OX®

How **Open-Xchange** and **Parallels** are working together to address the massive cloud opportunity

A natural partnership: Parallels and Open-Xchange enable service providers to compete with the giants

About Parallels

Parallels simplifies and automates cloud services so that service providers can effectively profit from the cloud. One of the core reasons Parallels and Open-Xchange (OX) partnered was to provide a strong messaging and collaboration solution underpinned by a complete automation platform capable of supporting on-premise, on-device, hosted and software-as-a-service (SaaS) usage models.

Jesper Frederiksen, General Manager for Parallels activities in the EU and North Africa says, *"We have a number of messaging and collaboration solutions, including OX. We help the service provider figure out, in a given cost and service provider situation, the solution that they think is right for them."*

Opportunities in the cloud

Parallels sees a huge opportunity in the cloud market, with Telcos and providers trying to figure out how to get into the space. For Parallels, this offers many opportunities, but also creates challenges, as customers want to retain flexibility. Parallels Automation is perfectly positioned to meet service provider needs, giving them the freedom to select the right applications to build their business on.

Friends in the industry

Parallels partnered with Open-Xchange around 2007 when they discovered they have the same partners and the same mutual customers. *"1&1 is one of our biggest partners historically. They were very close to OX, so we had a lot of shared contact. Our shared customers also expect us to have a good joined-up story. It was natural that we got into this partnership quite early on."*

The OX - Parallels partnership is like having friends in the industry that move within the same circles, and because they have complementary offerings, they are able to spot opportunities that may benefit the other partner. Jesper Frederiksen adds, *"As we got to know them and work with them, we have learned that they are a very good open bunch of people. They are a good partner company. They were there from the beginning and we grew up together."*

Significant cloud players

Parallels is experiencing first hand that the 'hype' around the cloud market is really happening. Three years ago, cloud automation was a niche market. Today it has become mainstream, and companies such as OX and Parallels are significant players, *"OX and Parallels have turned out to be in a very attractive part of the market. Like OX, we are now seeing very large telecom players saying there is a significant market opportunity which they are aggressively entering and want to invest in."*

For consumers and enterprise

OX complements Parallels other offers. In a marketplace where their Telco customers have multiple solutions for the consumer and enterprise space, as well as large enterprise, OX offers them a clear advantage as it covers a significant part of that market. *"When I sit down with a service provider who says, 'I want a messaging and collaboration solution; I want something with a really cool user interface; I want something that has a compelling price point that I can use for consumers and SMBs', then OX is a really good fit."*

Integrates with ease

OX integrates well with the Parallels platform. So when service providers opt to go with Open-Xchange and the Parallels platform they know they'll go live quickly. Jesper Frederiksen adds, *"I can look the service provider in the eye, saying you can have this up and running with full scale provisioning, billing, store-front, self-service solution, in a matter of weeks."*

Offers a credible alternative

Parallels and Open-Xchange initially partnered to provide a solution for the lower end of the market. Today, OX is a fully capable alternative to the established players in the market. According to Jesper Frederiksen, *"You can go to any partner in the world and buy Google or Microsoft. Some of our hosting providers do that. That makes sense, but in certain situations and markets they need to have a differentiation. Our Partners tell us this is what OX offers them."* Open-Xchange's capability in the messaging and collaboration space, and now in unified communications and file sharing, means that, *"OX is a credible alternative as one of the anchor applications in our suite of offerings."*

Competes with the giants

Dominated by the likes of Microsoft, and with Google edging into this space, Parallels received feedback from partners about the need for a powerful, easy-to-use, slick messaging solution for the consumer and enterprise market. OX met that requirement, says Jesper Frederiksen *" ... it enables service providers to build a very powerful solution that can compete with the giants - you could argue that OX is capable of competing all the way up the food chain and therefore offer an alternative to the incumbents".*

Gives people freedom

What makes Open-Xchange unique is that they are focused on the web experience and making everything native. This fits with Parallels approach of not promoting fat clients, a particular browser or hardware platform, but rather giving people the freedom to move between mobile devices and more traditional PC devices. What sets them apart is that hosters can run OX in their own data centers, particularly now that there's growing sensitivity about where the data resides. As Jesper Frederiksen says "Partners tell us a strong benefit of a locally hosted solution like OX is that the partner's data can reside in Frankfurt, Munich, Copenhagen or Oslo, where it's actually in a legal jurisdiction. That is a strong differentiator."

A clever business model

The Open-Xchange business model works well for Parallels because it demonstrates to partners and customers that OX is in it for the long term, *"OX, like Parallels, has a partner-centric business model, whereby they are not in this business to get you to pay millions of dollars up front. They are in this business to get you off the ground, and then benefit from your business and grow with your business, and get paid as that business grows,"* says Jesper Frederiksen.

A good business partnership

Open-Xchange has a very good product with a compelling vision, but more important than that, they have a good business partner to work with. The transparent and open business partnership means that at times the two companies are aligned and at other times have different interests, *"It is key, when you have a long-term business relationship, to deal with people who are open and honest, transparent. OX would definitely qualify in all of those categories."*

Makes story complete

The biggest benefit for Parallels is that Open-Xchange enables them to have a more complete line up in their catalogue of services, enhancing their portfolio, *"The value is that OX makes my story more complete"* says Jesper Frederiksen. Parallels can say with confidence that OX is a very stable, proven, scalable solution, because they know large service providers are running it, *"We know that if they can do it for 1&1, it works, it scales. It stacks up."* And, it helps hosters and telcos to position themselves and their value against the global giants.

"OX has a compelling vision of where they are taking this product, and are pitching a good road map. They offer differentiation, partnership, and a strong product." This, Jesper Frederiksen believes, is what their mutual customers are looking for. It will also help bring their customers differentiation and growth. *"Our partners want to have cool offerings that people want to use and pay for, that attracts users onto the platform. And that is what they get with OX. "*

"OX is a cool, focused, innovative European start up business that is doing some pretty significant things. They have great traction. I see what they are doing in the market. I see the deals they are winning. I see the partners they are launching. I see the uptake they are getting. It is an exciting venture that you should consider partnering with."

Jesper Frederiksen, General Manager European Union & North Africa, Parallels

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