having OSIsoft provide software installation & ensure availability

  - Have a "fleet" mentality to standardize & reduce TCO

  - Multiple assets & management/technical locations

  - Require global support 24 x7

  - See or have seen the value of PI – in their benefits

  - Want to accelerate deployment (and payback)

    - Additional OSIsoft products to existing sites

    - OSIsoft to new sites (existing, jv, acquisition)

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Enterprise Agreement Defined

- ## What an EA is <u>NOT</u>?

  - Not <u>just</u> a maintenance agreement

  - Not <u>just</u> value based on discounted component costs

- ## A fundamentally new EA way to …

  - Deploy PI more cost-effectively to reduce TCO

  - Deploy PI more quickly to maximize payback

  - Deploy the "right" configuration based on your needs

  - Have OSIsoft help assure that business critical data is readily and reliably available

  - Focus shift from OSIsoft product to Customer profits !

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- **Three Key Elements of the EA Program**

Enterprise
Licensing

Enterprise
Services

Enterprise
Support

Features of the EA Program

- **Enterprise Licensing**

  - Allows deployment in an unlimited manner

    - for any/all defined assets and enterprise sites

    - Provides for corporate, special projects, testing

    - without counting desktops, servers, tags, etc

    - Standardized architecture – including EA

  - Unlimited exchange of Interfaces

  - Reduced administrative burden,

Enterprise Licensing

Enterprise Services

Enterprise Support
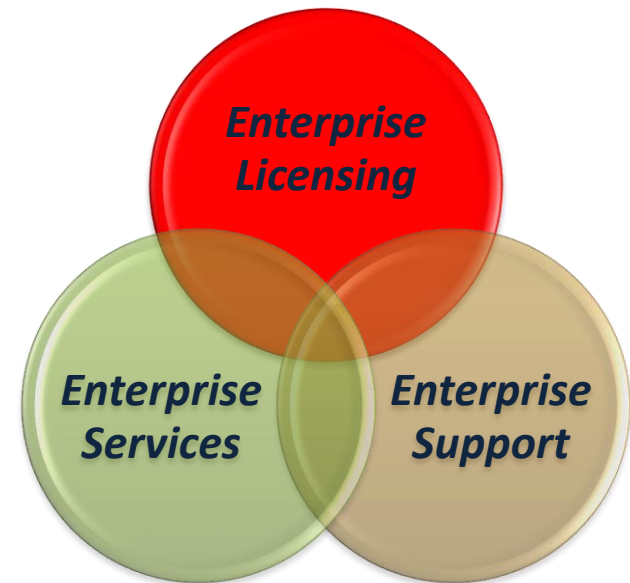
Flexibility & Extensibility !

Features of the EA Program

- **Enterprise Services**

  - A dedicated OSIsoft Project Manager assigned

  - A detailed rollout plan

    - Initial Consulting
    - Architecture Assistance
    - Enterprise PI Deployment Manual
    - Team Rollout (or perhaps re-rollout of existing servers)

  - Remote Installation of PI Servers

  - Formal quarterly progress/status reviews

  - COE (Centers of Excellence) as trusted advisor

  - Enhanced onsite assistance

  - Migration of 3rd party historical data

  - Vouchers for training, User Conference & SIG

Enterprise Licensing

Enterprise Services

Enterprise Support

Reliability & Expertise!

Features of the EA Program

- ## Enterprise Support

  ..... <u>Base SRP</u> and Global Technical Support, <u>plus</u>

  - OSIsoft proactively monitors ALL servers remotely through a 24x7 NOC or works with customer/3rd Party

  - OSIsoft assists in upgrades & data source connectivity

  - Extends to other identified IT vendors

  - Formal system performance reviews

  - Provide preemptive support for critical data

  - Access OSIsoft's roadmap for pre-release versions

  - Focus your services on <u>YOUR customers</u>

Enterprise Licensing

Enterprise Services

Enterprise Support

Availability & Focus !

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EA Development Process – The *How* of an EA

	1	**2**	**3**	**4**
Step	Enterprise Asset Definition	License Baseline Definition	Business Strategy Workshop (s)	EA Pricing Term Sheet
Objectives	Define: Enterprise - Division - JVs - Corporate/R&D Assets - Location - Description - "capacity" - EA inclusion Y/N	Define: Past 5 years product license payments (net) - EA Server SW - EA Client SW By Enterprise Asset	Define: Business Drivers Architecture Roll-out Phases Scope of Work Value Drivers Value Examples	Define: EA Pricing proposition and term sheet elements Commercial elements
Deliverables	Enterprise Asset Definition listing by Enterprise Division Overall and individual asset capacity to qualify and to be used for management of the enterprise agreement over the contract term	Product License credit back amount by enterprise division/asset/etc	BSW Reports - Business Drivers - Architecture - Roll out plan - SOW - Options - Value Drivers - Recommendations	Term Sheet for EA CPA for non-EA products EA license price less license credit ESRP for 5 years based on EA license costs @ 20%/yr

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Key highlights

- *Unlimited use of PI* for all assets - plus Corporate, Planning & "Others"

- *Upgrades* existing sites to full enterprise licenses

- New sites added at *predefined cost*

- OSIsoft to provide *architecting services*

- OSIsoft to provide Enterprise *Program Manager*

- OSIsoft to provide *installation services*

- Support & remote monitoring by OSIsoft (if authorized/approved)

- No Charge for Training Programs and Users Conferences

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Benefits of the EA Program

- Allow you to focus on your business & generate more value

- Assure the highest availability for critical PI systems

- Easily grow with the enterprise – predefined

- Reduced procurement costs

  - All-Inclusive Price Eliminates Technical & Commercial Uncertainty to Enterprise Standard Deployment

- Leverage OSIsoft competencies and shift focus from PI .... to the business benefits to be achieved with PI !
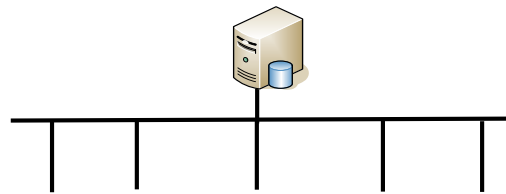
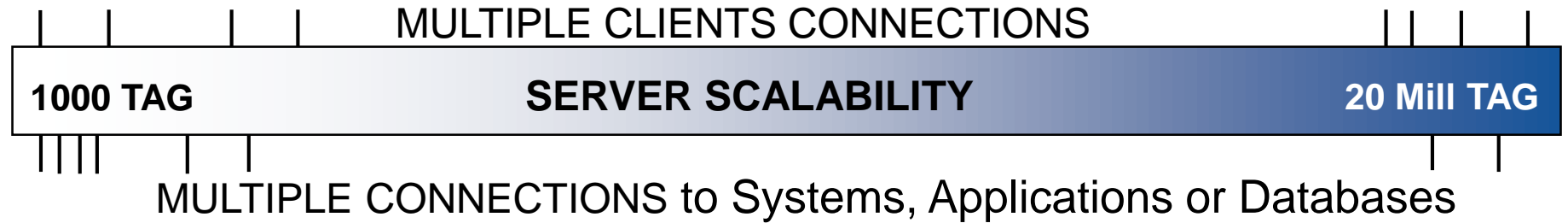- Mitigate Risks & Faster ramp-up to full benefits
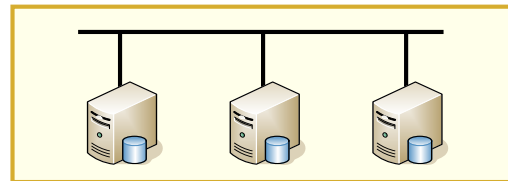
Reasons for Enterprise Agreement

- PI Capabilities

- Global Presence

- Knowledge & Reputation

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MULTIPLE CLIENTS CONNECTIONS

1000 TAG **SERVER SCALABILITY** **20 Mill TAG**

MULTIPLE CONNECTIONS to Systems, Applications or Databases

Centralized

Collective

Central PI-Server

Hierarchical

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Global Presence

Calgary, Alberta

Issaquah, WA

San Leandro, CA

Phoenix, AZ

Houston and Longview, TX

Mexico

Montréal, Québec

Philadelphia, PA

Mayfield Heights, OH

Johnson City, TN

Savannah, GA

São Paulo, Brazil

Moscow, Russia

Altenstadt, Germany
OSIsoft Europe GmbH

Beijing, China

Seoul, Korea (AID)

Shanghai China

Tokyo, Japan (OSIsoft)

Tokyo, Japan (Yokogawa)

Manama, Bahrain (MECA / EMI)

Singapore

Durban South Africa

Perth, Australia

OSIsoft Offices

Tech Support Centers

OSIsoft Offices - Planned

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Trusted by Prestigious Companies

OSIsoft

OIL AND GAS

CHEMICALS

PULP AND PAPER

PHARMACEUTICAL AND LIFESCIENCES

UTILITIES AND POWER

METALS, METALLURGY AND MATERIAL

Alabama River Pulp

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In Summary

- Industry is Challenged – MORE with LESS

- The Enterprise Agreement Program is designed for helping customers to achieve their Business Objectives on Enterprise scale

- The programs provide VALUE and BENEFITS in long-term

- OSIsoft is the right partner and it has its Technology, People & Organization to support Enterprise Value Creation to customers.

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Thank you