

HP and AMD bring down the cost of delivery for OpSource

OpSource



“To start with an environment that was literally non-existent and bring onboard 50 new customers and over 500 systems in a year while also building the management tools to maintain it may not seem like a big challenge from afar. But, if we had to build all those tools from scratch or bring in a variety of different vendors, I believe it would have been impossible. The HP BladeSystem allowed us to grow from 0 to 50 customers with install times as short as a couple of weeks instead of a couple of months.”

—CEO Treb Ryan, OpSource

Executive summary:

Over the last couple of years, the software industry has been undergoing a profound transformation. Increasingly, software companies are moving away from the traditional boxed solutions of the past and opting for the newer on-demand solutions—otherwise known as Software as a Service (SaaS). This new method for delivering and utilizing applications allows customers to access the specific software they need through the web on a “pay as you go” basis, thus providing them with an easier, faster, and more cost-effective way of consuming software. At the end of 2004, OpSource launched its Optimal On-Demandsm SaaS platform enabling software companies to deploy SaaS quickly, effortlessly, and without risk. By choosing OpSource as a SaaS partner, the software company is free from infrastructure management and can focus on improving its applications and finding new customers. Software companies at any stage in the application lifecycle, delivering any type of application, can benefit from OpSource's comprehensive services and expertise.

OpSource offers the most complete SaaS delivery and support solution in the market, and the company's skyrocketing sales figures have made it one of the fastest growing technology companies in the United States. Recognizing the demands already being placed on its large IT infrastructure, this forward-thinking young company decided it was time to consolidate and expand its IT environment in order take on new business ventures and maintain its aggressive rate of growth.

The challenge: unified for success

OpSource provides software companies with a platform to deliver their applications on-demand to their customer base without worrying about the infrastructure and services necessary to support these SaaS offerings. OpSource has set itself apart from conventional application management and hosting providers through key measures, such as a success-based pricing model, full-managed services, a 100% availability guarantee, and a Tier 1 infrastructure that effectively supports both small companies and large complex environments. OpSource CEO Treb Ryan realized that the company needed a world-class SaaS infrastructure in order to be successful, and just three years after its founding, the company began to consolidate its mixed IT environment on to the HP BladeSystem.

- **“Previously, every solution was custom-crafted for every application that we used. Now, we have one massive environment that's shared by all 50 different applications. HP was the right solution for this because the server blades are much easier to manage in this type of environment.”**

Considering the rate at which new customers were being brought onboard, OpSource's large and mixed IT environment was becoming unwieldy and expensive. The company needed a uniform IT solution that would operate at a higher density and could scale up easily without adding a significant burden to their power infrastructure, and the HP BladeSystem proved to be a perfect match for the company's demanding IT requirements.

“Basically, going with the HP BladeSystem improves our gross margins because the time to install a new customer goes down significantly. A big portion of our cost is associated with the time it takes to onboard a new customer. Being able to do automated deployment really shortens the time needed which means we don’t spend as much money and can be far more effective, get better gross margins, and be more competitive in our pricing.”

– CEO Treb Ryan, OpSource

- **“Availability was also a key component, because if the system isn’t running, we’re not getting paid. In fact, we have an SLA that says this application has to run for a certain percentage of time over a set period of time. And because we knew that a lot of our customers were going to be delivering business applications, we needed a lot of flexibility in how we were operating. HP has, in our minds, the best management tools built into their servers. HP Systems Insight Manager (SIM) is one of our favorites for managing large IT environments.”**

Not only did the HP BladeSystem allow OpSource to run a large variety of software applications on a consistent and reliable support platform, they also provided the company’s IT team with the added benefit of increased flexibility and better manageability. As Ryan goes on to explain, “We have the ability to take a look at where things sit in the server blade architecture and infrastructure now. There’s no inherent way of doing that in a non-blade architecture because there’s no location specificity.” Now having experienced the HP BladeSystem directly, OpSource is currently committed to running exclusively on HP technology.

The solution and success: HP technology opens new markets

Since implementing the HP BladeSystem, OpSource has benefited from an array of cost-savings and performance enhancements. The company recognizes the ability of the HP BladeSystem to consume less power and run at cooler temperatures, the smaller footprint the new servers have left on the data center, as well as the decrease in time the servers have given the company when installing new customers or identifying and resolving problems. In addition, the versatility of the HP BladeSystem has allowed the company’s IT team to adapt quickly as OpSource continues to grow and evolve.

- **“The flexibility of the HP BladeSystem helps to minimize the risk to our business. Doing a traditional build, where you have a different set of systems for different customers coming in, means that if a customer’s application is in trouble, or if they’re having trouble with their business or if they’re not successful, you are held responsible for their systems that you have put in place. With the HP BladeSystem, if you have a customer whose business isn’t doing well, you can immediately repurpose those systems to meet another customer’s needs. It’s very simple. And because everything is interchangeable like that, I have far more flexibility in how I go out and sell to my customer base.”** Just last year, OpSource implemented over 500 HP ProLiant BL25p, BL35p, and BL45p series server blades running on Red



Hat Enterprise Linux Server and Microsoft Windows Server 2003 operating systems. In particular, the HP ProLiant BL25p G2 servers and the HP ProLiant BL35p G3 servers—both utilizing the AMD Opteron™ 200 series processors—coupled with HP Systems Insight Manager and the VMware Virtualization software for HP ProLiant servers anchored the company’s new, incredibly flexible and redundant IT environment.

- **“So many times when a system is having a problem, you can’t get into that system from the front end. Let’s say we’re talking about our data center in Virginia—we may have people who are managing that server from northern California or India. If the system itself is untouchable, you can always access it from the HP Systems Insight Manager, and that is a HUGE plus for troubleshooting.”** The HP BladeSystem is not only easy to manage; it’s easy to manage from just about anywhere. With a corporate office in Santa Clara, California, four domestic regional offices spread throughout the U.S., and international offices in the U.K. and India, the remote capabilities with HP Systems Insight Manager and the HP BladeSystem allow OpSource to manage and monitor their entire IT holdings as one unified system thus decreasing mean-to-repair time and improving resource allocation speed.
- **“Once the HP BladeSystem was in place and running, we realized we could go after the incubator market. If we were still going out and having to configure individual servers and put together an environment for every single person**

involved, we would not be able to do this program—the management costs would have been prohibitive. But as it stands now, we have a number of HP ProLiant server blades and since the configuration and the management of the HP BladeSystem is so easy, our management costs are low enough for us to be able to offer the SaaS Incubator program.” The efficiency and versatility of the HP BladeSystem has allowed OpSource to spearhead new business initiatives like the SaaS Incubator program. This program enables fledgling independent software vendors to expose their new SaaS offerings on a special OpSource platform while they are still in their early beta and development stages. With their beta applications in the OpSource incubator, these small vendors can gain exposure and build a solid customer base in preparation for the launch of production-ready software. The easy management of the HP BladeSystem allows for a quick and inexpensive transition of the applications from the incubator to the company’s core IT infrastructure once the software is ready. Although OpSource only released its SaaS Incubator program a few months ago, 15 new clients have adopted the program, and the company plans to push this innovative program to wider audiences this year.

The sky is the limit for this dynamic young company, and HP has played a big role in its phenomenal growth. OpSource CEO Treb Ryan notes, “We will continue to leverage HP technology to bring the cost of delivery down and to make sure that we’re hitting our performance metrics—it’s really necessary for this business.” OpSource plans to purchase 2,000 additional HP ProLiant server blades this year alone in order to meet expected future demands.

About OpSource

OpSource (<http://www.opsources.net>) is an industry-leading provider of Software as a Service (SaaS) enablement and delivery services for software companies of all sizes looking to develop their applications on demand. OpSource has made a name for itself as the only SaaS enabler with a complete service delivery solution, priced on-demand, which includes full-managed services, 24x7x365 call-center support provided under the software company’s brand, application management, and more. Working with hundreds of organizations, ranging from small start-ups to large Fortune 500 companies, OpSource is one of the fastest growing companies in North America and was recently named to Deloitte’s Fast 50.

At a Glance

- Hardware:
 - 5 HP ProLiant BL45p server blades with AMD Opteron™ 800 Series processors
 - 270 HP ProLiant BL35p server blades with AMD Opteron™ 200 Series processors
 - 155 HP ProLiant BL25p server blades with AMD Opteron™ 200 Series processors
- Software:
 - HP Systems Insight Manager (SIM) for server management
 - ProLiant Essentials Virtualization Management Software
 - HP Integrated Lights-Out (iLO) technology Basic edition
- HP services:
 - Solution design
 - Implementation and training
 - Ongoing service and support

Challenges

- Consolidate, streamline and standardize IT assets with each new acquisition
- Decrease IT costs
- Reduce demands for data center space
- Sustain/increase server performance and utilization
- Improve application performance
- Simplify server configuration
- Increase IT responsiveness and improve management

Solution

- Hardware:
 - 5 HP ProLiant BL45p server blades with AMD Opteron™ 800 Series processors
 - 270 HP ProLiant BL35p server blades with AMD Opteron™ 200 Series processors
 - 155 HP ProLiant BL25p server blades with AMD Opteron™ 200 Series processors
- Software:
 - HP Systems Insight Manager (SIM) for server management
 - VMware Virtualization Software for HP ProLiant servers
 - HP Integrated Lights-Out (iLO) technology Basic edition
- Services:
 - Solution design
 - Implementation and training
 - Ongoing service and support

Results

- Simplicity
 - Consolidated and easy to manage IT platform
- Agility
 - Respond to new business opportunities
 - New infrastructure supports rapid expansion of services and clients
- Value
 - Reduced demands for more data center space
 - Greatly reduced power consumption
 - Increased system availability and redundancy

** This customer's results depended upon its unique business and IT environment, the way it used HP products and services and other factors. These results may not be typical; your results may vary.*

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