

Executive Summary

There has been much discussion in recent years within the Information Technology industry worldwide about the relative merits of Microsoft's operating systems and applications on one hand, and the Linux & Open Source operating systems and platforms on the other. While it is very difficult to qualitatively analyse the technical, reliability, security and total-cost-of ownership differences between these two competing platforms, it is a (reasonably) straightforward matter to determine their purchase price and licencing costs. This is exactly what this document undertakes to do.

Linux saved Intel 200 million dollars¹

– Doug Busch, Intel IT Vice President

To produce some meaningful numbers, we considered three separate and hopefully realistic models for organisations which use computer servers and workstations. These models outline fairly standard organisations which employ 50, 100 and 250 staff who use computers. The numbers and categories of workstation and server usage are covered within this document. The methodology of how we researched and arrived at the pricing information are also shown within the document. While we don't claim to be experts on licencing and cost-optimisation for the products discussed within this document, we believe that through collating this information and making it available in this format, we will encourage discussion and perhaps elucidate from readers an ever-more accurate licencing picture. We would be pleased to produce ongoing updates to this document as new licence pricing information is made available to us. Now, for the summarised pricing differences, as shown in the table below. *One quick note: all pricing is in US\$, which should make conversion to your national currency easier.*

	Microsoft Solution	Linux/Open Source Solution	Savings Achieved by Using Linux
Company A with 50 Users	\$69,987	\$80	\$69,907
Company B with 100 Users	\$136,734	\$80	\$136,654
Company C with 250 Users	\$282,974	\$80	\$282,894

1. <http://www.zdnet.com/zdnn/stories/news/0,4586,5098955,00.html>

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