

Preliminary Cost Assessments of Migrations to ODF-Supporting Applications

Following its adoption by ISO/IEC as an international standard in May 2006, OpenDocument Format (ODF) has already been incorporated into many products currently available on the market (a list of ODF-supporting applications is available at:

http://en.wikipedia.org/wiki/List_of_applications_supporting_OpenDocument).

While many governments have adopted or are considering ODF as a solution to provide greater choice and access to documents now and in the future, the results of several recent studies clearly indicate that governments are also gaining considerable costs savings when migrating to these ODF-supporting applications. The various studies highlighted below range from simple analysis of the cost of application migration, to more comprehensive analyses that assess the total cost of ownership (including both the direct and indirect costs associated with a migration).

- **Ramboell Management Report (Denmark):** Migration by the central administration alone to Office 2007/Open XML would cost 380 million kroner (USD 65m) over 5 years, whereas a move to OpenOffice/ODF would cost 255m kroner (USD 44m) over the same period. When applied to the entire Danish public administration, this translates into 550m kroner (USD 94m) saved over a five-year period. The significant savings found in the study were attributed largely to the lack of any licensing fees for OpenOffice/ODF.
(<http://www.odfalliance.org/resources/RamboellReport.pdf>)
- **Ministry of Justice (Finland):** The six-year cost (2006-2011) for a full Microsoft Office migration of 10,000 desktops was estimated to be Euro 6.8m (USD 8m), versus Euro 2.1m (USD 3m) for OpenOffice.org and Euro 1.7m (USD 2.2m) for Lotus SmartSuite, a savings of between 25-30%.
(<http://www.om.fi/Etusivu/Julkaisut/Julkaisusarjat/Toimintajahallinto/Toiminnanjahallinnonarkisto/Toimintajahallinto2007/1171362109118?lang=en>)
- **Bristol City Council Cost Analysis (UK) :** The Council saved 60 percent on software costs when it decided to migrate 5500 desktops to ODF-supporting StarOffice at a cost of £670,000 (USD 1.3m) over a five-year period, instead of upgrading to its previous vendor at a cost of £1.7 million (USD 3.2m) over the same period. Despite setting training costs for upgrading to its previous vendor at zero, the advantage was far outweighed by the fact that the previous vendor's licensing fees were 12 times that of Sun's StarOffice.
(http://www.opensourceacademy.gov.uk/osacademy/our_partners/bristol-city-council/bristol-city-council)

- City of Haarlem Study (The Netherlands): The city estimated its costs for training, development and migration to OpenOffice to be 50,000 euro (USD 62,000), roughly 90 percent lower than its licence costs for an upgrade to Office 2000. Haarlem found that that OpenOffice achieved the functionality needed by city employees, and that the main issue involved compatibility between formats, which was not a problem for the majority of applications used.
(<http://europa.eu.int/idabc/en/document/3434/469>)
- City of Stockholm Feasibility Study (Sweden): Costs to upgrade to Office 2003 were estimated to be between 3,000 and 3,800 SKR (USD 425+) per user versus 795 SKR (USD 112) per user to migrate to OpenOffice, a potential savings of 75 percent.
(<http://computersweden.idg.se/2.139/1.47174>)
- Department of Information Technology Case Study, Delhi Government (India): Evaluating the cost over a 4 year period of migrating 10,000 desktops to StarOffice versus upgrading to MS Office 2007, the study found that with acceptance of the Microsoft Software Assurance upgrade, Delhi DoIT could achieve a net savings of 238.5m INR (USD 5.3m) in licensing costs by migrating to StarOffice. When declining the Software Assurance upgrade, it could achieve a net savings of 220.5m INR (USD 4.9m).
(<http://www.odfalliance.in/Docs/IIMA%20Case%20Study.pdf>)
- Gendarmerie Nationale (France): Equipping 70,000 desktops with OpenOffice saved an estimated Euro 2m (USD 2.5m) in licensing fees per year since 2004.
(<http://www.lexpansion.com/Pages/PrintArticle.asp?ArticleId=146600>)

Build Your Own Business Case

To be sure, not all of the savings associated with a migration to an ODF-supporting application can be attributed to the choice of a particular document format. A sensible way for any organization to proceed is to build its own business case, which is a much more comprehensive measure that considers not just costs, but long term benefits, alternatives, and circumstances unique to a particular organization. These benefits are explained in *Why ODF: The Importance of OpenDocument Format for Governments* (<http://www.odfalliance.org/resources/whyODF.pdf>). You can build your own business case (<http://www.odfalliance.org/resources/BusinessCaseToolkit.pdf>) and make your own judgement whether ODF is right for you.

The ODF Alliance Provides Excellent Resources

The ODF Alliance, launched in March 2006, promotes and advances the use of ODF so that public administrations can have greater control over and direct management of their own records and to ensure that public access to government services is not restricted to users of any particular brand of software. The considerable momentum behind ODF is reflected in the surging membership of the ODF Alliance, which has grown from 36 member organizations to 373 from 51 countries in one year. New members are welcome. The Alliance web site serves as an excellent resource for those wishing to join, know more about ODF, and/or implement ODF within their government.

Please visit www.odfalliance.org today for more information.

Table 1 Summary of ODF Cost Savings Case Studies

Country	Example	Savings in USD	Metric	Savings Percentage	Comment
Denmark	Central Administration	\$21m	Over 5 years	32%	If Expanded to Entire Public Administration, \$94 Million Saved Over 5 Years
Finland	Ministry of Justice	\$5-5.8m	Over 6 years	25-30%	10,000 Desktops
UK	Bristol City Council	\$1.9m	Over 5 years	60%	5,500 Desktops
Netherlands	City of Haarlem	\$.6m	Per migration	90%	vs Upgrade to Office 2000
Sweden	City of Stockholm	\$388	Per desktop	73%	25,000 desktops
India	Dept. of Information Technology	\$5.3m	Over 4 years	95+%	10,000 Desktops
France	Gendarmerie Nationale	\$2.5m	Per year		On 70,000 Desktops