



DEPARTMENT OF DEFENSE  
ENTERPRISE SOFTWARE INITIATIVE

# Enterprise Software Initiative

***“Point & Click IT Shopping at Lowest Cost”***

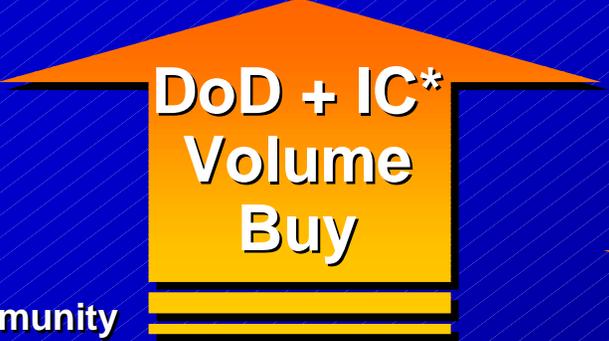
**Rex Bolton, OASD(C3I) Investment and Acquisition  
Chairman, ESI Working Group 703-602-0980 x135**



# ESI Vision & Goals

**Vision:** “Point & Click” IT Shopping at Lowest Cost”

- Goals:**
- 1) “Buy-in” from DoD Components, Buyers
  - 2) Reduce Software Costs (Total Ownership)
  - 3) Provide Choice: Best, JTA-Compliant SW
  - 4) Permanent Up-Front Funding Mechanism



DoD + IC\*  
Volume  
Buy



Cost  
per  
User

\*IC - Intelligence Community



# ESI Working Group

## ***EMPOWERED TO ACT!***

### Participating Organizations

### Working Group Members

|                    |                   |   |
|--------------------|-------------------|---|
| OSD (C3I/CIO)      | Rex Bolton        | <a href="mailto:rex.bolton@osd.mil"><u>rex.bolton@osd.mil</u></a>                           |
| DISA               | Ron Beuhring      | <a href="mailto:beuhrinr@ncr.disa.mil"><u>beuhrinr@ncr.disa.mil</u></a>                     |
| NIMA               | Dan Collins       | <a href="mailto:collindl@nima.mil"><u>collindl@nima.mil</u></a>                             |
| NAVY               | Floyd Groce       | <a href="mailto:groce.floyd@hq.navy.mil"><u>groce.floyd@hq.navy.mil</u></a>                 |
| AIR FORCE          | Karlene Rosasco   | <a href="mailto:karlene.rosasco@af.pentagon.mil"><u>karlene.rosasco@af.pentagon.mil</u></a> |
| DIA                | Col Alma Miller   | <a href="mailto:alma.miller@dia.mil"><u>alma.miller@dia.mil</u></a>                         |
| ARMY               | Robert Schwenk    | <a href="mailto:robert.schwenk@hqda.army.mil"><u>robert.schwenk@hqda.army.mil</u></a>       |
| Washington HQ Svcs | Linda Van Landuyt | <a href="mailto:vanlanduyt@whs.pentagon.mil"><u>vanlanduyt@whs.pentagon.mil</u></a>         |
| DLA                | Bill Wallace      | <a href="mailto:bwallace@hq.dla.mil"><u>bwallace@hq.dla.mil</u></a>                         |
| DFAS               | Bill Hart         | <a href="mailto:bill.hart@dfas.mil"><u>bill.hart@dfas.mil</u></a>                           |

Oversight by ESI Steering Group:  
Defense CIOs or Deputies, chaired by Dep CIO, DoD



# Two-Phased Strategy

## ■ “Quick Hit” Agreements

- ESI jump start; leverage existing relationships
- [www.don-imit.navy.mil/esi](http://www.don-imit.navy.mil/esi) links to ESI agreements
- EMALL IT Corridor; future of software acquisition

## ■ The ESI Mission: Software Asset Management

“The DoD ESI Steering Group, Under The DoD CIO Council, Will Develop And Implement A DoD Enterprise Process To Identify, Acquire, Distribute, And Manage Enterprise Software”



*Background . . .*

# Software Asset Management

## Need for Software Asset Management:

- Revolution in Business Affairs
- Clinger-Cohen Act of 1996
- GPRA of 1993
- Executive Order 13103, *Computer Software Piracy*
- Changing Cultural View of Software (Asset vs. Expense)
- Improving Software Entitlement Management:
  - 76% of midsize companies may overspend on software because they fail to investigate licensing requirements with their vendors.<sup>[i]</sup>
  - Failing to manage software assets effectively can lead companies to overbuy licenses on as much as 60% of their software portfolio.<sup>[ii]</sup>

[i] *Maximize Software ROI, Service determines usage and rights*, [InformationWeek Online](#), May 3, 1999, Engler, N.

[ii] *Life-Cycle Management, Managing assets effectively pays off for companies that make the investment*, [InformationWeek Online](#), August 30, 1999, Kay, A. S.



Definition...

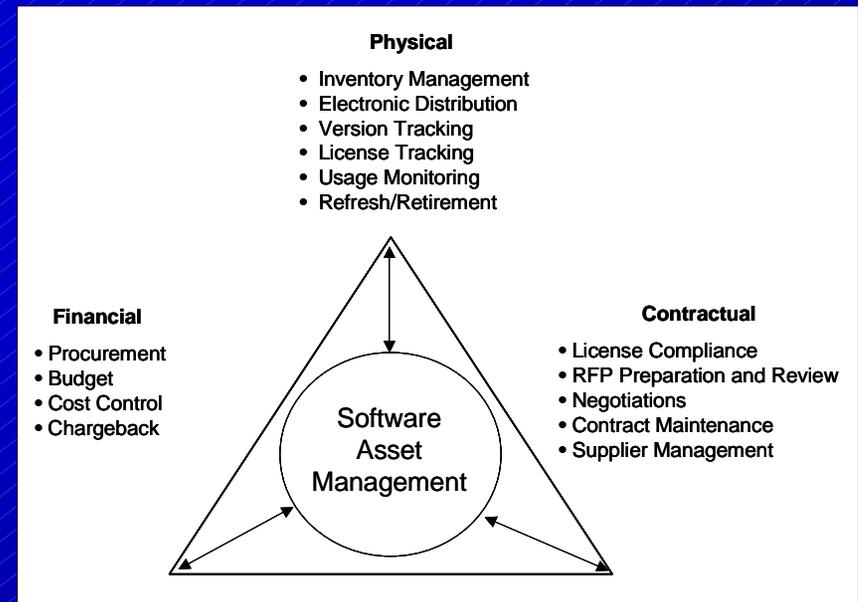
# Software Asset Management

## ■ A supporting sub-process within IT asset management:

- The cohesive merging of physical, financial and contractual attributes of software to enable the delivery of cost-efficient, timely business solutions.
- Focus on managing software life cycle to reduce costs, reduce liability exposure, improve software compliance, better match usage with contract terms.<sup>[1]</sup>

## A Framework is used to implement Software Asset Management:

- Contains recommended procedures, methodology, and techniques for use in establishing an enterprise-wide process.
- Complements and extends the IT Capital Planning Process to provide a more effective management structure for enterprise software.



Source: GartnerGroup

[1] A Framework for Software Asset Management Programs, GartnerGroup Research Note, June 8, 2000, Truglio-Kirwin, M., and Adams, P.



# Army ESI Assigned Actions

## Databases: DoD ESI Agreements (Army Lead):

- Oracle BPA with Spot Quotes
- Informix "Gold Disk," Now BPA
- Sybase "Gold Disk"

## Internal Army ESI Agreements:

- Tivoli \*
- Computer Associates\*



\*DoD Lead - Air Force



# Army ESI Assigned Actions

## Database Discounts from GSA Schedule and Cost Avoidance By Agreement

- **Informix**  
31%-98% Discount
- **Oracle**  
2%-84% Discount
- **Sybase**  
64% Discount



# Army ESI Implementation Policy

- **DISC4 issued Army Policy, 11 Jan 01, for Acquiring Commercially Available Software and IT Products\***
  - Affirms DoD Enterprise Software Agreements as the Army's primary commercial software source
  - Directs Army organizations, buyers and requiring officials to follow ESI step-by-step procedures, as described in DoD ESI Policy
  - Small Computer Program (Ft Monmouth, NJ) is the Army agent for all ESI agreement purchases

**\* PTC EMAIL SYSTEM WASH DC 111822Z JAN 01**



# DoN ESI Assigned Actions

| <b>Enterprise Software Agreement</b> | <b>Vendor(s)</b>                                    | <b>Discounts From GSA Schedule</b> |
|--------------------------------------|---|------------------------------------|
| Microsoft Visio                      | ASAP SW Express                                     | Up to 50%                          |
| Microsoft Server                     | ASAP, CDW-G, GTSI, Dell                             | 15% - 22%                          |
| Corel                                | Beyond.com  | Up to 69%                          |
| Novell                               | Master License Agreement through multiple resellers | 48%                                |

**Additional Agreements will be announced when available.**



# Navy ESI Implementation Policy

- ASN (RD&A) Memo of 29 Jan 01: Department of Defense Enterprise Software Initiative and Microsoft Server Enterprise Agreement
  - ESI is centerpiece of DON commercial software management effort
  - Navy is DoD lead for office software and all Microsoft software products
  - ESI G&PM must be followed by all contracting activities
  - ESI Microsoft agreements must be used by DON activities when deploying a MS server solution; with or without associated hardware
    - ***Applicable even if scheduled for NMCI transition***



# AF ESI Assigned Actions

## ■ Air Force Product Manager for

- Enterprise Management Software - Up to 13%
- Electronic Records Management - Up to 10%
- Information Assurance - Up to 5%

## ■ Awarded BPAs - Open DoD-wide

- GTSI
- FDC
- Logicon



# AF ESI Assigned Actions

## ■ Ongoing Agreements: Latest Actions

- Since Feb 00 BPA Award, \$3M Sales
  - Last 30 days \$.8M sales
- Tiered Pricing Achievable
  - Need firm requirements from services/agencies
- Actions Underway
  - AF and Army working together to transfer one Army enterprise agreement for CA Unicenter to the AF



# AF ESI Implementation Policy

- **AF CIO Signed AF Policy, 15 Apr 00, for DoD Enterprise Software Initiative Agreement Use**
  - Directs AF to use ESI agreements, whenever possible
  - CIT-PAD is the AF agent for all ESI agreement purchases
- **Use of ESI incorporated into Air Force Instruction on Software (AFI 33-114)**
  - Major Commands, Direct Reporting Units, Field Operating Agencies, and Organizational Commanders obtain COTS software under DoD-wide and AF enterprise licenses
  - AFCA surveys and consolidates requirements for potential AF enterprise software licenses for COTS software



# ESI G&PM 7-26-00

- **Software Product Manager (SPM):**
  - Manages the DoD business relationship with software companies
  - Clears customer to buy elsewhere if appropriate
- **DoD Customers: Visit ESI at: [www.don-imit.navy.mil/esi](http://www.don-imit.navy.mil/esi)**
  - **Use Licenses in DoD Inventory First:** ESI “Gold Disk” for Sybase Adaptive Server Enterprise; Microsoft Windows 2000 Server product block buy. Netscape, McAfee & Norton through DISA agreements
  - **Consider:** All ESI agreements
  - **Give SPM a chance** to improve pricing or terms
- **DoD Component Management Official:**
  - Self-waive ESI use when necessary; Tell SPM reason for waiver
- **OSD(C3I) and A&T:** Oversight and Policy. DFAR Case



# Buy/Pricing POCs

Visit ESI at: [www.don-imit.navy.mil/esi](http://www.don-imit.navy.mil/esi)

Database Products  
*Oracle, Informix, Sybase*

Dee Wardle

732-427-6793

[adelia.wardle@mail1.monmouth.army.mil](mailto:adelia.wardle@mail1.monmouth.army.mil)

Records Management Software  
*Open Text, Provenance, Tower*

Barbara Starr

334-416-2312

[Barbara.Starr@gunter.af.mil](mailto:Barbara.Starr@gunter.af.mil)

Office Automation Suites\*

*Corel, Visio & Novell*

Peggy Harpe

858- 537-0323

[harpep@spawar.navy.mil](mailto:harpep@spawar.navy.mil)

\* *Microsoft* next slide



# Buy/Pricing POCs

## **Microsoft Servers:**

Barbara Johnson 858-537-0324  
barbaraj@spawar.navy.mil

## **Microsoft Desktop and O/S:**

Currently, 3 separate service-wide agreements are in place.  
Service-originated inquires through:

**Army** - Dee Wardle: 732-427-6793  
adelia.wardle@mail1.monmouth.army.mil

**Navy** - Peggy Harpe: 619-545-8687  
harpep@spawar.navy.mil

**Air Force** - Larry Morgan: 334-416-1371  
larry.morgan@gunter.af.mil

**Other DoD components** may choose among these service agreements. - Floyd Groce: 703-607-5658  
groce.floyd@hq.navy.mil



# ESI POCs



DEPARTMENT OF DEFENSE  
ENTERPRISE SOFTWARE INITIATIVE

## **Rex Bolton, Working Group Chair**

703-602-0980, x135

rex.bolton@osd.mil

## **CDR Jim Clausen, USNR**

Action Officer

703-602-0980, x169

james.clausen@osd.mil

**ESI Website:** <http://www.don-imit.navy.mil/esi/>