

**Case Study**

**Government of New Brunswick**

Canadian Province Saves \$3.5 Million on Software and Services over Three Years

Posted: 05/25/2007



*To achieve self-sufficiency and maintain high-quality services for its citizens, the Government of New Brunswick (GNB), Canada, wanted to reduce costs and improve operations efficiency. Toward that end, GNB signed a Microsoft® Enterprise Agreement, which provides predictable software license costs and Software Assurance benefits to help the government standardize technology across the organization. Working with Microsoft Gold Certified Partner xwave, a division of Bell Aliant and a full-service business solutions provider, GNB saved approximately CDN\$2.1 million in license acquisition costs and gained another CDN\$1.4 million in additional benefits over three years. The Enterprise Agreement also provides the flexibility for each department to make its own software decisions, and the tools to support compliance and maximize the value of license expenditures.*

**Situation**

Often referred to as the “Gateway to the Maritimes,” the Province of New Brunswick, Canada, combines a modern service-based economy in urban areas with agriculture, forestry, mining, and fishing in rural areas. In addition to the provincial government, which is the principal agent of local administration, each of New Brunswick’s cities, towns, and villages has elective clerks and councils.

Over the last several years, the Government of New Brunswick (GNB) has experienced a growing demand for services that are easily accessible to its citizenry. “Our citizens expect their government services to be on par with those they receive from private companies,” says Danny Keizer, Chief Information Officer of the Government of New Brunswick. “That places a strong demand on the government to increase efficiency and reduce operating costs so that we can meet that demand with our available resources.”

GNB’s major areas of strategic investment include energy, education, and economic development. In addition, GNB is striving to achieve financial self-sufficiency by 2026. This means that New Brunswickers intend to work toward enjoying a standard of living similar to the other provinces and territories without extraordinary financial “equalization” transfers from Canada’s federal government. Under Canada’s equalization program, the central government transfers funds, based on a formula related to the population and level of service required, to provinces in which economies are not performing as well as others. This equalization helps ensure that all provinces maintain a consistent level of services, regardless of local declines in population and economic downturns.

“New Brunswick has fiscal responsibility and balanced budget legislation, so balancing our budget is a very real priority,” says Keizer.



“ We calculated that we spent approximately \$5.7 million on Microsoft software licenses for a three-year period; those same licenses would have cost \$7.8 million without a Volume Licensing agreement. ”

**Danny Keizer**  
Chief Information Officer, Government of New Brunswick

In its efforts to provide additional and improved services, while staying within budgetary restraints, GNB has turned to technology to increase internal efficiency and add electronic access to many services for individuals and businesses. GNB offers electronic access to more than 200 services including motor vehicle registration, personal property registries, and business permit and license renewals, which increases convenience for citizens and reduces costs for the government.

To streamline its internal operations, the government standardized its desktops on Microsoft® Office programs and the Windows® operating system in the mid-1990s. “Because the products worked well together and provided reliable performance, we found that we could build on them effectively to meet our overall business needs,” says Keizer.

Initially GNB allowed each department to acquire software as needed. Then, in 1996 GNB signed a Microsoft Select License Agreement, which gave it a volume price for its licenses over a three-year term. That agreement provided cost advantages and centralized all Microsoft license acquisitions under one enrollment. However, centralized enrollment proved challenging given the diverse needs of GNB’s 17 departments and more than 400 locations that encompass more than 10,500 client computers and 300 server computers throughout New Brunswick. “The varying volumes and needs of each department, made it nearly impossible for one group to accurately track all licenses and maintain accurate records to show that every department and municipality was in compliance,” says Keizer.

When it came time to renew its contract with Microsoft in 2004, GNB decided to review other Microsoft Volume Licensing alternatives. Its key requirements included consistent licensing costs, the best volume discount available, and the flexibility for each department to be able to track and manage its own desktop and server licenses and decide when to migrate to new software.

At the same time, GNB was reviewing license agreements, it also was evaluating Enterprise Software Advisor and Large Account Reseller partners for the next three-year contract. The partner it chose needed to be knowledgeable about both Microsoft Volume Licensing programs and technologies so that it could help GNB get the most for its licensing dollar and take full advantage of Microsoft software and technologies.

**Solution**

After reviewing some of the Volume Licensing programs that Microsoft presented, GNB decided to sign a Microsoft Enterprise Agreement that covers Microsoft Office Professional and the Microsoft Core Client Access License (CAL) Suite—including the Windows Server® 2003 operating system, Microsoft Exchange Server, Microsoft Systems Management Server, and Microsoft Office SharePoint® Portal Server—for 10,500 client computers. The agreement also covers a wide variety of additional technologies including Windows Server, Exchange Server, Internet Security and Acceleration Server, SQL Server™, and Microsoft Operations Manager licenses for 300 server computers.

GNB’s Enterprise Agreement covers the entire Government of New Brunswick and includes separate enrollments for each department to acquire and manage its own licenses. In addition to the core 10,500 licenses covered within the Enterprise Agreement, various municipalities and school districts within the province acquire Microsoft software under ancillary Microsoft Select Licenses. Through the Enterprise Agreement, GNB was able to more effectively standardize software across all desktops and take advantage of many of the included Software Assurance benefits, including Spread Payments, New Version Rights, Desktop Deployment Planning Services, Training Vouchers, Microsoft eLearning, Home Use Program, 24x7 Problem Resolution Support, a TechNet Plus subscription, and Extended Hotfix Support.

At the same time that GNB signed the new Volume Licensing agreement, it chose xwave as its solution provider through a competitive selection process. As a Microsoft Gold Certified Partner, Large Account Reseller, and Enterprise Software Advisor, xwave—the IT division of Bell Aliant—offers GNB an in-depth understanding of Microsoft technologies and Volume Licensing benefits to help it take full advantage of the Enterprise Agreement. In addition to training and planning services to help GNB move into new technologies, xwave trained GNB departments on how to use the Microsoft Volume License Services (MVLS) Web site to efficiently track licenses and monitor Software Assurance benefits.



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**Danny Keizer**  
Chief Information Officer, Government of New Brunswick

There are five GNB IT groups that include representatives from each GNB department. These groups meet monthly to discuss IT issues and share best practices. In the late 1990’s, these committees established a general policy that departments run either “N” or “N-1” software versions. (N refers to the latest version, as set by GNB, and N-1 is the next to the latest version.)

The departments decide individually when and how to upgrade. The Supply and Services, Corporate Information Management Services (CIMS) branch tests the general usability and compatibility of new software and individual departments test the software from their own line-of-business (LOB) perspective.

To aid in new software deployments, each GNB department receives a specified number of days of Desktop Deployment Planning Services for new version rollouts. These services are delivered by xwave and will be used more extensively as GNB departments start planning their migration to the Windows Vista™ operating system and the 2007 Microsoft Office system.

The departments also manage approximately 200 of their own servers for LOB applications and file and print services. CIMS manages another 100 servers that make up the corporate infrastructure and run government-wide applications including Exchange Server and the Active Directory® service.

**Benefits**

By signing a Microsoft Enterprise Agreement, the Government of New Brunswick saved CDN\$2.1 million [U.S.\$1.8 million] on license acquisition costs and gained an estimated CDN\$1.4 million [U.S.\$1.2 million] in additional benefits over three years. Its departments also gained the flexibility to cost-effectively manage their individual software environments. And, by standardizing technology across all departments, the government is able to support more efficient and effective operations and service delivery to consumers.

**\$2.1 Million Savings on Volume Licensing Acquisition**

One of the most obvious benefits GNB gained through the Microsoft Enterprise Agreement was reduced licensing costs. “We calculated that we spent approximately \$5.7 million on Microsoft software licenses for a three-year period; those same licenses would have cost \$7.8 million without a Volume Licensing agreement,” says Keizer. “That savings alone is enough to convince us to renew for another three years, which we will do in April. And those savings are without even looking at the enhanced benefits and other soft cost savings that we gain through the Enterprise Agreement.”

In addition, spreading out license costs over three years supports more predictable budgeting. “The ability to spread licensing costs evenly over three years, so that we don’t have large spikes when we deploy new products, is very attractive in a government environment,” Keizer says.

**\$1.4 Million in Additional Benefits**

In addition to the savings in license acquisition costs, GNB has identified an estimated CDN\$1.4 million in added benefits over the life of the Enterprise Agreement from Software Assurance and reduced management and training costs as a result of a standardized desktop environment across the government. “We’ve calculated that we gained approximately \$500,000 in benefits to users, such as the Home Use Program; and another \$900,000 through organizational benefits, such as training credits, computer-based training, and tips-and-tricks sessions,” Keizer notes. “By deploying a consistent set of tools, we can do our training more consistently and support those tools more efficiently.”



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**Gail Mitchell,**  
Account Executive, xwave

In addition, xwave uses MVLS to help GNB manage and track license and benefit use. “MVLS saves us a lot of time because all the Enterprise Agreement information is in one spot, so we can answer questions on the fly regarding benefits,” says Gail Mitchell, xwave Account Executive on the GNB account. This centralized access to information helps xwave ensure that all the GNB departments take full advantage of the available benefits.

**Easy License Management**

The Enterprise Agreement allows each GNB department to manage its own licenses and still enjoy the volume pricing and Software Assurance benefits available under the Enterprise Agreement. MVLS also supports cost-effective and accurate license tracking and reporting. So whether GNB departments choose to manage their own licenses or have xwave manage them, they can easily stay in compliance with the terms of the Enterprise Agreement. And with the annual true-up process, departments can add licenses for software throughout the year and update quantities within the same agreement at the end of the year.

**Improved Workflow Processes**

The predictable costs and new version rights provided by the Enterprise Agreement enabled GNB to standardize its desktop environment. The more current and consistent desktop software environment across the entire government makes it easier for groups to work together, exchange documents, and collaborate on budgets and other projects. It also streamlines development. “We now have a foundation we can use when planning new applications, which reduces development time and helps us innovate to deliver services more efficiently,” says Keizer.

**Microsoft Volume Licensing**

*Microsoft® Volume Licensing offers customized programs that are designed to meet the needs of your business. Tailored for companies of different sizes and purchasing preferences, these Volume Licensing programs provide simple, flexible, and affordable solutions that can help you manage your licenses with ease. Whether you have five or thousands of desktop PCs, Microsoft Volume Licensing has the right program for you. To acquire the latest Microsoft technology at a significant cost savings through Microsoft Volume Licensing, contact your Microsoft Partner or local reseller.*

To learn more about Microsoft Volume Licensing, visit: [www.microsoft.com/licensing](http://www.microsoft.com/licensing)

**For More Information**

For more information about Microsoft products and services, call the Microsoft Sales Information Center at (800) 426-9400. In Canada, call the Microsoft Canada Service Centre at (877) 568-2495. Customers who are deaf or hard-of-hearing can reach Microsoft text telephone (TTY/TDD) services at (800) 892-5234 in the United States or (905) 568-9641 in Canada. Outside the 50 United States and Canada, please contact your local Microsoft subsidiary. To access information using the World Wide Web, go to: [www.microsoft.com](http://www.microsoft.com)

For more information about xwave, a Division of Bell Aliant products and services, call (902) 495 - 2730 or visit the Web site at: [www.xwave.com](http://www.xwave.com)

For more information about Government of New Brunswick products and services, visit the Web site at: [www.gnb.ca](http://www.gnb.ca)



**Solution Overview**

<http://www.gnb.ca>

**Customer Size:** 10000 employees

**Organization Profile**

The Government of New Brunswick (GNB) in Canada is responsible for maintaining and delivering high-quality, consistent public services, including education, health and senior care, and the administration of justice, across the province.

**Business Situation**

GNB wanted to standardize desktop software across all departments, and secure consistent licensing costs for Microsoft® software, while allowing each department to acquire and manage its own licenses.

**Solution**

GNB signed a Microsoft Enterprise Agreement that covers 10,500 desktop computers, providing consistent volume license costs over three years and Software Assurance benefits.

**Benefits**

- CDN\$2.1 million savings on license acquisition
- CDN\$1.4 million in additional benefits
- Easy license management
- Improved workflow processes

**Hardware**

- Desktops: Dell HP IBM
- Notebooks: Dell HP IBM Toshiba
- Servers: HP Dell IBM

**Partner(s)**

xwave

**Software and Services**

- Microsoft Exchange Server 2003
- Microsoft Internet Security and Acceleration Server 2004
- Microsoft Office Professional Edition 2003
- Microsoft Office SharePoint Portal Server 2003
- Microsoft Office System
- Microsoft Operations Manager (MOM) 2005
- Microsoft SQL Server 2005
- Microsoft Systems Management Server 2003
- Microsoft Windows Server 2003 Standard Edition
- Microsoft Windows XP Professional

**Vertical Industries**

Government Agencies

**Country/Region**

Canada

