

The Initial Tally Book

<https://www.youtube.com/embed/hoZFivBKOVc>

As we continue in the Building a Business on Open Source, we should take time occasionally to look at the cost analysis of using Open Source software versus the Closed Source popular alternative(s). I believe this is valuable for a few reasons.

1. We should be true to ourselves about whether there is any monetary cost savings in running / utilizing Open Source software.
2. We should make sure we understand that in order to support the software we use, we need to help that software effort continue by paying for their services / support, etc.
3. We can track how much we may really save over time, or how much more it may cost us over time.

Below, you'll find a table (apologies in advance for the formatting, but it's pulled from a spreadsheet) that compares initial, estimated, startup costs for a business aiming to provide basic IT / MSP support for small business / home users.

The hardware portions are assumed to be the same cost regardless of using Open or Closed source software solutions. The estimated costs on each side are as accurate as I could find at the time of writing / making the associated video, with today's date being November 20, 2022.

| All pricing will be added into the sheet as an annual cost basis except hardware which will be split out on a 5 year expected lifetime. The server I'm pricing against is 2 CPU with 12 Cores each | | | | | | |
|--|--------------|-------------|-----------------------|-----------------|--------------|-------------|
| | | | | | | |
| Open Source Option | Pricing | Annual Cost | Closed Source Options | | Pricing | Annual Cost |
| 1 Server Machine On Prem | 1,600.00 USD | 320.00 USD | | Same Hardware | 1,600.00 USD | 320.00 USD |
| Domain Name | 15.00 USD | 15.00 USD | | Same for Domain | 15.00 USD | 15.00 USD |

| | | | | | | |
|--|--------------|--------------|--|---------------------------------------|--------------|--------------|
| VPS Rental for things like Email, VPN Server outside network | 12.00 USD | 144.00 USD | | Same VPS Rental | 12.00 USD | 144.00 USD |
| | | | | | | |
| | | | | | | |
| Proxmox VM Orchestrator | 1,790.00 USD | 1,790.00 USD | VMWare | Windows Server w/ Hyper V | 5,596.00 USD | 5,596.00 USD |
| US \$ 875.00 / CPU Socket | | | 5,596.00 USD | 6,432.00 USD | | |
| Premium (most expensive) | | | Up to 3 Physical servers w 2 CPUs each | 1 phys server / 2 CPU / 12 Cores each | | |
| | | | Includes vSphere and ESXi | Max of 8 VMs | | |
| Netmaker | | | NordVPN | iVPN | 85.00 USD | 85.00 USD |
| OPNSense / pfSense | 399.00 USD | 399.00 USD | Cisco 1010 Series | Price + 25% for support | 1,600.00 USD | 720.00 USD |
| Mail-in-a-box | 0.00 USD | 0.00 USD | | Proton Mail - US \$ 7 / user / month | 6.00 USD | |

| | | | | | | |
|--|---------------------|---------------------|--|----------------------------------|---------------------|---------------------|
| NextCloud Enterprise / per user per mo | 3.00 USD | 36.00 USD | Google Workspace = US \$6 / user / month | | 6.00 USD | 72.00 USD |
| Zentyal Server Enterprise - 25 Users | 190.00 USD | 190.00 USD | Azure Active Directory = US \$6 / user / month | @25 users (same as Zentyal plan) | 6.00 USD | 72.00 USD |
| Cost Totals | 4,009.00 USD | 2,894.00 USD | | | 8,926.00 USD | 7,024.00 USD |

Pricing Calculator for Windows Server I used:

<https://wintelguy.com/windows-server-licensing-calc.pl>

Revision #4

Created 20 November 2022 14:31:33 by Brian McGonagill

Updated 22 November 2022 19:53:19 by Brian McGonagill