Partner Program Guide

Reseller
North America Public Sector
FY21

Welcome

Thank you for expressing interest in Red Hat's Public Sector Reseller Partner Program. At Red Hat we value all of our partners and we strive to reward your investments in our ecosystem through rich program offerings. This guide will serve to help you understand how to navigate the Red Hat Public Sector channel ecosystem. After reading this document you should be comfortable:

- Understanding how to conduct business with Red Hat and our distribution partners
- Choosing the right partner track for your company
- Making the most of our annuity business model
- Managing the obligations of being a Red Hat partner

We place an enormous value on our entire partner ecosystem. While this program guide emphasizes our reselling programs, we also actively engage with our influencing partners like ISVs, System Integrators, OEMs, and many more. The vast majority of our bookings flow through our partners and are also influenced by non transactional partners as well. Our goal is to bring all of these partners together in order to better serve our customers. Whether you are a small business with limited Red Hat interaction via our self service portal, or a large business conducting numerous transactions with us we strive to engage with you. Please reach out to your channel account manager to build a joint business plan that drives customer, partner, and Red Hat success.

Thanks for being a part of the Red Hat ecosystem!

Sincerely,

Michael Byrd

Vice President, Channel
Red Hat Public Sector

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Introduction

Welcome to the Red Hat North American Public Sector (NAPS) Partner Program. NAPS supports the mission of Federal, State and Local governments and Higher Education institutions. As market demand for enterprise open source solutions continues to increase, NAPS looks forward to partnering with you to provide superior solutions to your customers. Whether your focus is on datacenter infrastructure, cloud, big data, AI/ML, middleware, or automation you will find opportunities to sell Red Hat technologies.

The Red Hat NAPS Partner Program is the foundation for the relationship between you, the marketplace experts, and Red Hat, the world's leading open source company. Our partners play an integral role in our go-to-market strategy and overall success. Our ecosystem of partners include system integrators, resellers, distributors, cloud service providers as well as ISVs and OEMs. This guide is intended primarily for Solution Providers, also known as Value Added Resellers (VARs); and designed to help you develop successful enterprise open source practices and solutions. Program guides for other partner types can be found [here](#).

In this guide, you will find:
- An overview of the NAPS Partner Program for VARs
- A description of the benefits and requirements for each membership level
- Details on NAPS specific pricing models
- Information regarding the application, enrollment and advancement process

Partner Program Overview

The Red Hat NAPS Partner Program is a multi-tiered partner model with three partnership levels. Each level offers access to a variety of benefits that help develop your expertise and increase your capability to sell and deliver Red Hat technologies. As your commitment to and knowledge of Red Hat technologies grow, the benefits you receive from Red Hat will also grow. Upon successful application and admittance to this Program, you will gain access to an array of benefits via Red Hat Partner Connect. As a Partner, you are eligible to receive marketing, sales, and training benefits designed to assist you. Once you meet the qualification requirements, you will be able to apply to higher membership levels. Upon application approval by Red Hat, your increased commitment to enterprise open source will be rewarded through access to additional benefits. This program also offers a flexible structure designed to accommodate your individual business model.

Program Structure and Benefits

Annuity Revenue Model
Red Hat products are sold on an annual subscription basis. As a partner, every subscription you sell is eligible for renewal revenue upon expiration. This provides you with an excellent opportunity to engage deeper with customers on a continuous basis and develop predictable annuity revenue streams. To learn more about the value of a Red Hat subscription see the Subscription FAQ here.

Partner Program Core Benefits
All authorized Red Hat Partners receive access to the following:
1. NAPS pricing available through public sector distributors (Carahsoft, Immix, Synnex)
2. General Service Administration (GSA) and other GWAC teaming opportunities
3. Listing in the Red Hat Partner Locator
4. Red Hat Partner Connect: The portal is an online content repository and partnership management tool with an array of partner programs, product marketing, and sales resources. Within the portal, you have access to:
   a. Partner Content Hub: This is your go-to resource for all marketing, white papers, slide decks, collateral, story highlights, campaign materials, and more
   b. Red Hat Partner Training Portal: Is a partner training system that provides you with online sales and technical training
   c. Red Hat Product Demo System (RHPDS): This is an all inclusive technical playground. It gives you access to solution demos and workshops created by Red Hat's technical experts
   d. NAPS Deal Registration Portal - A way to submit for preferred pricing in the portal.
5. Renewals Intelligence Tool: As of 2021, we also offer this portal to organize and understand your renewals base and track your existing business more easily
6. Partners can also access Deal Registration and manage various aspects of their Red Hat relationships through the Partner Portal.

The Partner Levels

Ready

The Ready Partner tier is the entry tier that every authorized partner begins at. Ready Partners can begin to transact opportunities and educate their teams utilizing the virtual resources found in the Red Hat Partner Connect Portal. They also have access to an Inside Partner Account Manager (IPAM) who can assist with operational and sales activities.

Requirements
- [Signed Partner Agreement](#)
- Minimum 1 Sales Specialist Accreditation within 30 days of signing Partner Agreements

Advanced

The Advanced Business Partner is increasing their focus on Red Hat revenue streams. Expanded investment in sales and pre-sales training and enablement sets them on a path to building a Red Hat practice. At this tier market development funds become available at the discretion of the Red Hat Partner Manager and Partner Marketing lead. Additionally Advanced Partners may also qualify to have an assigned Partner Account Manager who will work closely with them to align their businesses priorities with Red Hat go-to-market strategy to deliver revenue growth.

Requirements to advance

- Minimum 2 Sales Specialist Accreditations
- Minimum 1 Sales Engineer Accreditation
- 1 Partner Level Accreditation***
- 12 Month Business Plan
- 1 Customer Success Story entered via Partner Connect

Advanced Benefits

- Not For Resale Subscriptions
- Proposal Based Marketing Development Funds
- Assigned Partner Account Manager (eligible)
- Assigned Partner Marketing Specialist (eligible)
- Lead pass eligibility
- Cooperative solution development eligibility
- Funded Red Hat Champion (eligible)

Premier

The Premier Business Partner level is for partners who have a long-term strategic relationship with NAPS. These partners are heavily invested in driving new opportunities and contribute the most to Red Hat's partner ecosystem. They receive the highest level of visibility at Red Hat. Premier Partners receive first choice of marketing development funds and budget, opportunity registration and contract consolidation preference, special bid pricing consideration, strategic campaign enablement, access to private sales and engineering seminars.

Requirements to advance

- Minimum 4 Sales Specialist Accreditations
- Minimum 2 Sales Engineer Accreditation
- 2 Partner Level Accreditations***
- 12 Month Business Plan
- 2 Customer Success Story submitted via Partner Connect
- A Customer demonstration and workshop environment**

Premier Benefits

- Not For Resale Subscriptions
- Priority Proposal Based Marketing Development Funds
- Assigned Partner Account Manager
- Assigned Partner Marketing Specialist
- Lead pass eligibility
- Cooperative solution development eligibility
- Priority position in Partner Locator
- Strategic Campaign Enablement
- Private sales and engineering seminars/training
- Funded Red Hat Champion (eligible)

**Premier-level partners are expected to build and maintain a customer-facing demo environment with the appropriate Red Hat technologies showcased (physical or hosted in the cloud).

***Partner Level Accreditations require 4 Sales and 2 Sales Engineer accreditations within a chosen Specialization: DataCenter Infrastructure, Middleware Solutions and Cloud Infrastructure. See the [OPEN Catalogue](#) for a list of the Role Based Accreditations and the Specializations that they fall under.

Advancement

A request for a program upgrade must be submitted through the Red Hat Connect for Business Partners Portal and to your partner manager in order to be considered for either Advanced or Premier Business Partner levels. Once Red Hat has received your request, you will work with your Red Hat Partner Account Manager for your region to complete a 12-month business plan that includes sales, marketing, and enablement goals and activities. The business plan will also target market and customer segments for Red Hat growth and expansion. Upon approval of your business plan and completion of all tier based requirements, the request for promotion can be fully submitted. If approved, you will begin receiving the incremental benefits associated with the new program level. Please keep in mind that Red Hat reserves the right to promote, demote, or remove partners based on unsuccessful field activities, minimum revenue requirements, failure to report marketing ROI, questionable contract capture or management practices, etc. This includes the right to deny upgrade approval.

Doing Business in the Public Sector

Free And Open Market Pricing Model

In the NAPS Business Unit, we believe in free trade and an open market pricing model. In order to foster fair and open competition Red Hat sets the price to our distribution partners. Channel partners are then free to negotiate pricing with their distributors and customers.

Distribution

NAPS utilizes a small network of distribution partners. These companies have dedicated sales and technical resources to support Red Hat and our partners. In order to quote Red Hat products and services a Solution Provider must work through one of the below organizations.

CARAHSOFT TECHNOLOGIES

As a Red Hat Government Distributor and GSA Manager, Carahsoft adds value to the Public Sector reseller network. Carahsoft technology can assist resellers with marketing programs, sales, contract vehicles, and classic distribution roles.
For more information visit: http://www.carahsoft.com/redhat 877- RHAT-GOV
Contact customer service directly at redhat@carahsoft.com

IMMIXGROUP Inc (EC AMERICA)

ImmixGroup, an Arrow Electronics company, is a leading value-added IT distributor that delivers mission-driven results to the Public Sector through our vast partner ecosystem that includes 300+ manufacturers and 1,200+ solution providers. Together, we deliver innovative technology solutions, powering the future of Public Sector IT.
For more information visit: http://www.immixgroup.com/
Contact customer service directly at RedHatTeam@immixgroup.com

SYNNEX CORPORATION

The SYNNEX Red Hat team is focused on helping our partners maximize their value with every customer engagement. SYNNEX is an industry leader for service and support, delivering resellers value through our unique ecosystem of solutions to satisfy their customers' needs.
For more information visit: https://www.synnexcorp.com/stellr/partners/red-hat/
Contact customer service directly at redhatgov@synnex.com

Pricing Structures

NAPS partner pricing falls into four levels: North America list, standard, preferred, and special bid. Access to each level is limited to partners with active reselling agreements and applicable accreditations. Systems Integrators supported by the NAPS Business Development Team will also have access to each level through distribution partners. Please see below for an explanation of each level, as well as the criteria for their use.

Published NA List Price

The published NA list price is available to use for any distributor or partner with an active partner agreement that is not specifically authorized within NAPS.

Standard Pricing

The standard pricing level is available to all NAPS authorized partners with active partner agreements. Standard pricing is utilized in situations where a partner requires pricing but has not secured deal registration or is not the renewal incumbent partner. Standard pricing is generally available and does not require the partner to provide distribution a Red Hat opportunity number.

Preferred Pricing

Red Hat grants preferred pricing to a channel partner via opportunity registration, SATA teaming agreements, or where we identify the partner as having added significant Red Hat value. NAPS defines significant Red Hat value as partners providing detailed quoting assistance, engaging in joint sales calls, driving customer interaction, or performing other essential pre-sales and sales activities. Preferred pricing is granted to both the reseller and distribution partner. Once a partner has been granted preferred pricing they will be provided a Red Hat opportunity ID that must be referenced to distribution in the purchase order/quoting process.

Special Bid Pricing

A Special Bid can be requested to further reduce the preferred partner's price. A Special Bid request may be submitted for non-standard opportunities to meet competitive pricing requirements or budgetary limitations. All special bids are subject to multi-layer approval and may require pricing transparency to be considered. Special Bids are to be submitted through distribution, unless the reseller has received a one-off authorization to purchase directly from Red Hat. Both the reseller and distributor (if applicable) should be identified on the Special Bid request along with the justification.

Opportunity & Deal Registration

NAPS partners with an active partner agreement qualify for the Deal Registration discount program. The Deal Registration Program provides business partners with the ability to accrue additional benefits when they identify new Red Hat business opportunities and engage in value-added pre-sales activity. Deal Registration discounts apply to all Red Hat products, with the exception of Red Hat Consulting, Technical Account Managers (TAMs) and some Red Hat Training (see Deal Registration portal or contact trainingdealreg@redhat.com for more details).

Direct access to the Deal Registration tool through Red Hat Partner Connect Portal requires a NAPS specific Red Hat account. Partners with NA Commercial Access are asked to work with their Partner Account Manager to create a Public Sector specific Red Hat account to provide them appropriate access. Deal Registration submissions are reviewed and approved or denied by the appropriate Red Hat field sales team. Though not required, it is highly recommended that channel partners proactively discuss their Deal Registration request with the Red Hat sales team prior to submission. Once your Deal Registration has been approved, you will receive an opportunity ID from the Red Hat sales team. Partners must reference this number in your price request to distribution to obtain your preferred pricing level discount. For more details refer to the Deal Registration Guide found in Partner Connect.

Renewal Business Overview

Red Hat subscriptions require renewal at the end of their term (usually 12 months) for the customer to continue receiving benefits of those subscriptions. The partner and distributor who originally sold said subscription may receive incumbent preferred pricing in order to maintain consistent, fair, and reasonable pricing for end users at the time of renewal. A lapse in or termination of the partners' reselling agreement with Red Hat will result in the loss of incumbency. Additionally any renewal not booked prior to the expiration of the period of performance may incur a loss of incumbency. The availability and level of incumbency price varies based on NAPS market:

- <u>US Federal Market</u> – Partners in good standing should enjoy the same level of preferred price on contract renewals as they did at the time of initial purchase.

- <u>State, Local and Education (SLED)</u> – Incumbency preferred price availability and level depends on both the Red Hat channel membership level of the partner and the Red Hat classification of the end user account. SLED incumbency preferred pricing is only assured for partners that have achieved either Advanced or Premier Business Partner status. Availability of incumbency preferred pricing for Ready tier partners is at the discretion of the Red Hat sales account owner.

Special Bid Renewal

Unless otherwise noted in the agreed upon Special Bid documentation, Special Bid pricing is not applicable at the time of renewal.

Reassignment of Renewals

The NAPS sales team will have the opportunity to reassign renewals from one set of partners to another with significant justification. The sales team must provide credible evidence that one partner is providing more value than the incumbent reseller. All efforts will be made to maintain the distribution relationship unless the distributor has also failed to manage the renewal effectively. Partners seeking to change their distribution partner associated with one or more renewal, should engage their Partner Account Manager. Reassignment activities should occur at least 120 days prior to a renewal date and will require approval from NAPS Partner Management. Red Hat will notify partners affected by reassignment activities.

Consolidation of Renewals

When a customer transaction consolidates two or more preferred partner renewals, each partner (both distributor and reseller) will receive incumbent preferred pricing on their portion of the renewals. If net new upsell subscriptions are included on the opportunity, the sales team will determine the preferred partner. Receiving preferred status indicates that the partner has provided significant value in creating the upsell portion of the deal. NAPS sales teams may request a reassignment of a renewal as part of a consolidation effort.

Membership Activities

Onboarding Process

In order to begin your journey as a Red Hat Partner, click here and follow the steps below:

- Click **Register for a Redhat.com account**
- Fill out the information on the first page (create your log in). You must use a **company** email address (no hotmail, gmail, gov addresses, etc). Click **Save and Continue**
- Enter the login and password you just created
- Click on **Apply for Partnership**
    - **Section 1: Partner Type**, select **Solution Provider**. Click **Save**, then click **Next Step**
    - **Section 2: Company and Contact Information** fill out all required information. Click **Save**, then click **Next Step**
        - *Under **Are you Requesting to be a Public Sector Partner**, select **Yes, I want to be a Public Sector Partner** (US companies only)*
    - **Section 3: Application to become a new partner** Fill out your company's information. Click **Save**, then click **Next Step**
    - **Section 4: Code of conduct** Read the code of conduct and acknowledge you have read it. Click **Save**, then click **Next Step**
    - **Section 5: Terms and conditions** Agree to the terms and conditions. Click **Save**, then click **Submit for Approval**
- Once the application is approved, you will receive an auto-generated email confirmation within 24 hours. There will be a link labeled as '**click here to log in**'. Please click that link and log into your partner account. This is the final activation for the account and must be completed for the account to be fully active.

Membership Renewal

Red Hat Partner Program membership is for a one-year term. For partners maintaining good standing within the program and compliance with objective criteria, membership will automatically renew. Partners who have achieved the Advanced or Premier Partner membership level will renew to their current membership level if they have met the respective annual requirements for that level. Any NAPS Partner who does not meet minimum revenue requirements for level of membership and/or the commitments in the mutually agreed upon business plan may be assigned a lower level of membership or removed from the program.

Annual Partner Requalification

Independent of your membership level your Red Hat Partnership is reviewed annually. Requalification consists of a series of questions to check whether the information we hold about your company is still up to date and to reaccept the terms and conditions of your partnership with Red Hat. You will receive an email notification 60 days before the actual requalification date. In order to complete it you will have to log on to the RedHat Partner Connect and start the requalification process via the **Requalify** button on the left-hand side of the main interface. Not requalifying will lead to exclusion from the program, which goes with the loss of all Partner Program benefits available to you.

Unaffiliated

Partners who fail to either activate their partner membership with us correctly and complete all required training or who do not renew their membership in a timely manner will become "unaffiliated" and all solution providers and resale ability will be revoked. Unaffiliated partners are free to resign or reactivate their account at any time unless a regulatory agency advises Red Hat otherwise.

Training and Education

The Red Hat NAPS Partner Program is a valuable resource with training and support for our partners. This program provides a great opportunity for your company to partner with Red Hat and increase sales of open source solutions. Experience has shown that organizations with higher levels of Red Hat knowledge on staff tend to be more successful partners of Red Hat.

Red Hat Partner Training Portal

The [Red Hat Partner Training Portal](#) provides partners a platform where they can invest in themselves and gain the knowledge and skills needed to successfully sell and deliver Red Hat solutions. Within the Red Hat Partner Training Portal there are role specific accreditations, a My Learning Interest Survey to provide an individual training plan based on role and interests, live and recorded webinars, the Red Hat Product Demo System and more. The [Red Hat Partner Training Portal FAQ can be found here](#) on Partner Content Hub.

Accreditation

[Red Hat Partner Accreditation](#) is earned when individuals at your company take a prescribed combination of training courses. Partner accreditation provides your company with a method to validate your capabilities in a globally recognized program. Your customers can review your accreditations and be confident that you have the skills and capabilities needed to implement the proposed solution. Accreditation for individuals and your organization are also requirements for entry and advancement through partner tiers.

Role-Based Accreditation

Designed for individual employees, role-based accreditations are a subset of partner level accreditations. There are three accredited roles: sales specialist, sales engineer specialist, and delivery specialist. You need to complete all of the courses in a role-based curriculum track to earn recognition as an accredited Red Hat Partner Specialist.

- Red Hat Sales Specialist: Includes value pitch, sales qualification, competitive positioning, objection handling, and pricing.
- Red Hat Sales Engineer: Includes technical sales, technical qualification, competitive positioning, objection handling, pricing, how-to demonstration, and product knowledge.
- Red Hat Delivery Specialist: Includes product installation, application development, proof of concept delivery, and solution architecture.

Within each subject matter area, several different curriculum tracks are available for each role. For example, you can earn a Red Hat Sales Specialist—Ansible Automation Platform or a Red Hat Sales Engineer Specialist - Cloud Infrastructure. Skill outcomes differ within each specialty.

Partner-Level Accreditation

As part of the qualification for Red Hat Advanced and Premier Partner status, companies must achieve and maintain partner-level accreditation. To earn a partner-level accreditation, a prescribed combination of your employees must be accredited sales specialists, sales engineer specialists, and provide customer references.

There are currently three partner-level accreditations:

- Red Hat Accredited Datacenter Infrastructure Partner: Includes all Red Hat platform, migration, virtualization, and storage solutions
- Red Hat Accredited Middleware Solutions Partner: Covers the Red Hat JBoss Middleware portfolio for use in building and integrating applications, as well as automating business processes

- Red Hat Accredited Cloud Infrastructure Partner: Requires virtualization as a prerequisite and will include the newest Red Hat product offerings supporting cloud infrastructure and management

To earn and maintain a Red Hat Partner level accreditation, companies need to achieve a minimum of 4 role-based accredited sales and 2 sales engineer specialist accreditations within the chosen specialization listed above. These accreditations must be split between at least 2 individual employees per specialization. In a few special circumstances, partner employees who have earned Red Hat Certification may be exempt from specific courses. Red Hat partner accreditations are globally recognized. Partner accreditations are reviewed and audited annually.

For-fee training

Invest in your organization's skills with our hands-on training for IT professionals and developers. Gain credibility with customers by completing Red Hat's performance-based certifications, among the most highly regarded in the industry. Based on partner feedback, Red Hat offers multiple ways to train with instructor-led, virtual and online. You can find all of the courses and options at Red Hat Training & Certification or through a learning path.

Stay in Touch

Red Hat newsletters provide a variety of content on topics of your choice.

- Subscribe to the monthly Public Sector Partner Technical Newsletter
- Subscribe to Red Hat Global Newsletter Sign Up

For questions, contact your Red Hat Partner Account Manager, found in the top left on the homepage of the Red Hat Partner Portal.

For government references, contact:

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