

Team Workshop Phase 2

Recruit the Right Partners





MacroSoft CloudONE – Hybrid Cloud for Your SMB Customers

CloudONE Solution

- Elastic access, management and access allocation for Hybrid Cloud
 - Public Cloud Integration
 - Simplified Access to Corporate Cloud Data
 - Ideal DevOps environment for Platform as a Service (PaaS)
 - -20 beta case studies available
- Reduce the sprawl and unnecessary access
- Faster time to market for your customer with departmental billing
- Reduce your customers shadow IT giving them more visibility
- Provide compute, storage and performance with reduced business risk

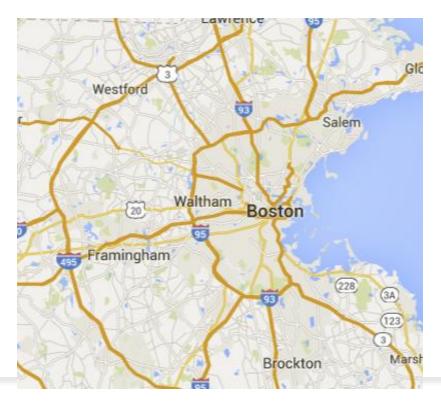




Opportunity

Target Market are the 500 business between 50 and 1000 employees in a

50 radius







Benefit of Joining Our CloudONE Partner Community Today

What's in it for You

- 75% of your customers are using Cloud
- 100% of CloudONE Sales are Channel
- Services attach average of 35%
- Basic System is \$15k to \$25k
- Advanced System is \$50k to \$75k
- Your GP target is 35%
- We've identified 500 customers we can help you target
- Your existing 25 customers will all benefit
- \$25k profit target per deal
- Pull through more existing solutions
- Competitor is direct sales force





CloudONE Partner Program

Standard Benefits - \$15k

- NFR Installation Support
- Technical Certification
 - 1 hour Technical Overview Webinar
 - Day 1: On-site technical training \$2k/person
 - Day 2: Installation, Pre-sales, deploy, trouble shooting
- Customer event for existing customers
- Multi-touch Co-marketing Campaign
 - Email 500 prospects within 50 miles
 - Follow-up call optional
- Technical Support Level 1 Free

Requirements

- Purchase and Install CloudONE (NFR)
- 2 Technical Certifications
- 2 Sales Certifications
- \$50k Revenue

Fast 50 Quick Start - \$0

- FREE NFR with Installation
- FREE On-Site Technical Certification
 - 1 hour Technical Overview Webinar
 - Day 1: On-site technical training \$2k/person
 - Day 2: Installation, Pre-sales, deploy, trouble shooting
- Customer event for existing customers
- Multi-touch Co-marketing Campaign
 - Email 500 prospects within 50 miles
 - Follow-up call optional
- FREE 1-year Technical Support (all levels)



Financial Summary of Investment & Return to the Partner

5% Basic
Discount +
30% Deal
Registration
Discount

Break even with your first sale of Basic Model at \$25k

| Cash Flow Model | | ., - | | ., - | ., - | |
|---|-----------------|----------|-----------|-----------|-----------|-------------|
| Partner Revenue | Year 1 | Year 2 | | | Year 5 | |
| License Revenue at List Price (SRP price to customer) | \$25,000 | \$50,000 | \$100,000 | \$200,000 | \$400,000 | \$775,000 |
| | | | | | | |
| Partner Services/Training Revenue (50% of License) | \$12,500 | \$25,000 | \$50,000 | \$100,000 | \$200,000 | \$387,500 |
| Total Partner Revenue | \$37,500 | \$75,000 | \$150,000 | \$300,000 | \$600,000 | \$1,162,500 |
| Partner Contractual Discount % | 35% | 35% | 35% | 35% | 35% | |
| Partner Contractual Discount % Partner Contractual License Transfer Price to MacroSoft | \$16.250 | \$32.500 | | \$130.000 | \$260,000 | \$775,000 |
| raither Contractual License Transfer Fifte to Macrosoft | \$10,230 | 332,300 | 303,000 | \$130,000 | \$200,000 | \$175,000 |
| | | | | | | |
| Partner Gross Profit Before Investments | | | | | | |
| Partner Realized SW Gross Margin (Lic Rev - Transfer Price) | \$8,750 | \$17,500 | \$35,000 | \$70,000 | \$140,000 | \$271,250 |
| | 35% | 35% | 35% | 35% | 35% | |
| Partner Services/Training Margin (Services Rev) | <u>\$12,500</u> | \$25,000 | \$50,000 | \$100,000 | \$200,000 | \$387,500 |
| | 100% | 100% | 100% | 100% | 100% | |
| Total Partner Gross Profit before Investments | \$21,250 | \$42,500 | \$85,000 | \$170,000 | \$340,000 | \$658,750 |
| Partner Costs | | | | | | |
| Training Costs | \$4,000 | \$0 | \$8,000 | \$0 | \$16,000 | \$28,000 |
| Certification Costs | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Other Expenses | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$50,000 |
| Total Partner Costs | \$14,000 | \$10,000 | \$18,000 | \$10,000 | \$26,000 | \$78,000 |
| Partner Costs % License Rev | 37% | 13% | 12% | 3% | 4% | 7% |
| Total Partner Profit | | | | | | |
| Total License-only Profit | \$7,250 | \$32,500 | \$67,000 | \$160,000 | \$314,000 | \$580,750 |
| Total License & Services Profit | \$19,750 | \$57,500 | \$117,000 | \$260,000 | \$514,000 | \$968,250 |
| % Revenue | 53% | 77% | 78% | 87% | 86% | 83% |



Next Steps

- Sign Contract
- Schedule Training Quick Start



