

BACKUP DIRECT™ ALLIANCE PARTNER PROGRAM

About Backup Direct™

Backup Direct™ is a leading supplier of online data backup services targeting UK organisations that value their data. Backup Direct™ services deliver: automated daily backup, secure off-site storage and guaranteed fast data recovery.

Compared with traditional tape solutions, online backup services are cheaper (no capital required, no maintenance required), faster (instant setup, instant data recovery) and better (automated, daily, comprehensive).

Backup Direct™'s combination of business focus, leading technology, operational systems, SLAs and committed support – combine to ensure simple, secure and affordable data protection.

Further Information

If you are interested in becoming a member of the Backup Direct™ Partner Program, then email partners@backupdirect.net or call Sales Direct on 08000 789 437.

Program Overview

The Backup Direct™ Alliance Partner Program is one of three partner programs supported by Backup Direct™, designed to allow partners of various types, sizes and with varying business objectives to deliver online data backup services to their own clients:

- **Alliance Program – a royalty paying referral program**
- Reseller Program* – a classic value-added reseller relationship
- Gold Program* – a custom solution including OEM branding

As an alliance partner, Backup Direct™ provides much of the administrative functions associated with providing services for you. There is no risk for you – Backup Direct™ provides offsite data backup only and will not creep into your own specialised area. Thus Backup Direct™ will always be your partner and never your competitor. We recognise that many organizations will wish to provide assured and well targeted solutions to their clients, without diluting their own focus, brand, energies – yet still being rewarded for the referral.

The Alliance Partner Program offers members a set of resources and support, backed by Backup Direct™'s industry focus and expertise.

* Contact Backup Direct™ by emailing partners@backupdirect.net for more details of all the partner programs.

Alliance Partner Program

Our Alliance Partners are usually focused on selling to smaller UK businesses. They are typically:

- ISPs / ASPs
- Independent agents
- Webmasters
- Disaster Recovery / Risk Management firms
- Custom software companies
- Accountants / Bookkeeping firms
- PLUS Trade Association or Non-Profit Organisations can benefit by referring services to it members.

Alliance Benefits include:

- Regular Commissions paid simply for referring clients
- 15% of the first year revenues plus 10% of subsequent years
- Additional service line providing increased client loyalty
- Provision of marketing collateral and sales support including a co-branded micro-website* for lead referrals
- Access to the UK's leading online backup service focused on the smaller business

Alliance Requirements include:

- A completed program application and signed NDA
- Posting of the referral URL on your web-site
- Internal use of online backup* within the partner organisation

End Client Benefits:

- Automated daily backup - hassle free
- Secure off-site storage of data - for peace of mind
- Guaranteed fast data recovery - without IT support
- Eliminate capital investment and minimise business downtime
- Easy to use software making use of broad band internet connectivity

The Backup Direct™ Partner Program advantage

The Backup Direct™ Alliance Program provides you with access to additional revenue in one of the most in-demand services for the smaller business. Here are some of the reasons to work with Backup Direct™.

- Partners earn new recurring, high-margin revenue streams and differentiate their services
- Backup Direct™ is dedicated to providing online data backup and nothing else - thus is your partners and never your competitor
- Backup Direct™ has a simple and mature program to support our alliance partners
- Backup Direct™ provides sales, marketing, and training support to ensure success including a co-branded micro-website for lead referral, client registration and marketing.
- Fast time-to-market to enter the online backup marketplace using best-of-breed technology

* Free access to the co-branded micro-website is subject to internal use of online backup by the partner organisation.

Example pricing and commissions

Automated offsite data backup is a perfect solution for building long term revenue streams with zero or little overhead. All the commission numbers below will be straight to your bottom line – 100% gross margin.

Typical business customer averages:

Number of users: 10
Price per user: £12/month
Total price per customer: £120/month

Alliance commission Year 1: £18/month
Alliance commission Year 2: £12/month
Alliance commission Year 3: £12/month

Total alliance commission: £216 + £144 + £144 = £504 over three years
(per customer)

Assuming that four clients per month sign up to the service, your revenue streams would be:

	Year1	Year2	Year3
N° of clients (by end of year)	48	96	144
Monthly commissions* (in month 12 of the year)	£912	£1440	£2016
Full year commissions	£5616	£14112	£21024
Annualised commissions** (12 month period from month12)	£10944	£17856	£24192

The above figures are based on four customers per month subscribing to the service, having been referred to us via you as an alliance partner. Your effort for this could be as little as having a web referral on your web-site. Remember also:

- The number of customers you sign is potentially unlimited
- All commissions are 100% gross margin to you – no overheads
- Once signed, clients can continue to use the service indefinitely – your commissions can grow over time
- Typical customers tend increase their usage of the service over time – thus increasing the monthly fees
- Typically, clients would be existing clients of yours – thus revenues are truly incremental and loyalty building
- Some customers could have considerable higher numbers of users and / or subscribe to our higher value data backup services.

* assuming no client churn

** figures based on the recurring revenue model “rule of 78”. For a more detailed explanation contact partners@backupdirect.net.

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