



Questions and Answers

Capacity on Demand for CloudSystem

Q: How does the Capacity on Demand solution for CloudSystem work?

A: Customers that are experiencing rapid business growth may not be able to accurately predict what their future cloud capacity requirements are going to be. By taking advantage of the capacity on demand offer for CloudSystem, customers can effectively receive up to a 30% technology buffer without the additional up front cost. As demand for computing rises and capacity limits peak, customers can effectively tap into their spare capacity buffer while new equipment is ordered and installed. The new equipment would then replenish the used portion of the buffer.

Q: I see that HP is offering Capacity on Demand (COD) and Flexible Capacity Service (FCS). What is the difference between these two offerings and when would a customer use one versus the other.

A: HP offers customers the opportunity to acquire the new style of IT in many different ways that range from purchase to lease or finance to obtaining them as a service on the customer's site or as a Cloud Service from HP. Both COD and FCS are for customers who need the security of infrastructure on their own site, for example, with HP CloudSystem, and provide many common benefits to customers:

- No large upfront capital expense
- Alignment of expenses to usage
- Easier procurement

HP Capacity on Demand was developed specifically to help meet the needs of customers that are overprovisioning to ensure they have available capacity. It allows customers to acquire the capacity they need, as they need it, with a built-in buffer to provide up to 30% additional capacity upfront which they do not have to pay for up to 30 months. It's a simple payment structure that requires no metering, can be acquired either directly from HP or through their favorite channel partner and allows the customer to choose the level of technology services they require.

HP Datacenter Care Flexible Capacity Service is for customers looking for the benefits of cloud's "pay for usage" model. A building block within HP Datacenter Care, FCS enables customers to install server, storage, software and networking capacity, as well as tailored support for this environment, and pay for it when they use it, subject to a minimum commitment. HP bills the customer monthly for their metered usage so that costs are quite precisely aligned with usage.

Q: What are the key customer benefits of the offer?

A: With Capacity on Demand, customers can access spare capacity when they need it most and receive up to a 30% capacity buffer without an additional upfront cost. This provides customers with an alternative to acquiring technology in advance to meet unknown capacity requirements, providing potential budget flexibility. The solution also helps to optimize cloud capacity planning, procurement and deployment processes and provides customers with the capabilities they need to start small and scale in line with business growth

Q: Does the Capacity on Demand solution for CloudSystem provide customers with a utility based finance model

for consumed capacity?

A: No, this solution is not an IaaS offer that can be billed out on a metered structure. The solution provides customers with a financial structure that allows them to acquire the extra CloudSystem hardware, software and services they may need up front without an initial upfront cost. Customers will only pay for the usage of their equipment as part of a recurring monthly payment structure, not the buffer.

Q: Do all customers have access to this and is it available globally?

A: The capacity on demand solution for CloudSystem is available to all qualified customers in target countries where HP Financial Services operates.

Q: Do you have any customers that are currently using CloudSystem on demand?

A: For many customers this will be a strategic decision that requires planning and coordination to implement. While this is a new offer, we have seen a significant amount of interest in the solution from customers globally.

Q: Which HP business unit is this available from?

A: This offer is available from HP Financial Services for all qualified HP enterprise, commercial and public sector customers in countries where HP Financial Services operates and is sold on a direct basis or through channel partners.

Q: Is Capacity on Demand available for any other products outside of CloudSystem?

A: Yes Capacity on Demand solution is also available on:
HP Proliant Servers, HP Moonshot Servers and HP Blade System Servers, HP Flexnetwork Networking Products, CloudSystem Matrix, Enterprise and Service Provider along with the HP Converged Storage, including HP 3PAR StoreServ, HP StoreOnce Backup, and HP StoreVirtual

(1) Customers can acquire up to a 30% technology buffer with no payments for up to 30 months.

(2) HP Financial Services Qualitative Research Study of IT asset manager, May 2013