Always Thinking Ahead

Taking Control of TCO

COMPAQ
Better answers

Simplify. Simplify. Simplify.

→ Reduce system complexity Compaq products are engineered to ensure maximum reliability, remote manageability, and ease of support.

→ Reduce management complexity Standardizing on industry-standard Compaq client and server solutions across the enterprise saves management, help desk, and support costs.

→ Reduce solution complexity Compaq works with other industry leaders, such as Microsoft, Intel, Novell, Oracle, SAP, Baan, PeopleSoft, and Computer Associates, to deliver more integrated solutions that are easier to deploy, manage, and support.
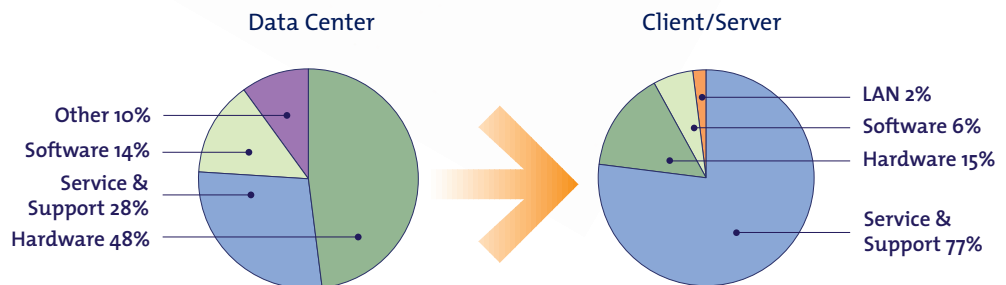
→ Reduce service complexity Compaq provides you with a single point of service for your multi-vendor hardware and software worldwide.

→ Reduce support complexity Compaq augments your resources with support on the technologies you depend on today – Windows NT, UNIX, and the Internet.

→ Reduce lifecycle complexity Compaq services help you identify and implement "best practices" to reduce TCO – from planning and design, through integration and implementation, to management and support.

Why TCO is Important.

The shift to client/server makes TCO more important than ever. Compaq helps cut TCO by reducing complexity in an internetworked environment.

Data Center

Other 10%
Software 14%
Service & Support 28%
Hardware 48%

Client/Server

LAN 2%
Software 6%
Hardware 15%
Service & Support 77%

A moving target.

It's no longer news that the lifecycle costs of using, maintaining, and managing information technology far exceed initial purchase price. In fact, it was back in 1987 when GartnerGroup first reported that the five-year cost of owning a PC was more than $40,000.

Yet despite heightened awareness and declining hardware and software prices, TCO (Total Cost of Ownership) figures continue to rise. New technology, changing business climates, and the demand for ever-greater access, availability, and performance have made TCO a moving target.

Still, companies gaining control over TCO report significant payback, including:

→ Bottom-line savings of as much as 30%
→ Improved end user and customer satisfaction
→ Better, faster decision-making
→ Reduced downtime and security risk
→ A new agility – responding more quickly and easily to change

The $410,000 advantage
Compaq management technologies, strategic partnerships, and lifecycle services save customers an average of $410,000 in lifecycle costs per 100 end user seats per year.

THE BUSINESS CASE FOR INVESTING IN MANAGEABLE SYSTEMS,
AN IDC WHITE PAPER

Where do I start?

In a world of conflicting demands and limited resources, it's tempting to put TCO on the back burner. But it's precisely because resources are limited that TCO deserves your immediate attention.

Because it's only by understanding what IT really costs your company – directly and indirectly, across organizational barriers, and over time – that you can make the best use of the resources you have. By understanding TCO, you can make more informed decisions about applying IT for strategic advantage. You can justify decisions in terms of real payback. And you can manage change in a way that's less disruptive, less costly, and just plain easier on everyone involved.

Understand your costs and how they compare with a free "TCO snapshot"

The sooner you begin to tackle TCO, the sooner the payback. So we make it easy to get started today with a free "TCO snapshot." In return for just an hour or so of your time you get a rough estimate of your total lifecycle costs – as well as how they compare to others in your industry and geography.

For more information, contact your Compaq representative. Or visit our Web site at:

http://www.compaq.com/TCO

Best Practices
From assessment, to implementation, to ongoing support

Want to compare apples to apples? Compaq uses the GartnerGroup TCO model to help you assess TCO and identify cost drivers in your organization. So you can perform "what-ifs" using industry-standard tools and compare the potential payback of various investments, without risking a dime.

We'll show you how "best practices" – better ways of implementing and managing information technology – can reduce your total cost-of-ownership. And we'll work with you to develop a TCO strategy that's realistic for your organization and its goals.

Then we'll roll up our sleeves and pitch in with solutions and support services that help you achieve your TCO objectives – from design, to deployment, to management, to support.

How can Compaq help?

TCO Challenge	Best Practices	Compaq helps with . . .
Reducing the cost of change	Scalable architecture	Industry-standard, enterprise solutions
	Component application software	Software integration, deployment, migration, management, and support services for software from SAP, Oracle, Baan, PeopleSoft, Microsoft, and others
	Capacity planning and load balancing	Capacity risk alerts; sizing and configuration tools; IT Management services
	Better planning of projects	Planning, program and project management services
	Change management and control	Operations management assessment and review services; on- and off-site IT management services; outsourcing; lifecycle "utility" solutions
Reducing the cost of management	Centralized network management and desktop	Distributed enterprise solutions; remote configuration and management capabilities; Web- and network-enabled management; IT Management services
	IS training and certification	Training and certification on Compaq products; knowledge-transfer; technical support services; certified engineering resources
	Policy-based management	Operations management consulting, assessment and review services
Reducing the cost of support	Centralized help desk, support knowledge and remote control	24x7, toll-free telephone support on 200 end user applications; customized help desk solutions; backup technical support
	Standardize desktops and network	Industry-leading, industry-standard solutions; end-to-end network design, implementation, management and support services
	Measured service levels	Enterprise-wide services management; multivendor support services; lifecycle services, global services, Compaq certified service partners
	End user training	Compaq training
Reducing the cost of downtime	Virus protection and elimination	Security consulting, assessment and review services; IT Management services
	Fault tolerant systems and network	Non-stop, fault-tolerant, and disaster-tolerant system design, implementation, and management; Business Critical services, including on-site support and 24x7 dedicated response team
	Backup data and plan for disasters	Business continuity consulting and disaster recovery services
Optimizing capital, assets, resources	Upfront investments in the right system	Industry-leading performance, reliability, scalability, manageability
	Centralized and streamlined purchasing procedures	Compaq Direct and online store; Compaq reseller network; acquisition management services; staging and rollout services
	Asset inventory	Built-in remote manageability, automated inventory tools; Asset Management Services
	Cycle technology to match the useful lifecycle	Flexible leasing and financing from Compaq Capital; Enterprise Consulting Services; recycling/disposal services; outsourcing and "technology refresh" lifecycle solutions
	TCO lifecycle management	TCO Assessment Services; IT Management Services
	Source: GartnerGroup	

For more information on how Compaq can help your organization reduce TCO, please visit our Web site at http://www.compaq.com/TCO

Quality and reliability.
Performance and scalability. Compatibility and manageability.

What should I look for in IT products?

With more than 75% of IT costs accruing after purchase, the smart money compares more than price and product features.

So, when is a bargain not a bargain?

When it costs you more for support and remedial service. When it adds to management complexity. Or causes you to lose management control.

When limited performance or capacity force you to upgrade or replace systems earlier than you planned. When valuable data or productivity is lost due to failure or downtime.

When you find yourself trying to manage more platforms from more vendors than you really need to.

Recent Compaq product awards . . .

"The Best of 1998 Corporate PCs"
 PC Magazine

"Best Buy – Top 20 Power Desktops"
"Top 20 Budget Desktops"
 PC World

"Enterprise PC Server of the Year"
 NetWork Magazine

"Best Buy – Best Network Server"
 Computer Shopper

"Five Star Winner"
"Large Workgroup Server, A-List Top Pick"
"MVP Award, Departmental Server"
 PC Computing

"The Best of the Best"
 Windows Magazine

"Product of the Year"
"Workgroup Server of the Year"
 NetWork Magazine

Best Practices
Make upfront investments in the right systems

Choose products with built-in quality and reliability.

Compaq pioneered advanced fault prediction and avoidance for clients and servers. And we were the first to put RAID, pro-active backup, and automatic recovery on industry standard systems. A Compaq ProLiant server, for example, has 1,100 more points of instrumentation than other manufacturer's, resulting in less downtime and more rapid diagnosis and problem resolution. The superior quality and reliability engineered into Compaq PCs results in a residual value that is 67% higher than most other brands.

Choose products with built-in performance and scalability.

Compaq client and server products deliver industry-leading performance, scale from notebook to enterprise cluster, and come with a wide range of expandability options. System configuration and sizing tools help make capacity planning – and even server consolidation – easy and accurate.

Choose products with built-in compatibility.

Compaq products are designed from the beginning to work in an internetworked world. Compaq Insight Manager XE, for example, is accessible via Web browsers and understands management information and alerts from non-Compaq hardware. It functions seamlessly from within enterprise management solutions such as Unicenter from Computer Associates, OpenView from Hewlett-Packard, and Tivoli from IBM. And it complies with Simple Network Management Protocol (SNMP) and the Desktop Management Interface (DMI) standards.

Compaq also works closely with industry leaders such as Microsoft, Intel, and Novell to ensure compatibility with their latest management solutions – Zero Administration for Windows (ZAW), LANDesk, and Zero Effort Networks (ZEN), respectively.

**Choose products with built-in manageability.**

Compaq builds "intelligent manageability" into its client and server products that enable centralized fault management, asset management, configuration management, and security management for data and hardware.

Standardize.

Compaq offers the industry's broadest and most complete line of client and server products – from handhelds to manageable notebooks and PCs, to Web servers, to enterprise servers, to clusters. With Compaq's competitive prices, build-to-order efficiency, and price/performance, there's a Compaq product to meet your every need.

Explore your leasing and management outsourcing options.

Sometimes the best purchase decision is not to purchase at all. In addition to financing programs that help you realize the benefits of moving to a standardized Compaq environment more quickly, Compaq Capital offers flexible leasing solutions that eliminate capital and obsolescence costs. Compaq Capital will customize its acquisition, delivery, tracking, and disposition of assets to interlink with your business systems and procedures. You can even access detailed, up-to-date information on each one of your leased assets via the Internet.
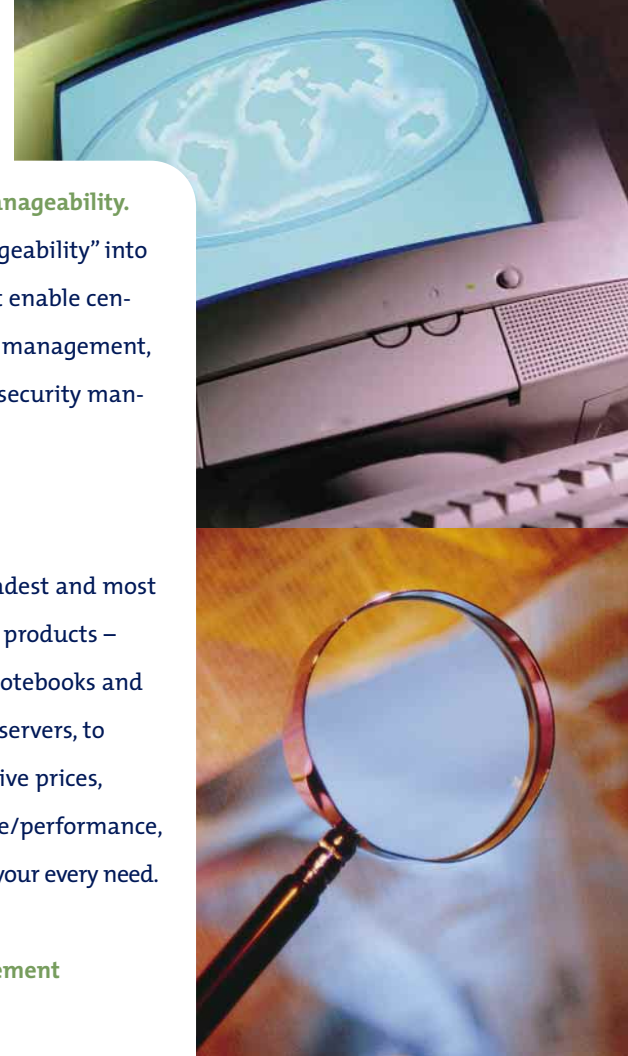
What practical help can you give me along the way?

Taking control of TCO is more than a one-time effort. You need practical help to implement best practices in a way that delivers optimal payback as quickly and effortlessly as possible throughout the lifecycle of TCO.

We can help with customizable services that span the entire IT lifecycle. Planning? Design? Implementation? Management? Outsourcing? Choose the level of service you need, where and when you need it.

Best Practices: TCO Lifecycle Management

Let Compaq help you put TCO theory into practice

Wherever you are in the lifecycle of your IT solution, Compaq can help. With 27,000 Compaq Service professionals in 114 countries – and the industry, application, and technical knowledge and capabilities of 30,000 Compaq-certified service providers – we have the expertise and resources in place to help you reduce TCO. Customizable services include:

Asset management

Compaq System Healthcheck services use automated, intelligent tools to find out what's on your network – and perform a quick and thorough assessment, based on more than 400 criteria.

Outsourcing solutions offload all or part of asset management, including: inventory, acquisition, asset database management, billing, update, integration with help desk, and more.

Compaq Capital also offers a wide range of leasing options.

Lifecycle "utility" solutions

For one fixed per seat, per year cost, Compaq takes full responsibility for achieving agreed-to technology and service levels. So you can take advantage of our experience and economies-of-scale to reduce costs – and know, upfront, exactly how much your "IT utility" will cost.

A PC utility or Microsoft Exchange utility, for example, might include: LAN design; product acquisition, integration, loading, testing, staging,

and rollout; operations support; maintenance; technical support and training; asset management; and migration to next-generation technology.

Global deployment

Compaq can handle every, or any, aspect of rolling out new technology worldwide. We'll load, test, deliver, and install new systems; remove and dispose of old systems; plug in networks; and ease the transition for end users and technical staff alike.

Mobile user support

Compaq provides telephone help desk support on more than 200 multivendor applications, utilities, and operating systems.

A prepaid Client Software Support Card makes it easy for mobile users anywhere in the world to get 24x365 support via a toll-free number.

Compaq also offers 4-hour response courier pick-up services for notebooks and laptops in many large cities worldwide.

Customized help desk

Make Compaq your help desk. We'll handle every aspect of supporting your end user, including support for in-house applications. In addition to improving satisfaction levels and reducing costs, you'll get in-depth information about who is using service, and for what.
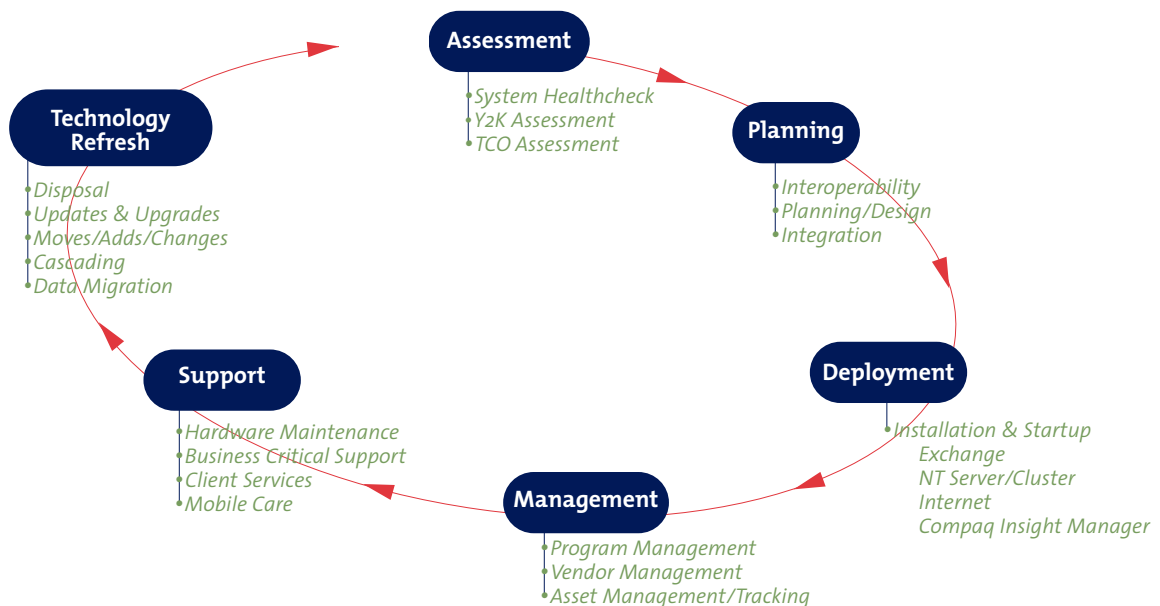
Or make us the help desk behind your help desk. From sophisticated call handling, to pop-up displays of user configurations, to remote diagnosis and service delivery, to expert technical backup, we'll back you up with state-of-the-art technology and expertise.

IT Management Services

"Fill the gap" with management experience, expertise, and resources that augment your own to help determine and implement the right TCO strategy for your organization.

TCO Lifecycle Management

Assessment
- System Healthcheck
- Y2K Assessment
- TCO Assessment

Planning
- Interoperability
- Planning/Design
- Integration

Technology Refresh
- Disposal
- Updates & Upgrades
- Moves/Adds/Changes
- Cascading
- Data Migration

Deployment
- Installation & Startup
- Exchange
- NT Server/Cluster
- Internet
- Compaq Insight Manager

Support
- Hardware Maintenance
- Business Critical Support
- Client Services
- Mobile Care

Management
- Program Management
- Vendor Management
- Asset Management/Tracking

Experience. Resources. A track record of success.

What should I look for in a TCO partner?

The scope and complexity of TCO can be daunting. It helps to have a partner with experience and resources you can trust.

Let us put our expertise, solutions, and global service organization to work for you. We'll work with you to understand exactly what you need, when, and where.

We'll show you, with specific proposals that clearly define deliverables, measurements, timeframes, and costs, how we can help you achieve your goals faster, more quickly, and more cost-effectively. And we'll even provide a single TCO Program Manager to oversee TCO solutions and services across your enterprise.

Learn more about how Compaq can help you take control of TCO.
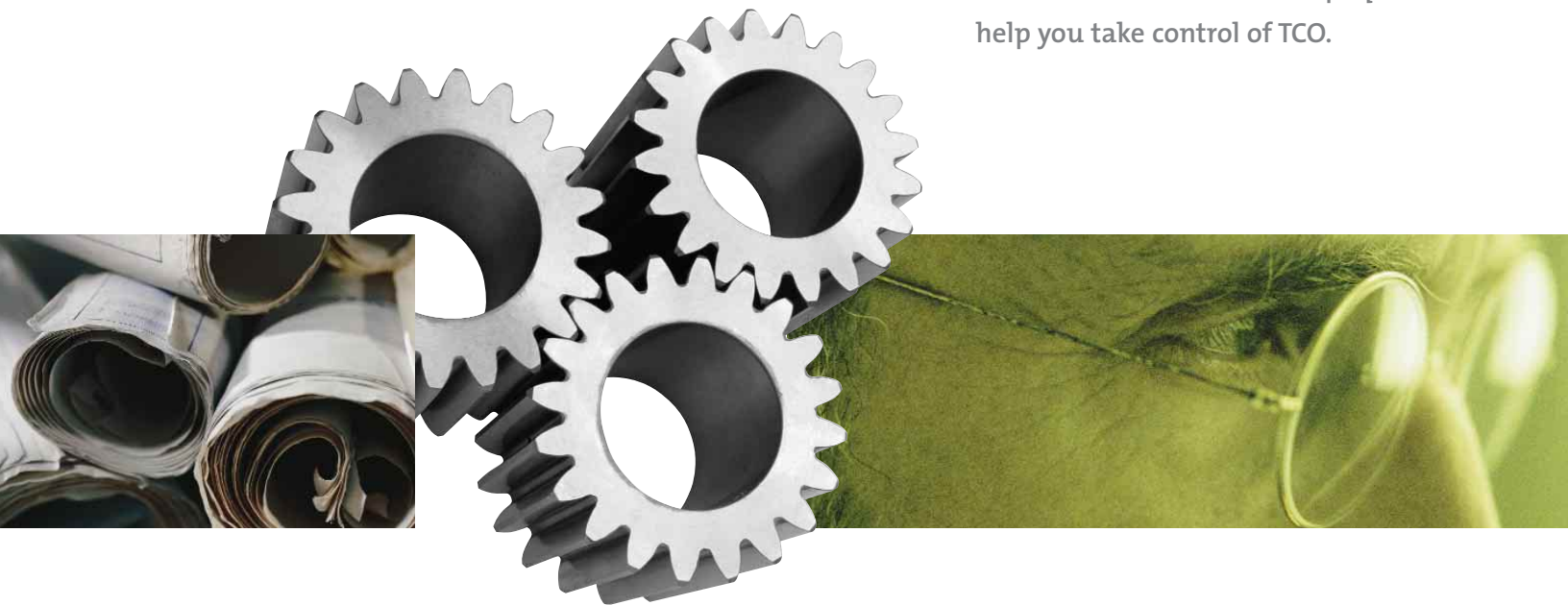
To find out what we've done for others and how Compaq can help you get the best return on your IT investment, please visit: http://www.compaq.com/TCO

Why Compaq?

Superior quality and engineering

The #1 computer manufacturer in the world, Compaq goes beyond price and performance leadership to build in advanced reliability, manageability, and serviceability features that dramatically reduce cost-of-ownership.

The industry's broadest range of industry-standard solutions

From palmtop to enterprise server, there's a Compaq product to meet every need.

Strategic partnerships

Compaq invests in business, technical, and support relationships to simplify the implementation, management, and support of IT. For example, we're the only company endorsed by Microsoft as Worldwide Prime Integrator for Windows NT, with more Microsoft trained and certified service professionals than any other service provider.

Multivendor service and support

Compaq services more than 14,000 products from 1,300 different hardware, software and network suppliers.

Global service

Compaq employs 27,000 service professionals in 550 locations in 114 countries. Together with our 30,000 Compaq Certified Solutions and Service Providers, we deliver world-class service, wherever you do business.

Lifecycle service

Compaq and its partners offer a full range of customizable services to reduce TCO throughout the entire IT lifecycle.

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