SUSE® Programs for Hosters and Cloud Service Providers

March 2017
Hosting and Cloud Service Provider Programs Objectives

- Allow cloud service providers, managed hosters, integrators and resellers to host SUSE products on behalf of their customers
- Provide the authorization, resources and support required
- Provide opportunities for joint technical, sales and market collaboration
SUSE Cloud and Hosting Programs

SUSE Reseller Hosting

For **Resellers** who want to host SUSE in a managed hosting environment

- Use the VLA price list to host annual subscriptions for end users
- For single-tenant managed hosting
- Purchase through distribution
- No annual commitment
- Easy to sign up – one page addendum

SUSE Cloud Service Provider Program

For **Cloud Providers** who want to offer SUSE virtual images in an on-demand environment

- Use the Cloud Services price list to provide hourly and monthly hosting options
- Single- and multi-tenant on-demand hosting
- Quarterly royalty reports direct to SUSE
- Minimum annual commitment required
- Cloud Services Provider Agreement
SUSE Reseller Hosting
SUSE Reseller Hosting Program

Provides authorization
- to offer SUSE products in a managed hosting environment

Increases flexibility
- to realize new service revenue streams with SUSE products

Eases implementation
- by leveraging existing VLA program
SUSE Reseller Hosting Program Benefits

• **Flexibility to sell and/or host**
  – Sell SUSE subscriptions in the traditional model, or host SUSE products on behalf of your customers.

• **Maintain existing customers as they move to the cloud**
  – Provide a local alternative and capture the subscription and support revenue for customers that are moving to the cloud.

• **Access to all SUSE products**
  – All SUSE products on VLA price list available to be offered in a hosting model

• **Easy to sign up**
  – Agree to online addendum, use the same pricing structure and discount that you are familiar with
SUSE Reseller Hosting

- For single-tenant managed hosting, one customer per subscription
- Uses the same Volume Licensing Agreement (VLA) that governs the existing SUSE Reseller Program

<table>
<thead>
<tr>
<th>Roles</th>
<th>Reseller</th>
<th>Distributor</th>
<th>SUSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agreement</td>
<td>Agrees to 1) Standard VLA terms, and 2) online SUSE Reseller Hosting Appendix</td>
<td>No new agreement required</td>
<td></td>
</tr>
<tr>
<td>Purchasing</td>
<td>Purchases subscriptions from VLA pricelist via authorized SUSE distributor using new hosting ID</td>
<td>Purchases subscriptions from SUSE using standard VLA price list and discount</td>
<td></td>
</tr>
<tr>
<td>Customer Information</td>
<td>Provides end customer information to distributor</td>
<td>Enters customer information in the “Ship to address” field</td>
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<tr>
<td>Support</td>
<td>Provides L1/L2 support to end customer</td>
<td>Provides L3 support to Reseller per the type of subscription</td>
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</tbody>
</table>
SUSE Reseller Hosting Sign Up

1. Go to www.suse.com/promo/cloud/suse-reseller-hosting
2. Click on “Sign Up”
3. Agree to hosting terms
4. Receive email with new hosting ID
5. Order from your SUSE channel partner using your new hosting ID
SUSE CSP Program
SUSE CSP Program Benefits

• **Offer per hour or per month pricing**
  – Give your customer on-demand, pay-as-you-go flexibility

• **Multi-tenant**
  – Allows multiple customers to share physical infrastructure with virtual images

• **Backed by SUSE L3**
  – All products come with SUSE L3 support to the CSP

• **Broad range of products**
  – SUSE Linux Enterprise Server, SLES for SAP and more

• **Royalty-based reporting**
  – Report to SUSE each quarter and we will invoice you
Why SUSE in the Public Cloud?

- 11,000 certified applications
- Portability between data center and multiple clouds
- Multiple products and image types
- Enterprise supported
- Cloud-specific features
SUSE CSP Types

**Infrastructure as a Service Providers**
- Resell SUSE Linux products as virtual images on-demand in multi-tenant environment

**Managed Service Provider**
- Manages the physical infrastructure on customer's behalf and resells SUSE Linux products for the physical and virtual infrastructure in single-tenant environment

**Fulfillment Agent**
- Acts as reseller/aggregator to multiple CSPs in the SUSE Public Cloud program.
CSP Program
Products, Pricing, Support
SUSE products available to CSPs

• **Cloud images for your customer**
  • SUSE Linux Enterprise Server x86/x86-64
  • SUSE Linux Enterprise Server for Power
  • SUSE Linux Enterprise Server for SAP Applications
  • SUSE Linux Enterprise High Availability Extension

• **Bring Your Own Subscription**
  • Customer subscription portability for SLES, SLES for SAP and SLE HA

• **SUSE products for building and managing your cloud infrastructure**
  • SUSE Linux Enterprise Server
  • SUSE Manager
  • SUSE OpenStack Cloud
  • SUSE Studio
SUSE Public Cloud Pricing

• Based on SUSE Cloud Services Price List

• Pricing for Virtual Instances for IaaS providers (multi-tenant) based on:
  • Number of virtual cores and level of support provided for the SUSE instance (L3-Standard or L3-Priority)
  • Pricing available for hourly or monthly usage

• Pricing for Physical Servers for Managed Hosters (single-tenant) based on:
  • Number of CPU socket pairs and level of support of the SUSE product
  • Pricing available for monthly usage
The current CSP agreement works for both IaaS and managed hosting programs and the SUSE Cloud Price List has pricing for Cloud (multi-tenant) and Hosting (single-tenant).

### SUSE Pricing Scenarios

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Description</th>
<th>Pricing to Use</th>
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<tbody>
<tr>
<td><strong>1</strong> Virtual instances from Multiple customers on SLES infrastructure</td>
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<td></td>
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<tr>
<td>Virtual - SLES</td>
<td></td>
<td>Virtual, per hosted instance, per virtual core (Cloud)</td>
</tr>
<tr>
<td>Physical - SLES</td>
<td></td>
<td>Physical, per CPU socket pair (Hosting)</td>
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<tr>
<td><strong>2</strong> Virtual instances from a Single customer on SLES or Other infrastructure</td>
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<td></td>
</tr>
<tr>
<td>Virtual - SLES</td>
<td></td>
<td>Unlimited virtual instances, per CPU socket pair (Hosting)</td>
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<tr>
<td>Physical – SLES/Other</td>
<td></td>
<td></td>
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<tr>
<td><strong>3</strong> Virtual instances from Multiple customers on Other infrastructure</td>
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<td></td>
</tr>
<tr>
<td>Virtual - SLES</td>
<td></td>
<td>Virtual, per hosted instance, per virtual core (Cloud)</td>
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<td>Physical - Other</td>
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How it Works

• CSP tracks usage of SUSE instances in their infrastructure by hour or by month
• CSP sends monthly usage reports to SUSE for tracking and quarterly summary report for invoicing
• SUSE invoices CSP once per quarter based on the previous quarter’s usage
SUSE Public Cloud Support

- CSP is responsible for providing Level 1 & 2 support to the end customer.
- SUSE provides Level 3 support to the CSP
Steps to Becoming a SUSE CSP

1. Join SUSE Partner Program
   - https://partner.suse.com/?eid=register_SUSE

2. Review SUSE CSP Program Guide

3. Sign CSP Agreement
   - Standard contract regulating all legal aspects of the partnership including licensing, marketing, maintenance, support, pricing, reporting and delivery.

4. Request initial registration keys
   - SUSE provides registrations key for SUSE product to be offered to customers

5. Provision update channel
   - Patch and update channel mirror on the CSP’s premises using the guide at https://intra.microfocus.net/docrep/documents/h7cvzy1buf/suse_public_cloud_infrastructure_guide.pdf

6. CSP creates SUSE images

7. Report SUSE usage
SUSE Partner Program

• Free SUSE program to provide technical, marketing, training resources
• Required by Cloud Service Provider Agreement
• Benefits
  • Technical Support
  • Partner Use Software
  • Online Training
  • SUSECON Discount
  • Sales Enablement
  • Partner Locator

Enroll today at https://partner.suse.com
SUSE CSP Agreement

• Standard SUSE agreement:
  • Lets you sell SUSE products in a public cloud or managed hosting environment
  • Gives you access to discounted pricing on SUSE Cloud Services Price List
  • Describes the responsibilities of both parties
  • Must be executed by both parties
Initial Registration Keys

- Allows you to sync your images with the appropriate SUSE update repositories
- One registration key per SUSE product type that you wish to sell
- Must be done before you start selling to customers

Process

- Review the SUSE Cloud Services Price List
- Determine which SUSE part numbers you wish to sell
- Send an email to your SUSE account manager and public.cloud@suse.com which contains:
  - SUSE Part Numbers
  - Name/email of contact person to receive registration codes
Image Creation

• CSP responsible for providing preconfigured SUSE Linux Enterprise Server image
• CSP may insert additional components such as metering, billing, management, etc.
• SUSE offers image creation tools
  • SUSE Studio
  • KIWI Image System
Maintenance of SUSE Images

- Patches provided via SUSE Subscription Management Tool (SMT) server located on CSP infrastructure
- SMT server – mirrors SUSE Customer Center (SCC) and delivers updates to launched SLES instances
- SLES instances do not contact SCC directly
Learn more about SUSE CSP Program

1. Talk to your SUSE account manager or send an email to public.cloud@suse.com

2. SUSE will contact you to begin the process of becoming a SUSE CSP or Managed Hoster
SUSE CSP Operations Services
SUSE CSP Operations Services

• Option for large cloud service providers
• Annual fee program in which SUSE creates and maintains SUSE products in CSP cloud infrastructure
  • Design and development assistance
  • Deployment of new SUSE product releases
  • Achieve SUSE Certified Public Cloud status required for the SUSE Bring Your Own Subscription program
  • Access to SUSE product development road-maps and feature submission
  • Participation in the SUSE product beta program
  • Account management
• Email public.cloud@suse.com to learn more
SUSE OpenStack Cloud for Cloud Service Provider
What is the Available Market?

Cloud Service Providers

Q4CY2016 Cloud Infrastructure Services

- Hyper-Scale IaaS accounted for 2/3\(^{rd}\) of cloud revenue in Q4 of 2016
- The remaining 1/3\(^{rd}\) of the CSP market is the target for SUSE OpenStack Cloud
- The non-hyper-scale CSPs have only 2 choices: OpenStack and VMware
- The OpenStack market is still growing at a healthy clip
- Service Providers are responsible for the majority of revenue around OpenStack

Source: 451 Research's Market Monitor & Forecast, OpenStack September 2014
Competitive Analysis
SUSE OpenStack Cloud Advantages

**vs. Hyper-Clouds**
- CSP’s can offer:
  - Custom Security Profiles – Tuned to customer requirements
  - Data Sovereignty, Regulations
  - Fully customizable networking options through 3rd party ISV’s
  - Customizable interface
  - SOC offers compatibility across architectures and software models

**vs. Proprietary**
- Lower cost
- No vendor lock-in
- Infrastructure Flexibility
- Innovation is built on OpenStack: Containers, Kubernetes, HPCaaS
- Customizable – Integrate with extensive 3rd party ecosystem
- Community Support

**vs. Other OpenStack Versions**
- Ease of Installation (especially HA)
- Enterprise Reputation (vs. Canonical)
- SAP Relationship
- Broader Hypervisor Support
- Won’t Compete with CSP Services Revenue Streams
- Completely Open – Mix and Match 3rd Party Components
Value Proposition: SOC is the Integration Engine
One Platform for All CSP Needs – Now and in the Future

1 Bare Metal (Ironic) is Technical Preview in SOC 7
2 CaaS included in SOC7 for no additional cost

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SUSE Confidential
Cloud Service Provider Analysis

Buyer Behavior

Motivation
• Lower costs – to remain competitive
• Agility – rapidly changing customer demands, rapidly changing IT methodologies (Virtualization, Containers, PaaS)

Solution Options
• Limited cloud software options for multi-tenant cloud
• Assess proprietary vs. OpenSource
• Distributions vs. DIY

Select Vendor
• Do I have an existing relationship?
• Engage sales teams on “short list” from Solution Options - RFP
• Assess vendor features, capabilities, reputation, and support

Proof of Concept
• Prototype proposed architecture, integration, functionality
• Assess feasibility of scaling-out prototype
• Plan production environment

Production
• Procure hardware / build out infrastructure
• Train support, assure full functionality
• Procure necessary software and support subscriptions
“Elevator Pitch”

- OpenStack was created by a cloud provider (RackSpace) for cloud providers
- OpenStack is the base platform to build all future technologies (Containers, Automation, IOT, DevOps, NFV, etc.)
- SUSE OpenStack is a truly open enterprise class platform where CSP’s can mix and match best of breed software – No vendor lock-in
- SUSE OpenStack cloud is extremely cost effective vs. proprietary solutions