



Board of Regents

Ted Strickland, Governor
Eric D. Fingerhut, Chancellor

University System of Ohio

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University System of Ohio Enters IT Licensing Agreement *Leveraging group purchasing power to lower technology costs can save \$130 million, minimize energy consumption*

COLUMBUS – Ohio Board of Regents Chancellor Eric D. Fingerhut today announced the University System of Ohio has entered into an agreement with VMware, Inc. to launch the *University System of Ohio Virtualization Program*, a three-year purchasing aggregation initiative with the potential of saving Ohio colleges and universities more than \$130 million.

The agreement gives the Ohio Academic Resources Network [OARnet] – the University System of Ohio's technology operations arm – the unlimited ability to license industry leader VMware's full suite of state-of-the-art virtualization software and technological support services. They will be offered to Ohio's public college and university system and some private college partners at deeply discounted pricing, unavailable to any single institution. Board of Regents analysts say aggregating the purchasing power could save the group more than \$130 million over three years.

"By making this cutting-edge technology, software, operational support and training available at such a nominal rate to our colleges and universities, we're providing for major cost savings. The agreement is in line with key strategies of Ohio's 10-year *Strategic Plan for Higher Education*," said Chancellor Fingerhut. "We're helping Ohio's colleges and universities meet their budgetary and operational needs. The deal helps us manage System finances and resources more efficiently, and it's in line with creating a single technology infrastructure that supports Ohio's higher education system."

Fingerhut added that he anticipates direct cost savings for students who would have out-of-pocket software or hardware expenses reduced or eliminated in certain cases.

While some Ohio colleges and universities have already begun virtualizing their information technology [IT] systems to achieve cost-savings as well as greater levels of technological sophistication, others are considering it. Virtualization is regarded as a revolutionary technology, which has transformed how leading organizations around the globe manage IT operations. When an outfit "virtualizes," it is able to reduce the number of physical servers and desktop computers that it maintains, while sustaining the same performance levels and productivity tools for end users. It is a cost-effective and efficient way to manage IT processes.

"VMware has a long-standing commitment to helping colleges and universities expand research and teaching opportunities," said Carl Eschenbach, executive vice president, worldwide field operations, at VMware. "The VMware platform will help the University System of Ohio reduce operating costs while delivering new capabilities that can extend distance learning to more students, enhance lab environments and course curricula, and streamline business operations."

In addition to saving operational costs for institutions, the program can reduce out-of-pocket expenses for Ohio college students, especially in the growing area of distance learning where much of the work is done by students on personal computers. For example, a university that virtualizes can eliminate the need for its distance Computer Aided Design (CAD) students to invest dollars in equipping personal computers with hardware upgrades or new software – or drive to the closest computer lab – to run sophisticated design programs. The “virtual desktop” would provide all the software, hardware, and computing power the distance students need to complete their courses.

Colleges and universities choosing to participate in the *University System of Ohio Virtualization Program* have the option of virtualizing approximately 3,500 IT servers and 75,000 desktop computers around the state. They will realize significant cost reductions in IT hardware budgets for servers and desktop computer purchases, accompanied by lower operational and maintenance costs. The University System of Ohio estimates that power and cooling savings alone could amount to more than \$10 million in savings.

Throughout the VMware implementation, a customized Professional Services Package, totaling \$1.3 million will aid colleges and universities. A dedicated team of VMware technical account managers and architects will work to ensure a successful deployment across the state. All University System of Ohio colleges and universities, as well as any other members of OARnet, are eligible for the program.

Going Green while Saving Green

By implementing virtualization, Ohio’s higher education community will also be considered an active participant in “Green IT,” a national initiative to reduce IT-related costs, increase productivity and improve performance in computing while minimizing environmental impact. The increased computational capacity provided on fewer desktops and servers will have a positive environmental impact due to decreased power and cooling needs for campus systems.

The agreement announced today is expected to result in a net reduction of more than 25,000 physical devices across Ohio colleges and universities. That would reduce power consumption by approximately 166 million kilowatt hours annually, which would reduce the University System’s CO2 emissions by 111,000 tons. That is equivalent to removing 37,500 cars from Ohio’s highways or planting 500,000 trees.

Attachment: *University System of Ohio Virtualization Program* Fact Sheet at http://www.uso.edu/newsUpdates/media/releases/2009/01/documents/OBRMediaRel_09Jan09_FactSheet.pdf

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About the University System of Ohio

The University System of Ohio is Ohio’s public system of higher education consisting of 14 public universities, 24 regional university branch campuses, 23 community colleges, and an adult education network with more than 200 adult workforce centers and training programs around Ohio. For more information, visit www.uso.edu.

About OARnet

The Ohio Academic Resource Network [OARnet] is the technology operations arm of the University System of Ohio. It was established in 1987 by the Ohio Board of Regents to provide access to the resources of the Ohio Supercomputer Center. Today, OARnet provides an integrated technology infrastructure that includes unrivaled intrastate network connectivity and links to regional, national and international networks. OARnet specializes in providing custom solutions, whether spanning the globe by videoconference or conducting groundbreaking network research.

About VMware

VMware (NYSE: VMW) is the global leader in virtualization solutions from the desktop to the datacenter. Customers of all sizes rely on VMware to reduce capital and operating expenses, ensure business continuity, strengthen security and go green. With 2007 revenues of \$1.3 billion, more than 120,000 customers and more than 20,000 partners, VMware is one of the fastest growing public software companies. Headquartered in Palo Alto, California, VMware is majority-owned by EMC Corporation (NYSE: EMC). For more information, visit www.vmware.com.