![Panaya - Making ERP Easy]

8 Things You Need to Know About the New SAP® Enterprise Support Program[1]

There has recently been a lot of debate about the new SAP Enterprise Support Program. After receiving numerous questions on the subject from customers and colleagues alike, we decided to put together a brief document explaining some of the key points of this program.

1. Applicability

The SAP Enterprise Support program **applies to all SAP customers** and replaces previous support offerings, including SAP Standard Support and SAP Premium Support.
All of SAP's previous support offerings will be gradually replaced with the new Enterprise Support program, so it's vital that all SAP customers make themselves familiar with the details of the new program.

2. Coverage

SAP is making SAP Enterprise Support available for all SAP software, except for SAP Business One and SAP Business ByDesign. Additionally, **SAP Enterprise Support is available for non-SAP applications** that are sold by SAP. This is a great opportunity for SAP customers to obtain support for products not previously supported by SAP.

3. *Extended Maintenance*

For SAP customers still operating on SAP R/3 4.6c and 4.7, SAP has **lengthened the period of extended maintenance** as part of the company's 5-1-2 maintenance schedule (SAP R/3 4.6c until December 2010 and SAP R/3 4.7 until March 2013). The 5-1-2 maintenance schedule includes five years of mainstream maintenance at the standard maintenance fee, one year of extended maintenance at an additional 2 percent maintenance fee, and two more years of extended maintenance at an additional 4 percent maintenance fee per year.

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[1] Read more about the SAP Enterprise Support Program at http://www.sap.com/services/bysubject/support/index.epx.

4. Key Components

The program is based on a **24/7 service level agreement**, continuous quality checks, support advisory, and advanced support for implementing SAP® ERP enhancement packages and support packages. The enterprise edition of SAP Solution Manager, which provides all methodology, processes, and tools for quality management and advanced testing, facilitates support for distributed systems – with functionality that covers all key aspects of solution deployment, operation, and continuous improvement.

5. Response Times

For Priority 1 problems, SAP guarantees **a response within one hour** of the customer reporting the problem and provides either a resolution or a corrective action plan within four hours. In addition to the SLA response and corrective action guarantees for Priority 1 problems, SAP Enterprise Support includes a guaranteed four-hour response time for Priority 2 issues.

6. Pricing

According to an April 29th press release[2] from SAP and SUGEN, beginning in January 2009, there will be a gradual price increase from current pricing agreements for SAP Standard Support or SAP Premium Support to the SAP Enterprise Support pricing model of **22 percent of maintenance base by 2012** (as compared to 17 percent for the existing services).

7. Pricing Schedule

As announced in the same press release, the cost of support will rise, over a seven-year period, **by an average of 3.1 percent each year** (from 17 percent to 22 percent), with the final price increase taking effect in 2015.

8. Key Performance Indicators (KPIs)

Solution Manager**,** a lifecycle management tool that's mandatory for all SAP customers, will be a critical part of monitoring the key performance indicators (KPIs) that are integrally related to the price increases associated with Enterprise Support. **These price increases won't go into effect until the KPIs are met** by a group of 100 customers picked by SUGEN, the SAP User Group Network. This was a key point in the above mentioned joint press release.

<u>**About Panaya:**</u>

Established in 2006, Panaya Inc. provides software tools that save SAP customers up to 50% of their software upgrade and maintenance costs, while minimizing risks and proving clear ROI. Provided as Software as a Service (SaaS), Panaya's SAP environment simulation shows which custom SAP programs will break as a result of an upgrade, explains how to fix them, derives the most efficient test plan, and calculates the required budget and resources for the project.

For further information, visit the Panaya Web site at www.panayainc.com*.*

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[2] http://www.sap.com/global/templates/press.epx?pressid=11250