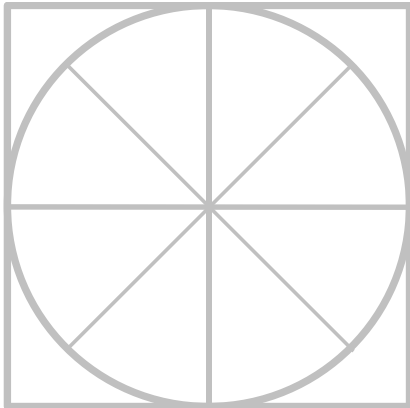




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THE RADICATI GROUP, INC.

Messaging Platforms for Hosted Email Providers - Market Quadrant 2009



*An Analysis of the Market for
Messaging Platforms for Hosted Email Providers,
Revealing Top Players, Mature Players,
Specialists and Trail Blazers.*

January 2009

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TABLE OF CONTENTS

RADICATI MARKET QUADRANTS EXPLAINED	3
MARKET SEGMENTATION	5
MARKET QUADRANT – MESSAGING PLATFORMS FOR HOSTED EMAIL PROVIDERS.....	7
KEY MARKET QUADRANT TRENDS.....	8
MESSAGING PLATFORMS FOR HOSTED EMAIL PROVIDERS - VENDOR ANALYSIS.....	10
TOP PLAYERS.....	10
TRAIL BLAZERS	18
SPECIALISTS.....	22
MATURE PLAYERS	26

RADICATI MARKET QUADRANTS EXPLAINED

Radicati Market QuadrantsSM are designed to illustrate how individual vendors fit within specific technology markets at any given point in time. All Radicati Market QuadrantsSM are composed of four sections, as shown in the example quadrant (Figure 1).

1. **Specialists** – This group is made up of two types of companies:
 - a. Emerging players that are still very new to the industry and have not yet built up much of an installed base. These companies are still developing their strategy and technology.
 - b. Established vendors that offer a niche product.
2. **Trail Blazers** – These vendors offer cutting edge technology, but have not yet built up a large customer base. With effective marketing and better awareness, these companies hold the power to dethrone the current market leaders. “Trail blazers” often shape the future of technology with their innovations and new product designs.
3. **Top Players** – These are the current leaders of the market, with products that have built up large customer bases. Vendors don’t become “top players” overnight. Most of the companies in this quadrant were first specialists or trail blazers (some were both). As companies reach this stage, they must fight complacency and continue product innovation, or else they’ll be replaced by the next generation of “trail blazers.”
4. **Mature Player** – These vendors have large, mature installed bases of customers, but no longer set the pace for the rest of the industry. These vendors are no longer considered “movers and shakers” as they once were.
 - a. In some cases, this is by design. If a vendor has made a strategic decision to move in a new direction, it may slow development on one product line and start another.

- b. In other cases, a vendor may simply become complacent as a top vendor and be out-developed by hungrier “trail blazers” and other top players.
- c. Companies in this stage either find new life and revive their R&D, moving back into the “top players” segment, or else they slowly fade away as legacy technology.

Figure 1, below, shows a sample Radicati Market QuadrantSM. As a vendor continues to develop its product, it will move horizontally along the “x” axis. As market share changes, vendors move vertically along the “y” axis. It is common for vendors to move between quadrants over the life of a product, as their products improve and market requirements evolve.

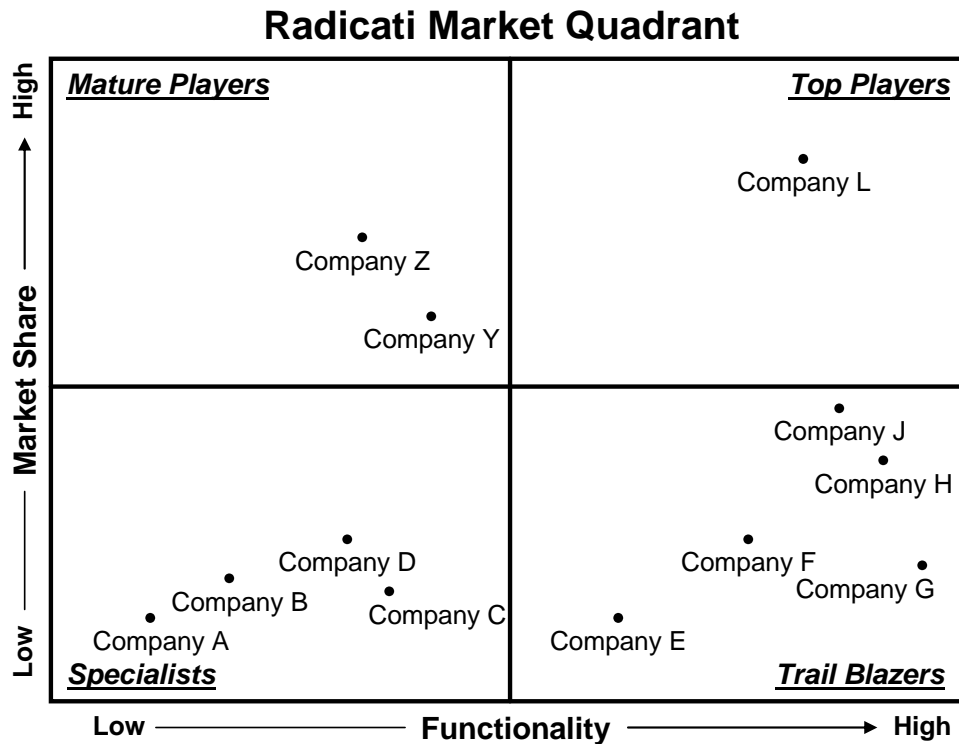


Figure 1: Sample Radicati Market QuadrantSM

MARKET SEGMENTATION

This edition of Radicati Market QuadrantSM covers the **Messaging Platforms for Hosted Email Providers** segment of the Messaging and Collaboration Market.

This market is defined by one market segment, as follows:

- **Email Platform Suppliers** – Email platform suppliers are vendors that develop and sell messaging and collaboration platforms that enable service providers to offer hosted email services. Service providers may include: Internet Service Providers (ISPs), Telecommunication Providers (i.e. Telcos), Web Hosting Providers, Hosted Business Email Providers, and Application Service Providers (ASPs). Email platform suppliers offer highly scalable email platforms designed for demanding service provider environments, which may range from hundreds of thousands to millions of subscribers. Vendors in this market include: *CommuniGate Systems, Critical Path, Gecad Technologies, MailSite Software, Microsoft, Openwave Systems, Open-Xchange, Sun Microsystems, Zimbra, and others.*

Many vendors in this space target both on-premises enterprise customers and service providers. However, this report focuses only on the part of their business that deals with supplying messaging platforms to service providers.

The total revenues for the Messaging and Collaboration market is expected to reach \$4.9 billion in 2009. The Messaging Platforms for Hosted Email Providers segment accounts for 6% of revenues for the worldwide Messaging and Collaboration market, while the on-premises Enterprise Messaging and Collaboration segment represents 76% of revenues, and the Hosted Email Services segment represents 19% of revenues.

Messaging & Collaboration - Revenue Breakout by Market Segment (%)

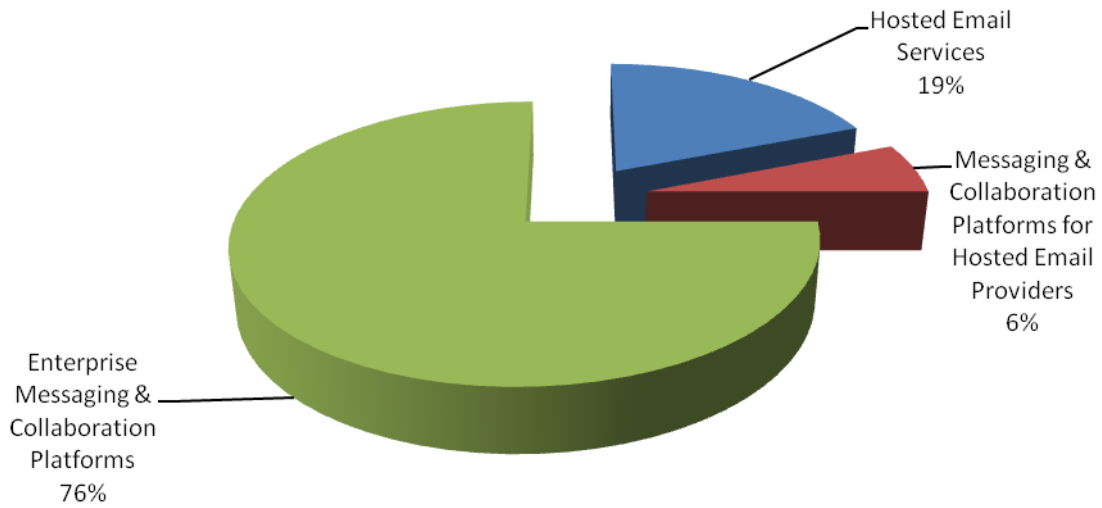


Figure 2: Messaging and Collaboration Market – Revenue % Breakout by Market Segment, 2009

MARKET QUADRANT – MESSAGING PLATFORMS FOR HOSTED EMAIL PROVIDERS

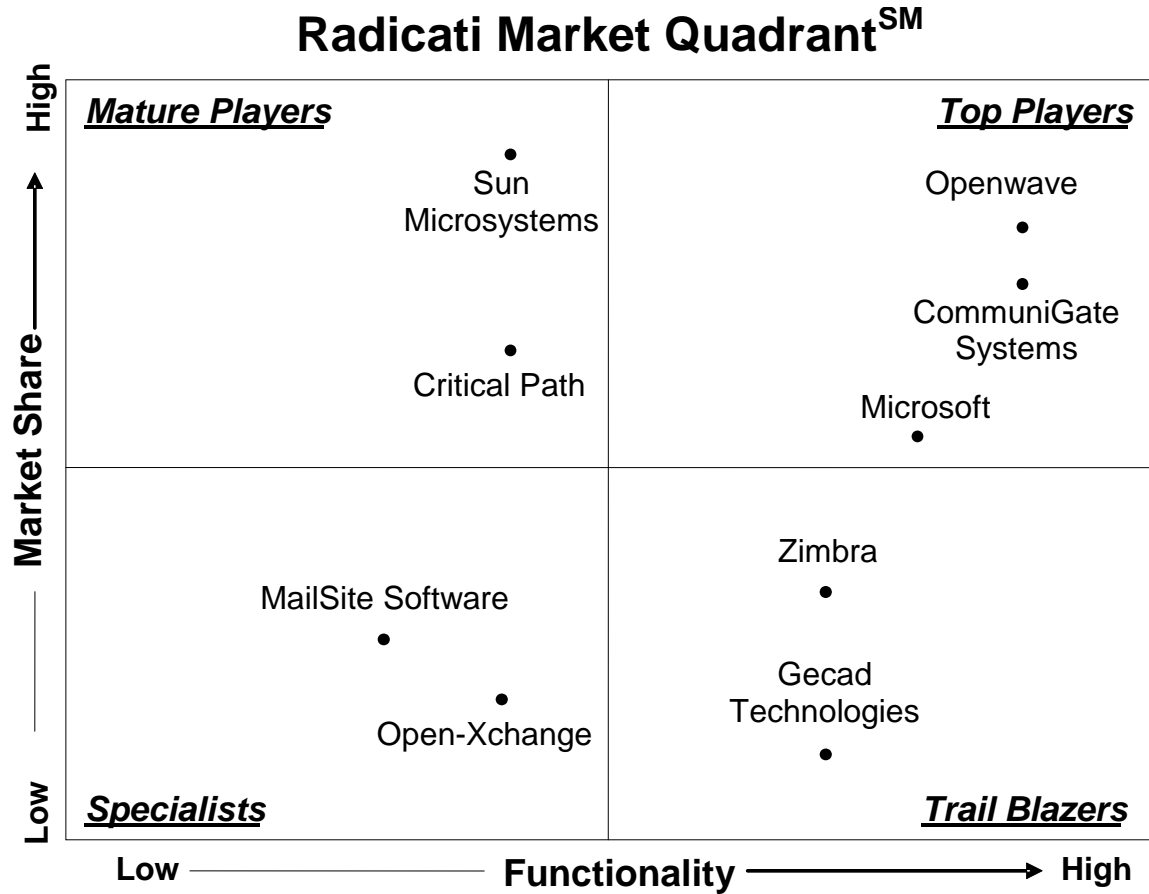


Figure 3: Messaging Platforms for Hosted Email Providers Market Quadrant, 2009

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KEY MARKET QUADRANT TRENDS

- Openwave, CommuniGate Systems, and Microsoft rank as Top Players in the Messaging Platforms for Hosted Email Providers segment of the Messaging and Collaboration Market.
 - Openwave is an innovator, as well as an early entrant in this market. Its core business is built around messaging, with such solutions as email, MMS, mobile email, voicemail, and others.
 - CommuniGate Systems develops messaging, collaboration, VoIP and unified communications software for enterprises and service providers. In recent years, CommuniGate has placed more emphasis on its Software as a Service (SaaS) platform with its improved Pronto! Unified Communications client.
 - Microsoft has taken great steps in the past year with the release of its Hosted Messaging and Collaboration (HMC) 4.5 platform, which powers the popular Hosted Microsoft Exchange environment. HMC 4.5 now enables IM, presence awareness, and web conferencing capabilities through Microsoft Office Communication Server.
- Zimbra and Gecad Technologies rank as Trail Blazers. These companies offer a comprehensive range of services and are innovators in this market; however, these companies currently have a smaller market share than the companies ranked as Top Players. As these companies build momentum and grow their installed base, they may move into the Top Player quadrant.
 - With Zimbra Collaboration Suite (ZCS), Zimbra has become an emerging player in the messaging and collaboration market that provides a strong open source project backed by an active community that is supported by forums and wikis. Zimbra was acquired by Yahoo! in late 2007, and with Yahoo's vast amount of resources, from data center to marketing vehicles, Zimbra's business and visibility will continue to grow in the upcoming years.
 - Gecad Technologies' AXIGEN is a fairly new player in the messaging and collaboration market with a strong presence in the EMEA market. Gecad

Technologies has quickly improved its AXIGEN platform and has continually updated their innovative solution.

- MailSite Software and Open-Xchange are in the Specialist quadrant. These players offer interesting features at an attractive price point, however, they have been less aggressive in coming out with new features and functionality and their overall market share is also somewhat limited.
 - MailSite has had a long history in the messaging and collaboration market, with over 10 years of experience. The company develops reliable and low cost email, calendaring and contact client and server software for SMBs, enterprises, and service providers.
 - Open-Xchange is an active open-source software company that provides scalable, open-standards messaging and collaboration to enterprises and service providers. In recent years, the company has entered in partnerships with service providers including 1&1 Internet, Network Solutions, JMF, OVH, and Hostpoint.
- Sun Microsystems and Critical Path are ranked as Mature Players. These companies have established a large installed base over time; however, their solutions are lagging behind Top Players in terms of functionality and they have not always been able to follow through on their strategies to innovate.
 - Sun Microsystems has a long history in the messaging platform for service providers market segment, and is currently the largest messaging platform supplier to service providers. Sun Microsystems recently introduced Sun Convergence, an AJAX-enabled webmail solution to their Sun Java Communications Suite.
 - Critical Path is a veteran in the messaging platforms for service providers market segment. The company has established a significant installed base in the EMEA region, with its comprehensive Memova Messaging platform, aimed mainly at consumer-oriented service providers.

MESSAGING PLATFORMS FOR HOSTED EMAIL PROVIDERS - VENDOR ANALYSIS

TOP PLAYERS

OPENWAVE SYSTEMS, INC.

2100 Seaport Boulevard
Redwood City, CA 94063
www.openwave.com

Openwave has been present in the messaging business for many years and has grown a significant and loyal service provider installed base.

Openwave Email Mx is an open, standards-based messaging platform that offers service providers a POP3/IMAP4 connector, as well as an AJAX-enabled webmail solution. Mobile email is provided via an IMAP-IDLE protocol. End-users are provided with a personal calendar, agenda and have access to a shared drive solution. SMS and MMS are supported, just as is VoIP. The platform runs on UNIX or LINUX systems.

The platform is highly scalable and can easily support a high number of service provider subscribers, while its Webmail component provides easy access to email through any Web browser. The Webmail client features a family mailbox, mailing list, global address book, and remote account viewing. Webmail anti-abuse offers parental controls and report/monitoring functionality for greater control over the messaging environment. The Openwave Edge Gx Anti-Abuse provides comprehensive perimeter security. All inbound and outbound messages are filtered to reduce message traffic that can strain email servers. The solution also offers anti-virus and anti-spam protection from McAfee, Cloudmark, and Symantec Brightmail.

FUNCTIONALITY: 9

MARKET SHARE: 2

KEY STRENGTHS:

- Openwave has been in the market for many years and has an extensive expertise in messaging, combining fixed and mobile elements. As such, the company's platform is able to provide a seamless experience on both PCs and mobile devices.
- The focus on mobile messaging is increasingly important for mobile and converged service providers that use mobile messaging as the trigger to sell mobile data plans.
- The Openwave platform is scalable and extendable; the same back-end infrastructure can, for example, also be used for SMS and MMS. This is an important element in driving down costs for service providers.

KEY WEAKNESSES:

- Openwave has a clear focus on consumer-oriented service providers. However, many service providers also want to offer messaging and collaboration solutions to businesses. Openwave has not yet caught on to this trend, and may be losing out on some opportunities as service providers look for a platform that can handle both consumer and business subscribers.
- Openwave's platform has no support for Instant Messaging and presence awareness. Many service providers see these elements (and specifically 'presence') as key potential new revenue drivers.
- Openwave Email Mx does not support mobile access via BlackBerry Enterprise Server (BES) or ActiveSync. Although BlackBerry and ActiveSync enabled mobile devices do not cover 100% of the market, these devices are growing popular solutions, even with consumer-oriented service providers.

COMMUNIGATE SYSTEMS

655 Redwood Hwy, Ste 275
Mill Valley, Ca 94941
www.CommuniGate.com

CommuniGate Pro is a unified communications (UC) platform that supports multiple operating systems, including Linux, Mac OSX, Windows, and UNIX. The platform provides basic and business class messaging, groupware, IM/presence, VoIP, and mobility functionality.

Perimeter security is provided through **CommuniGate EdgeGate Controller** to protect against spam, viruses, malware, phishing, denial of service, and intrusion. Additional security features are also offered via a third-party plug-in provided by Cloudmark, Kaspersky, Mailshell, McAfee, and Sophos.

On the client side, CommuniGate Pro supports any IMAP or POP client, such as Apple Mail or Mozilla Thunderbird, and supports Microsoft Outlook via a MAPI connector. IM client support is equally broadly supported because CommuniGate Pro provides both SIP/SIMPLE and XMPP (Jabber) services. End-users can also access email, calendaring, contacts, IM and presence awareness, VoIP, as well as other functionalities via CommuniGate Systems' unique Web 2.0 client, **Pronto!**, a customizable unified communications client built on Adobe Flash.

For mobility, CommuniGate Systems offers the **CommuniGate Pro Mobility Suite**, which includes native AirSync for ActiveSync capable devices. For BlackBerry devices, CommuniGate Systems offers mobile support via a partnership with Notify.

FUNCTIONALITY: 9

MARKET SHARE: 3

KEY STRENGTHS:

- CommuniGate Pro is clearly a very feature-rich SaaS delivery platform including not only the messaging & collaboration 'basics' such as email, contacts and

agenda, but also Instant Messaging, VoIP (on- and off-net), web conferencing and file sharing. Furthermore, consumer-like features such as, Photos, Music and video integration (IPTV/VOD), are also covered in Pronto!

- CommuniGate Pro is highly tuned for SaaS delivery since they have a rich set of carrier APIs, including Parlay X, Diameter, Radius, and has a full development language for custom application delivery. The platform can virtualize thousands of hosted business subscribers or residential subscribers on the same platform, thus reducing cost dramatically for the ISP.
- CommuniGate Pro is platform agnostic; it runs on Windows Server, Linux, Unix and Mac OSX. This is important as ISPs often only have in-house experience in one of these technologies. The fact that ISP customers do not need to learn new skills can be an important cost-saver.
- The platform is based on industry standards (POP3, IMAP4, SIP, XMPP and more). This eases integration with 3rd party applications or clients. This ‘integration’ aspect is becoming increasingly important as Media (Video-on-Demand, Digital Television, etc.) and Communication technologies (email, Instant Messaging, VoIP, Conferencing, etc.) are converging and a lot of ISPs have some of these elements already deployed.
- With up to 250,000 users on 1 server, CommuniGate Pro is a very high density and efficient platform, reducing the hardware and maintenance costs for their customers. CommuniGate Pro provides the capability for Hot Change management with its Dynamic Cluster technology, reducing to zero the time services need to be offline for updates or maintenance.
- Over the years CommuniGate has built strong industry partnerships with, amongst others, Adobe, Intel, Polycom, Lucent, Ericsson and anti-abuse vendors like Cloudmark, Sophos, Kaspersky and McAfee.

KEY WEAKNESSES:

- Although Pronto! is a powerful client, it is not known to end-users, as the email client market is still dominated by Microsoft Outlook. It may take a great deal of time and effort for CommuniGate Systems to drive uptake of its client.

MICROSOFT CORPORATION

1 Microsoft Way

Redmond, WA 98052-6399

<http://www.microsoft.com>

Microsoft's flagship offering for service providers is the **Microsoft Hosted Messaging and Collaboration (HMC)** platform, which benefits from market leadership and experience from the Exchange Server and Outlook workgroups. HMC offers email, shared contacts and agenda, file sharing via **Microsoft SharePoint**, Instant Messaging, Presence and VoIP via **Microsoft Office Communication Server**. Security functions, such as anti-virus, anti-spam and archiving, can be added using **Microsoft Forefront** or other 3rd party solutions. Just as in Exchange Server 2003 SP2 and Exchange Server 2007, mobile push email is natively available with ActiveSync for Windows Mobile and iPhone devices, as well as Nokia Mail for Exchange.

Microsoft is increasingly adding unified communications functionality, enabling integration with hosted VoIP and providing features such as "Outlook Voice Access" in its latest version of the HMC platform.

In 2008, Microsoft has also launched its own hosted email & collaboration offering called **Microsoft Business Productivity Online Suite (BPOS)**, which competes with its hosted email provider partners. Microsoft hosts this service themselves with their own data centers.

FUNCTIONALITY: 8

MARKET SHARE: 5

KEY STRENGTHS:

- Microsoft has a strong brand and reliable image. Furthermore, they can rely on market leadership in the on-premises messaging market and the popularity of their Microsoft Outlook email client. This is important as service providers are linking their own name and reputation to this technology.

- The Outlook client is strongly integrated with the HMC platform. Also, Outlook Web Access, the HMC webmail, strongly banks on the Outlook client user-experience.
- Microsoft is physically present in almost every country in the world with marketing, sales and support teams, as well as a strong network of industry partners (selling Exchange Server, Windows based web-hosting, Microsoft Dynamics CRM, and more).

KEY WEAKNESSES:

- The cost of implementing Microsoft HMC with Microsoft Exchange Server is perceived as being much higher than other hosted email and collaboration platforms.
- The launch of Microsoft Business Productivity Online Suite will slow down the uptake of HMC by partners (currently 1,800). Furthermore, partners currently running HMC that are considering upgrading to HMC 4 or adding on features (such as SharePoint or Office Communications Server) might be reluctant to do so, as they will also now be competing directly with Microsoft.
- Customers running a HMC 3.5 environment (with Hosted Exchange 2003) are seeing difficulties migrating to more recent versions (with Exchange 2007), because HMC 4 runs in a 64-bit environment, while HMC 3.5 runs on a 32-bit environment. This means that service providers have to build a new messaging infrastructure with new servers to deploy a Hosted Microsoft Exchange solution.
- Sharing of ‘Active Directories’ is still very difficult for service providers. This is often a requirement for larger SMBs that want to deploy a hosted email and collaboration solution, as these SMBs already have an Exchange server running in-house, and have already integrated the Active Directory with many of their business specific applications/services.
- Microsoft HMC offers a rich set of features, scaled primarily for business users. However, some service providers may want to deploy a single messaging

platform for both consumers and business customers. Although some service providers offer HMC-based email to consumers, it is expensive and lacks native support for many consumer-like features such as blogging, media integration, and more.

TRAIL BLAZERS

ZIMBRA, INC.

701 First Ave
Sunnyvale, CA 94089
www.zimbra.com

Zimbra offers an open-source messaging and collaboration platform through **Zimbra Collaboration Suite (ZCS)**. ZCS is offered as both an on-premises messaging solution via the Network Edition, as well as to service providers via the Consumer and Email Editions. Zimbra offers a full set of functionality ranging from plain email to shared calendar, contacts, tasks, Unified Messaging (e.g. voice mail access), archiving, file sharing, Instant Messaging and presence awareness, CRM (via partner solutions such as SugarCRM or Salesforce.com), built-in RSS feeds, and more.

These functions are accessible via an AJAX-based web client, **Zimbra Web Client**, as well as a local desktop email client, **Yahoo! Zimbra Desktop**. Zimbra also provides a MAPI connector, **Zimbra Outlook Connector**, which end-users can use to synchronize email, contacts and calendar with a Microsoft Outlook client. For Macs, the **Zimbra Apple iSync** adaptor enables synchronization with Apple Mail, Microsoft Entourage and iCal.

A unique feature of ZCS is the integration of **Zimlets** into the Zimbra email client. Zimlets are business-oriented application mash-ups that enable easy integration with 3rd party applications.

ZCS also offers optional support for push email and native synchronization of emails, calendars, and contacts with ActiveSync compatible devices, such as iPhone, Palm OS, Symbian OS, and Window Mobile devices through **Zimbra Mobile**. Zimbra also provides support for BlackBerry synchronization via a connector for BlackBerry Enterprise Server (BES), as well as push email support for Apple iPhone, BlackBerry, Palm, and Windows Mobile devices through NotifyLink. Users also have the option of accessing email messages on their mobile devices using a mobile browser.

FUNCTIONALITY: 7

MARKET SHARE: 6

KEY STRENGTHS:

- The acquisition by Yahoo! in 2007 gives Zimbra financial backing, as well as a well-known and reliable brand to enter into talks with key service providers.
- ZCS offers a very wide set of messaging and collaboration features. Zimlets are business-oriented application mash-ups that enable easy integration with 3rd party applications.
- ZCS offers native Blackberry mobile push email support. This is an important feature for telco's that bundle the mailbox with a mobile device and data subscription plan, or try to sell the hosted mailbox as a premium service.
- Zimbra offers a cheaper alternative to Microsoft HMC while giving the same feature-set, including full Outlook synchronization.

KEY WEAKNESSES:

- Zimbra is attempting to gain market share in the email client market against the popular and widely adopted Microsoft Outlook desktop client. Zimbra will have to put a lot of resources in promoting its client, as Microsoft Outlook is still the most widely deployed email client among businesses.
- Zimbra is a relatively new player in the mature email platform market. Zimbra is competing against a lot of well established players that already have profitable installed bases.

GECAD TECHNOLOGIES

10A Dimitrie Pompeiu Blvd.
020337 Bucharest 2
Romania
www.axigen.com

AXIGEN Mail Server is the company's messaging platform for service providers. It provides email via POP3 and IMAP4 protocols, or via a webmail client written using a proprietary programming language called HSP. In addition to email, personal and shared contacts and agenda are offered. Archiving, anti-virus and anti-spam are supported through partners. A unique feature about the AXIGEN messaging platform is its 'UltraStorage' features, which enable faster mail flow and reduce storage requirements because all messages are stored in a special directory structure.

AXIGEN offers email, contact and agenda integration with Outlook client via dedicated plug-in software.

AXIGEN Mailserver also provides ActiveSync-based push email and PIM synchronization, as well as an AJAX webmail interface.

FUNCTIONALITY: 7

MARKET SHARE: 9

KEY STRENGTHS:

- AXIGEN is a young and flexible company. It offers a robust and reliable email platform including all basic features, such as central contact book and agenda.
- The AXIGEN Mail Server is relatively easy to integrate with standards-based, 3rd party applications.
- The AXIGEN Mail Server offers an excellent TCO, compared to other carrier-grade messaging platforms.

- AXIGEN supports Linux, Unix and Windows operating system.

KEY WEAKNESSES:

- Most service providers offer more than basic ‘email’ and require a somewhat richer feature set than what AXIGEN currently provides today.
- AXIGEN does not offer Instant Messaging with its email solution.
- AXIGEN is a relatively new player and is still less visibility than many of its competitors in the service provider market.

SPECIALISTS

MAILSITE SOFTWARE, INC.

1901 South Bascom Ave, Suite 900
Campbell, CA 95008
www.mailsite.com

MailSite provides service providers and enterprises with a full range of messaging, collaboration and mobility solutions. Their core-business is messaging software for hosting providers, on top of which they have built additional functionality.

The **MailSite Fusion 9** platform for service providers, released in July 2008, offers email, shared contacts and agenda, SMS integration, archiving, anti-virus and anti-spam. The solution includes an AJAX-based web client, which provides an experience similar to a Microsoft Outlook Web Access. Standard protocols are supported, along with a range of local email clients including full and seamless integration with Microsoft Outlook 2007.

In October 2008, MailSite released **AstraSync**, software that runs on a BlackBerry smartphone and provides an alternative to BlackBerry Enterprise Server (BES). AstraSync implements the Exchange ActiveSync protocol on the smartphone for over-the-air synchronization of email, calendars and contacts with either a Microsoft Exchange server or a MailSite Fusion 9 server.

FUNCTIONALITY: 4

MARKET SHARE: 7

KEY STRENGTHS:

- MailSite Fusion provides native support for Microsoft Outlook 2007, including calendar and contact synchronization, without the need for an Outlook plug-in. This is a clear advantage over competitors who promote an Outlook ‘plug-in’ solution.

- MailSite Fusion comes bundled with MailSite ExpressPro for an AJAX-enabled, desktop-like Webmail experience and remote accessibility.
- The MailSite Calendar Server enables calendar synchronization with a whole range of 3rd party clients and services, such as Microsoft Outlook 2007, Apple iCal, Google Calendar and Windows Vista Calendar.

KEY WEAKNESSES:

- MailSite Fusion does not yet offer IM functionality or integration with third-party IM platforms, which may discourage many service providers that need to leverage every possible messaging and collaboration feature in a highly competitive market.
- Although BlackBerry is supported, it requires the end-user to install a plug-in on the BlackBerry device. The installation process may be an issue for customers and have a large impact on the service providers' helpdesk. As such, many service providers might be reluctant to push this BlackBerry service.
- The collaboration platform does not provide file-sharing capabilities, a function that most of its competitors provide.
- MailSite only runs in a Windows environment, limiting its penetration to only those service providers that want to run on Windows.

OPEN-XCHANGE, INC.

303 South Broadway
Tarrytown, New York 10591
www.open-xchange.com

Open-Xchange provides an open-source messaging and collaboration platform that can be deployed on Linux operating systems, and is available as an on-premises solution, as well as a hosted solution for service providers. Open-Xchange is a standards-based messaging platform that provides email, shared contacts and agenda, file capabilities, and works with any POP3/IMAP4 email client. Anti-virus and anti-spam is also offered via technology partners, and VoIP and archiving solutions are expected to be added to the list in 2009.

The current **Open-Xchange Hosted Edition (OX HE)** platform was created in collaboration with 1&1, one of the largest pure-play Hosting Providers in the world. OX HE integrates seamlessly with other applications, as well as other email platforms. This enables customers to use the Open-Xchange AJAX-enabled webmail solution with their existing SMTP platform.

Customers that wish to have a ‘full’ Outlook synchronization (email, contacts & agenda) require the Open-Xchange plug-in for Outlook, **OXtender for Microsoft Outlook**.

Open-Xchange also provides wireless push email and PIM synchronization support in cooperation with Funambol and O3SIS AG for BlackBerry, Windows Mobile, Android, iPhone devices, and other SyncML-enabled mobile phones.

FUNCTIONALITY: 6

MARKET SHARE: 8

KEY STRENGTHS:

- Open-Xchange has the unique advantage of being able to integrate with existing basic SMTP email platforms. This enables Open-Xchange to add an advanced

AJAX Webmail component, as well as collaboration features, such as shared calendar and contacts, mobile email support and file sharing to this basic email platform. As such, service providers will not need to migrate all their end-users to a new platform, saving them time, money, and possibly customers.

- Open-Xchange is an open-source alternative to Microsoft HMC. Some service providers see this as an important benefit.
- Open-Xchange has success with pure-play hosting providers, such as 1&1, OVH, Network Solutions, and HostPoint. These hosting providers have a large installed base of ‘basic’ email users to up-sell full collaboration mailboxes to.

KEY WEAKNESSES:

- Open-Xchange is missing some critical features such as Instant Messaging, VoIP and archiving.
- Outlook synchronization requires the installation of a plug-in on top of Microsoft Outlook. This can create additional costs for the service provider, as they will receive more support calls.
- Although mobile email is supported, it is not through ActiveSync or BlackBerry Enterprise Server (BES). These are very popular solutions for Telco’s as they are relatively easy to package with a mobile data subscription plan and device.

MATURE PLAYERS

SUN MICROSYSTEMS, INC.

4150 Network Circle
Santa Clara, CA 95054
www.sun.com

Sun Microsystems has a long history of providing email platforms to service providers. Their platform, the **Sun Java Communications Suite 6**, can be deployed on Solaris and Linux operating systems, and has grown from a core messaging engine, **Sun Java System Messaging Server**, into a comprehensive suite which now includes the **Sun Java System Calendar Server** for calendaring, and the **Sun Java System Instant Messaging** for real-time communication, presence awareness, and voice conferencing.

The latest version of the suite now includes a slick AJAX webmail interface, **Sun Convergence**. Convergence comes with integrated IM, calendaring, address book, and the ability to search attachments.

Sun also allows users to synchronize their mobile devices and personal information managers (PIM) via **Sun Java System Communications Sync** for PalmOS, and Windows Mobile OS mobile devices.

FUNCTIONALITY: 5

MARKET SHARE: 1

KEY STRENGTHS:

- Sun has the unique advantage of being able to sell an entire platform, including hardware, software, and services. Almost all service providers are Sun customers somewhere along that line, which makes cross-selling easier as Sun is a well-known provider.
- Sun enjoys a good reputation as provider of high-performance and high-fidelity email systems at a good Total Cost of Ownership (TCO).

- Open -standards are consistently used in the Sun Java Communications suite, which eases integration with 3rd party applications.
- When it comes to messaging, the primary focus of the Sun Java Communications Suite is to provide a reliable messaging solution with a low TCO.

KEY WEAKNESSES:

- Although the Sun Java Communications Suite has grown beyond email, most of its customers are still only using email.
- Sun has not developed more consumer hyped features linked around mobility or social networking. Service providers that are Sun customers will have to look elsewhere for these functions, or end-users will move to services freely available on the web (Facebook, Google, Yahoo!).
- Mobile email support is currently provided via partnerships. With the growing importance of mobile push email, these functions should be built-in, and as platform agnostic as possible.
- The current feature set of Sun Java Communications Suite does not extend into file sharing, blogs, VoIP, or CRM.

CRITICAL PATH, INC.

2 Harrison Street, 2nd Floor
San Francisco, CA 94105
www.criticalpath.net

Critical Path is a longtime supplier of messaging solutions for service providers and has built up an impressive installed base with its **Memova Messaging** platform. In addition, the company offers **Memova Mobile** for wireless email and **Memova Anti-Abuse** for email security (e.g. anti-virus, anti-spam, etc.).

Memova Messaging is a comprehensive platform aimed mainly at consumer-oriented service providers that supports UNIX and Linux-based OS. The platform allows service providers provide email with a variety of value-added premium services, which include:

- Contact-Centric Communications - rich integration with SMS, IM, VoIP, etc.
- Universal Contacts - a single contact list that is hosted in the cloud and that can easily be integrated with email, Instant Messaging, SMS, VoIP, and more. The centrally hosted contacts will automatically synchronize with all sorts of devices (e.g. PDA, PC, Mobile Phones).
- Digital Life - a feature that enables easy document sharing between users of communities. The end-user can define what content he/she wishes to share, and with whom. Content can be shared in a multitude of ways (for instance through MMS, RSS feed, or streaming to a 3G phone).
- Media Mail – a feature that enables end-users to share very large documents (for example movies) via email.

FUNCTIONALITY: 5

MARKET SHARE: 4

KEY STRENGTHS:

- Memova Messaging offers service providers a very rich set of features, especially for consumer-oriented service providers, with features such as Media Life, Digital Life, and more.
- Critical Path has been in the messaging business since 1997 and has built a robust and stable installed base. Thanks to its early contacts with many Tier 1 service providers, it was able to evolve its messaging platform to best meet its customers' strategy in using messaging as a retention tool, as well as a potential revenue generating feature (i.e. through advertising, up-sale of wireless email, and more).
- Critical Path's large installed base provides it with a good customer base, which Critical Path can up-sell additional services to.
- Memova Messaging aims at device agnosticity, which allows for shared content and access on PCs and Smartphone or Mobile Phone. This is increasingly important as many service providers are 'converging' their fixed and mobile services.

KEY WEAKNESSES:

- Although features, such as calendar and contact sharing are available, Critical Path doesn't focus on business end-user requirements. This can be a missed opportunity, as many service providers are attempting to gain revenues with business-oriented services. As such, some of their service provider customers may shop around for an alternative, more business-focused platform, or end up deploying two or more messaging environments.
- Critical Path's customers are facing increasing pressure from global players such as Google, Microsoft and Yahoo!, which provide messaging and other solutions for free and based on an advertising model. As such, service providers are finding it close to impossible to charge for consumer services, which translates into increased price pressure for Critical Path.

THE RADICATI GROUP, INC.
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The Radicati Group, Inc. is a leading Market Research Firm specializing in emerging IT technologies. The company provides detailed market size, installed base and forecast information on a worldwide basis, as well as detailed country breakouts, in all areas of:

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- **Instant Messaging**
- **Unified Communications**
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Currently Released Publications:

Title	Released	Price*
Messaging and Collaboration Business User Survey, 2008	Dec. 2008	\$3,000.00
On-Premises Unified Communications Market, 2008-2012	Dec. 2008	\$3,000.00
Messaging Platforms for Service Providers, 2008-2012	Dec. 2008	\$3,000.00
Messaging & Collaboration Market, 2008-2012	Dec. 2008	\$3,000.00
eDiscovery and Data Loss Prevention Market, 2008-2012	Nov. 2008	\$3,000.00
Enterprise 2.0 Software Market, 2008 – 2012	Oct. 2008	\$3,000.00
Corporate IT Survey - Messaging & Collaboration, 2008	Sept. 2008	\$3,000.00
Wireless Email Market, 2008 - 2012	Sept. 2008	\$3,000.00
Hosted Email Market, 2008 – 2012	Aug. 2008	\$3,000.00
EMEA Hosted Email Market, 2008-2012	Aug. 2008	\$3,000.00
IBM Lotus Notes/Domino Market Analysis, 2008-2012	May 2008	\$3,000.00
Email Security Market in Asia Pacific, 2008 – 2012	May 2008	\$3,000.00
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Upcoming Publications:

Title	To Be Released	Price*
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IBM Lotus Notes/Domino Market Analysis, 2009-2013	Apr. 2009	\$3,000.00
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Dr. Sara Radicati is a widely recognized industry consultant and analyst expert in Messaging and Collaboration, Directory and Metadirectory Services, PKI/Security, Unified Communications, Wireless and Internet applications. Sara was one of the leading designers of the X.500 standards for directory services, and has played an active role in numerous major international standards organizations. She is a past Director of the European Electronic Messaging Association (EEMA).

Her company, The Radicati Group, Inc., is an international consulting and market research firm with offices in Palo Alto, USA, and London, UK. The company assists corporate clients, vendors and network operators on planning, deployment and business strategies in all areas of messaging, directory services, unified communications, wireless and Internet applications. The company also performs due-diligence and advises investment firms in identifying new opportunities. Dr. Radicati is a widely published author and speaks frequently at industry events worldwide.