IBM Software ValueNet for Support Providers

Protecting and growing a high value channel

April 2009

AGENDA

1. **IBM Software ValueNet for Support Providers**

    ➢ Partner Types – highlighting the ValueNet Support Provider

    ➢ Transitioning Time for Existing Support Providers

    ➢ Overview of Software ValueNet Support Provider Plan

    ➢ How Support Providers and IBM support the end customer

    ➢ Benefits and Eligibility

    ➢ Performance Guidelines

    ➢ Support Partner Off Boarding

    ➢ Introducing Channel Support Organization

2. **Software Subscription & Support**

    ➢ Increase in annual maintenance renewal rates

Support Providers

Eligibility and Performance

IBM Software ValueNet Business Partner Relationships

- IBM Software ValueNet accommodates different routes to market for ECM, represented by a variety of eligible Business Partner relationship types:

SOFTWARE   VALUENET   BUSINESS   PARTNER   TYPES

Tier I Reseller	Tier I Support Provider	Tier II Reseller
Partners meet minimum Reseller and Tier I criteria and have a direct selling relationship with IBM. These partners use IBM's Passport Advantage processes to fulfill orders directly with IBM.	**2Q09** Partners meet minimum Reseller and Support Provider criteria and have a direct selling relationship with IBM. These partners fulfill orders directly with IBM and provide support to their end users.	Partners meet minimum Reseller criteria and work with an IBM software Value Added Distributor (VAD) of their choice for fulfillment and, if needed, credit management.

Existing Support Providers within IBM Systems

- Acquired (FileNet/Ascential/DataMirror/Cognos) contracts have been assigned to IBM at Transfer of Business (ToB) for the respective acquisition

- The distinct relationship between the Business Partner and the customers being supported will be preserved using a new IBM system infrastructure (internally called "L1/L2 Support Model")

- Entitlements (software license and support) will be held by the Business Partner on behalf of the customer

- Currently all orders are against legacy contracts (including legacy terms and discounts)

Transition of Existing Support Partners to Software ValueNet

- IM Worldwide Client Support will manage Software ValueNet Support Provider Participation Criteria – existing Business Partners must meet these criteria

- Timing of transition of existing Ascential/FileNet/DataMirror/Cognos Support Providing Business Partners to Software ValueNet is currently being planned.

- Opportunity and runway time for us to assist you in preparation on meet new eligibility criteria once contract is available.
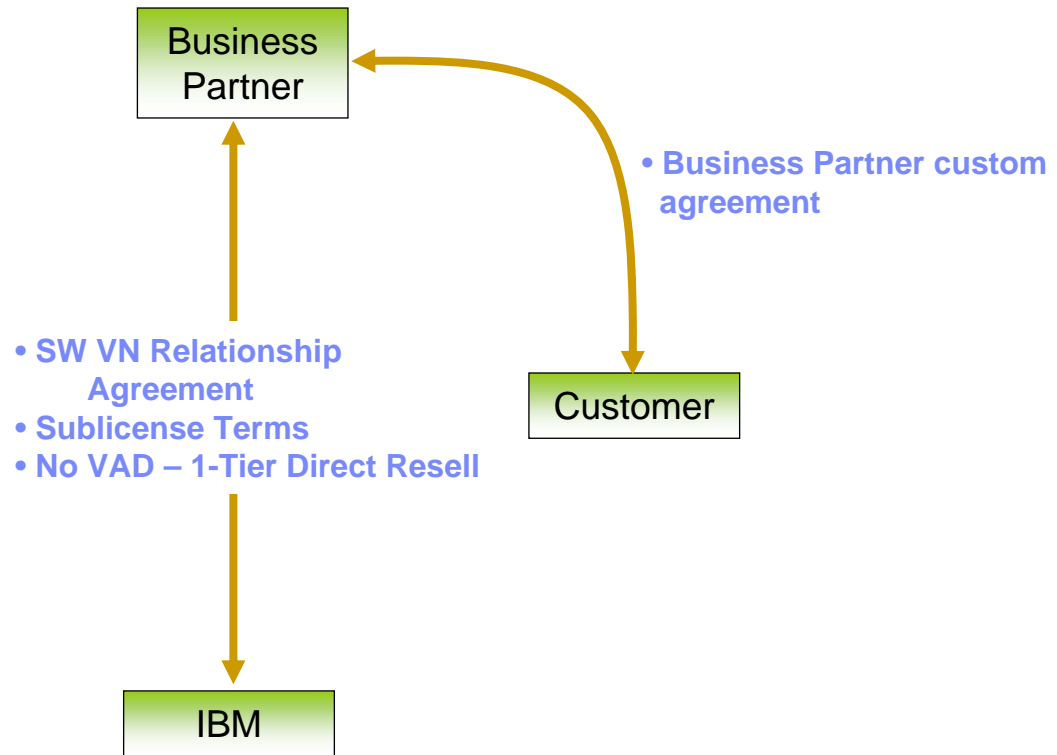
The Software ValueNet Support Provider Model

- The Software ValueNet Support Provider plan details clear criteria (entry/performance) that a Business Partner must meet to be a Support Provider

- Eligibility criteria are based on support center best practices, which drive high levels of end user customer satisfaction and reflect IBM's high quality support delivery standards.

- The criteria focus on end user customer satisfaction, attainment of product certifications, qualified staff, call management practices, support processes, and language skills if applicable.

- In setting criteria for Support Providers, IBM ensures:

  - "**Support Quality**" – IBM must ensure high quality support delivery by Business Partners, resulting in high customer satisfaction

  - "**Industry Reputation**" – IBM must protect it's reputation by regulating Business Partners representing IBM

  - "**Work for Benefits**" – IBM must ensure it is providing benefits and rewarding only to value added Business Partners

Relationships of Parties – Support Provider

Business Partner

- **Business Partner custom agreement**

- **SW VN Relationship Agreement**
- **Sublicense Terms**
- **No VAD – 1-Tier Direct Resell**

Customer

IBM

The Value of Support Providers

- There are specific business reasons why it is desirable for Business Partners to provide support to end-customers:

  1. "**Industry or Solution Specialization**" – Business Partner brings specific industry (vertical) specialization or intellectual property solutions to the table and is best suited to support such or verticals or solutions

  2. "**Market Reach**" – IBM may lack local language skills OR local presence in a geography OR access to a specialized market or vertical (i.e. Government)

  3. "**Customer Insight**" – The Business Partner best understands the customers deployment, including infrastructure, underlying applications, customer processes and people, enabling them to support the whole technology stack as it has been developed and deployed for the customer

Software ValueNet Support Provider Benefits

- Benefits unique to IBM Business Partners participating under Support Provider for Software ValueNet include:

  ▶ "**Sharing of the Support Revenue Stream**" – the annual support revenue stream is a predictable revenue stream for IBM. Support Provider Business Partners renew end customer support on an ongoing basis, and therefore share in the value of that revenue stream.

  ▶ **Obtain higher discount levels by providing support**

  ▶ **Renewable Revenue** – Allows for continued investment in technical skills development

  ▶ **Access to designated Channel Support Manager (CSM) as primary point of contact.**

  ▶ **Access to the latest versions of software** – enhancing stability, reliability, and performance of applications.

  ▶ **End users receive the best experience possible** – local language skills, local presence, etc.

  ▶ **End user's technology investment is protected with the inclusion of Software Subscription.**

Software ValueNet Support Provider Eligibility Criteria

▶ **Business Solution** - An IBM Software ValueNet Business Partner in good standing

- A Software ValueNet VAR or Solution Provider

- A business solution and support offering that is adding new and unique values currently not available in the local marketplace, which IBM Support regards as complementary to IBM's Support Program

▶ **Certified Resources** - Have a minimum of two "Technically Qualified Support Resources" that:

- Are certified in the products the Business Partner will support

- Have successfully completed and passed the *IBM Support Professional Course - Delivering First Level Support* module

- Ensure that only Technically Qualified Support Resources place support calls with IBM (on the products they are certified to support)

▶ **Language Proficiency** - A Partner's support analysts must be proficient in English when engaging with IBM Support, as well as the partner's local country's native language where necessary.

▶ **Case Tracking System** - Have and maintain a case tracking system that is capable of capturing, at a minimum, end customer meta-data, entitlements, service request details by product, by customer, and applicable resolutions

▶ **Escalation Process** - Have and maintain a documented a working case escalation process

Performance Guidelines

- In 2009, IBM will supplement Participation Criteria with Performance Metrics

- Support Providers will be responsible for maintaining Performance Metrics

- IBM will perform annual or bi-annual audits to measure a Business Partners performance against metrics

- Performance Metrics may include (but are not limited to):
  - ▸ Customer Satisfaction
  - ▸ Self-Sufficiency
  - ▸ End User Renewals
  - ▸ Escalation Lag to IBM
  - ▸ Current Certified Staff
  - ▸ Responsiveness
  - ▸ Direct Escalations from end users
  - ▸ Knowledge Contribution

- Until launch, Performance Criteria metrics will be recommended guidelines only

IBM Software ValueNet – Program Fees

What's the cost?

- No cost to join as a IBM Software ValueNet Support Provider

  ▸ Business Partners must be a PartnerWorld member, meet participation criteria and sign the contract

- Support Provider Partners for Software ValueNet need to purchase the Advantage Support to access these fee-based high value benefits for Software ValueNet portfolios:

  ▸ IBM Software downloads

  ▸ Pre-sales/pre-deployment technical support

  ▸ Access to exclusive ValueNet Partner information on the web

- To ensure your success it is <u>highly</u> recommended that you purchase the IBM FileNet Advantage Support Package

IBM FileNet Advantage Support

- Software ValueNet Support Provider membership gives you access to add a rich set of high-value benefits with the **optional** IBM FileNet Advantage Support an annual charge of US$5,000 (*charge is approximate and will have local currency equivalents*):

  ▶ **Software Access** – Use for customer demonstration and evaluation, proof of concept, development and testing of your commercial applications.

  ▶ **Support** – Customer Support technical resources skilled on the software product technologies, during regular business hours, to help you resolve issues encountered during implementation/pre-production use of IBM software on your demo systems, such as during development of demonstrations or proof of concept.

    - 24x7 access for Priority 1 issues.

  ▶ **Training** – Free or discounted access to online, self-paced web training, as well as instructor led offerings.

IBM Value Package (*coming 2H 2009)

- Software ValueNet and PartnerWorld® membership gives you access to a wide variety of benefits designed to help you attain your business goals more quickly, easily and effectively. In addition, you can add a rich set of high-value benefits with the optional IBM Value Package for an annual charge of US$2,000 (*charge is approximate and will have local currency equivalents*):

  ▶ **Software Access** – Use for customer demonstration and evaluation, proof of concept, development and testing of your commercial applications.

  ▶ **Support** – Customer Support technical resources skilled on the software product technologies, during regular business hours, to help you resolve issues encountered during implementation/pre-production use of IBM software, such as during development of demonstrations or proof of concept.

  ▶ **Training** – Free or discounted access to online, self-paced web training, as well as instructor led offerings.

  ▶ **Exclusive Content** – Access to a variety of communications that keep you current and assist you in positioning IBM software products and services.

- In addition, the IBM Value Packages provides you with access to all other IBM open distribution software products and associated benefits, allowing you to grow your business by becoming skilled and leveraging other IBM products in cross-sell and up-sell: http://www-01.ibm.com/partnerworld/pwhome.nsf/weblook/pub_ben_value_resellers.html

Support Provider Off Boarding

Off Boarding: How and Why

- **There are three possible ways that SWVN Support Provider agreement may be terminated:**

  ▶ **Support Initiated:** The partner consistently does not meet the minimum program criteria and the Support Manager determines that upon completion of a PDP (Partner Development Plan), no significant improvement was recognized and the relationship with the partner should be terminated.

  ▶ **Channel Initiated:** The partner does not meet the minimum program criteria and resulting in the termination of the Reseller contract. An SWVN Support Partner cannot provide support to End-users unless they are an SWVN Reseller.

  ▶ **Partner Initiated:** The Partner may decide that they no longer wish to be either a Reseller or a Support Provider for IBM SWVN products. If a Partner decides to end their relationship as a Reseller, they automatically end as a support provider as well. A SWVN Support Provider can end their relationship as a support provider, but they can maintain their agreement as a Reseller, if they choose and are in agreement with IBM Channel Operations.

- **Process is managed jointly by Channel Sales Management and Channel Support Management**

Introducing Channels Support Management

Introducing Channel Support Management (CSM)

➢ **Channel Support Organization** – Information Management Client Support organization have created a dedicated new team for support providing partners

➢ **Dedicated Channel Support Managers (CSM)** - Your IBM primary contact and support business enablement resources throughout the lifecycle of your Support Provider relationship

➢ **Worldwide Presence –** Your channel support management team are available in all geographies, interlocking with your *Channel Development Managers* **(CDM)**

➢ **Enablement** and management of Support Provider lifecycle – CSM's immediate focus will be assisting you on assessing, and meeting the outlined eligibility requirements into Software ValueNet plan.

Software Subscription & Support Renewal Rate

S&S Renewal Rate for FileNet Products

- Your next Software maintenance renewal quotations will be subject to a 10% increase.

- Price increase should also be viewed in the light of many years of flat year on year software maintenance prices.
  - ▶ This does not reflect an increase in standard IBM Software Subscription & Support rates.
  - ▶ The list prices for IBM Software Subscription & Support are unchanged

- Annual increase applies until the FileNet software maintenance price is in line with IBM Software Subscription & Support rates (automatically appears on your renewal quotes).

- Recommend that all partners renew Software Subscription & Support to protect your end customer investments.

- If you choose **NOT** to renew your Software Subscription & Support
  - ▶ End Customer will have no IBM Support entitlements.
  - ▶ Must notify IBM of your intent NOT to renew before your renewal date. You must do so in writing by contacting your local renewal representative listed below.
  - ▶ "Software Subscription & Support Reinstatement" policy applies – cost is far greater than your annual renewal cost

Useful Resources

Resources

- **Channel Support Manager – Kevin Lee**

- **AP IM Channel Support – Mike Cowans mikec@sg.ibm.com**

- **IBM Software ValueNet Program site**
  - http://www-200.ibm.com/partnerworld/pwhome.nsf/weblook/pat_sw_valuenet.html

- **ECM Partner Central**
  - http://www.ibm.com/partnerworld/ecmvaluenet
  - Restricted ECM partner site. Requires partner to register and sign in.
  - Access for ECM business partner tools/information
  - Access to Program and Operations Guides
  - Access to Training and Certification

- **ECM Business Partner Contacts**
  - ecmbp@us.ibm.com – general for ECM business partners inquiries
  - csm@us.ibm.com – Channel Support Management specific to Support Providers inquiries.

Thank You

- **Questions?**