



Cost Comparison between Inhouse Exchange Server 2007 and Hosted Exchange 2007

(Based on 2-Servers, 500 Users and 5 Year Period)

Item Description	Quantity	Unit Cost	Total Cost	Year 1	Year 2	Year 3	Year 4	Year 5
Hardware/Software and Installation								
Server Hardware	2	\$5,000.00	\$10,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00
Windows Server License	2	\$699.00	\$1,398.00	\$279.60	\$279.60	\$279.60	\$279.60	\$279.60
Windows Server Cals	500	\$92.00	\$46,000.00	\$9,200.00	\$9,200.00	\$9,200.00	\$9,200.00	\$9,200.00
Exchange Server 2007	2	\$699.00	\$1,398.00	\$279.60	\$279.60	\$279.60	\$279.60	\$279.60
Exchange Server 2007 Cals	500	\$67.00	\$33,500.00	\$6,700.00	\$6,700.00	\$6,700.00	\$6,700.00	\$6,700.00
Installation Cost (Hardware & Software)	20	\$125.00	\$2,500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00
Install Config Outlook (1/2 Hr Per User)	250	\$125.00	\$31,250.00	\$6,250.00	\$6,250.00	\$6,250.00	\$6,250.00	\$6,250.00
Install Active Sync (25%)	125	\$125.00	\$15,625.00	\$3,125.00	\$3,125.00	\$3,125.00	\$3,125.00	\$3,125.00
Hosted Spam & Virus Email Filtering	500	\$3.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00
Microsoft Software Assurance Program (25%)	1	\$20,574.00	\$20,574.00	\$20,574.00	\$20,574.00	\$20,574.00	\$20,574.00	\$20,574.00
SSL Security Certificate	1	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00
Administrative and Management Costs								
Administrative Tasks (20 Hours Per Week)	1040	\$35.00	\$36,400.00	\$36,400.00	\$36,400.00	\$36,400.00	\$36,400.00	\$36,400.00
Data Storage Costs (Per Year)	1	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00
Offsite Data Backup (500 GB Size \$550.00 / Mo.)	1	\$6,600.00	\$6,600.00	\$6,600.00	\$6,600.00	\$6,600.00	\$6,600.00	\$6,600.00
Scheduled Downtime (3 Hrs Per Month)	36	\$125.00	\$4,500.00	\$4,500.00	\$4,500.00	\$4,500.00	\$4,500.00	\$4,500.00
UnScheduled Downtime (3 Hours Per Month)	36	\$125.00	\$4,500.00	\$4,500.00	\$4,500.00	\$4,500.00	\$4,500.00	\$4,500.00
Training Costs								
Administrators (2 Admins)	40	\$125.00	\$5,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00
Help Desk (1 Person)	36	\$125.00	\$4,500.00	\$900.00	\$900.00	\$900.00	\$900.00	\$900.00
End Users (500)	40	\$125.00	\$5,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00
Cost Totals		\$35,519.00	\$230,995.00	\$106,058.20	\$106,058.20	\$106,058.20	\$106,058.20	\$106,058.20
Total Cost of Ownership (TCO) Per User for Inhouse Exchange 2007 Costs (Including Spam & Virus Email Filtering)			Total cost per user per year	\$212.12	\$212.12	\$212.12	\$212.12	\$212.12
Hosted Exchange 2007 Costs Per User (Including Spam Email & Virus Filtering)			12	\$11.95	Total cost per user per year	\$143.40	\$143.40	\$143.40
Hosted Exchange Savings per User					\$68.72	\$68.72	\$68.72	\$68.72
Total Savings for 500 Users Per Year					\$34,358.20	\$34,358.20	\$34,358.20	\$34,358.20
Total Savings over 5 Year Period								\$171,791.00

* This spreadsheet was put together using the "Total Cost of Ownership (TCO) of Microsoft Exchange Server 2007" report conducted by Radicati Group, Inc. in early 2008 as a guide.