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March 4, 2008 (FPRC) -- BURLINGTON, MA - groupSPARK, a Microsoft Gold Certified Partner and the leading Software as a Service (SaaS) provider of - hosted messaging and collaboration services such as private label Exchange Server 2007 and private label SharePoint 3.0, announced today that it welcomes Microsoft's further entry into the hosted services market with the beta release of Exchange Online and SharePoint Online for small and mid-size businesses (SMBs).

Microsoft's beta release of the Exchange Online and SharePoint Online hosted services further validates groupSPARK's core vision: Microsoft Exchange Server 2007 and Windows SharePoint Services v3 while being the best-in-class messaging and collaboration applications are difficult for SMB's to setup and manage and best utilized as hosted services. Additionally, Microsoft's anticipated Q4 launch should have the effect of not only increasing the market share of Exchange Server mailboxes from 135 Million worldwide, according to the Radicati Group, but also cause many SMBs to look at hosted alternatives such as Microsoft's and groupSPARK's offerings.

Microsoft's offerings, which seemingly compete with groupSPARK, are incomplete at best, as they lack critical third party services such as BlackBerry Enterprise Server (BES) - this makes the Microsoft offering a non-starter for most businesses. More importantly, the Microsoft Online services will be sold exclusively through partners but without any partner branding. The lack of partner branding reduces the partner's relationship with the end customer as the customer realizes that the partner is not adding any value and simply reselling a commodity service.

groupSPARK, on the other hand, is a best of breed provider and offers not only current and previous versions of Exchange and SharePoint servers but also access to critical non-Microsoft services such as BlackBerry Enterprise Server for two way mobile synchronization as well as industry leading Postini for spam and virus filtering and archiving services. Additionally, groupSPARK's partner program empowers its partners to own and extend their customer relationships by fully private labeling groupSPARK's offering under their own name and brand - the customers never realize that the ultimate provider of the service is groupSPARK - and thus create customer loyalty. To maximize revenue, groupSPARK's resellers set pricing for all of their customers and can even create custom hosted Exchange offerings to sell differentiated offerings in the marketplace.

"We welcome Microsoft's new entry into the hosted services market and are encouraged that SMBs will realize that hosted software services are a key tool in increasing corporate productivity and growing their business," said Ravi Agarwal, chief executive officer of groupSPARK. "Currently only 1.5 million users use hosted Exchange worldwide. Microsoft's entry into this market will cause awareness of hosted Exchange to grow and will cause this market growth to accelerate. groupSPARK is uniquely positioned to help channel partners to take advantage of this explosive

growth opportunity and maximize revenue."*

About groupSPARK

Located in Burlington, Massachusetts, groupSPARK is a leading provider of SaaS services, such as Microsoft Exchange Server, SharePoint Services, and Dynamics CRM, which can be completely private labeled and resold by partners as a part of their own product offerings saving hundreds of thousands of dollars in development and support costs.

Its partners utilize groupSPARK's turnkey private label platform to provide hosted services to their users in minutes. Partners are able to address scalability and uptime concerns by leveraging groupSPARK's 100% uptime SLA, live 24x7 U.S.-based phone & email support and proactive hardware and software monitoring capabilities.

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*Hosted Messaging Trends 2007-2010, Osterman Research, August 2007.

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