PartnerRewards

for

Sales

Assistance

Sales Assistance Program
What was new in 1999?

New name - BESTeam Sales Assistance Program is now the IBM and Lotus Sales Assistance Program

Higher fees for workstation software sold in SMB market 5% in 1998 increased to 15% in 1999

Soft Dollar Rewards - announced and available for payments in June.   Also known as Business Development Funds (BDF)

Addition of Lotus partners and products

New processes for soft dollar rewards

Why Would a Business Partner want Soft Dollars (BDF) rather than Hard Dollars (Fees)?

Easier to qualify - advanced level vs premier level

Simpler front-end processes - less customer involvement
 no end user letter and no customer signature

(NOTE: If the BP qualifies for both hard dollars and soft dollars, he can chose compensation type on a transaction-by-transaction basis)

Sales Assistance Program
Fee Structure for Soft Dollars

Workstation Software	ISU account	5%
	SMB account	15%
Lotus Software	ISU account	5%
	SMB account	15%

Sales Assistance Program -
What does it take to get paid?

1) Business Partner submits an Application
- obtains approval by software product category
- obtains approval for fee (hard dollar rewards) or BDF (soft dollar rewards) for workstation/Lotus software. Advanced Partners can qualify for only Soft Dollars for workstation software categories.r

2) Business Partner files a Project Form for each opportunity
- specify hard or soft dollar rewards
- If soft dollar rewards are requested,   no end-user letter is mailed to the customer

3) Business Partner files a Sales Assistance Confirmation Form
- Proof of purchase of the software required
- Customer signature is not required for soft dollar rewards

4) If Soft Dollar compensation (BDF) is desired
- Premier - submits PAL and claim - all online (no invoice req'd)
- Advanced - file a hard copy claim form (in NA) with invoice for marketing expenses

Business Development Funds -
Streamlined and Flexible Options

For ADVANCED/MEMBER Software Business Partners

There is a STREAMLINED claim process in North America :

1) log onto Sales Assistance Program URL for claim form

http://www.ibm.com/software/partners/salesassistance

2) fill out the hardcopy form and attach invoice for expense

for one of the preapproved expenses

3) submit to PartnerRewards Administration Center

For PREMIER Software Business Partners   (in 1999* in North America)

There is a FLEXIBLE claim capability - all online, web-enabled

1) log onto PartnerRewards URL

http://www.ibm.com/partnerrewards

2) estimate and submit estimated soft dollar rewards

3) submit planned activities - from a flexible list of categories

4) IBM software representative and manager agrees to expenses

5) BP incurs expense and submits the claim - no need to submit invoice

for the marketing expense

Streamlined Option - Approved Expenses

Advertising

Advertising in "Solutions Now" (up to $12,600)
Advertising Banner on Showcase Home Page ((up to 640 per ad)
Advertising Banner on Gold Home Page (up to $2400 per ad)
Insertion on Gold CD only (up to $1600 per insertion)
Product Showcase entry on Gold Web Site ((up to $3200 per entry)
Insertion of material into Gold Mailing (up to $4800 per insertion)
Placement of e-business now advertising per the templates (max $5000 per ad)
- Host Integration (Secureway)
- Web Self-service (Webshpere)
- E-mail, messaging, and colloboration (Domino)
- Commerce (net.commerce)
- Business Integration (MQSeries)
- Business Intelligence (VW & UDB)

Associations

1999 Annual Lotus Business Partner Program Renewal Fee
(up to $1295 per membership)
Value Packages (up to $1295 per membership)
Add'l Lotus CD Subscription (up to $495 per subscription)

Communications Service

Global Services/Connectivity to IBM (variable)

Streamlined Option - Approved Expenses

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Customer Satisfaction   NO   (is avaiilable to Premier/Flexible partners

Education/Certification   BPEC (up to $1400 per attendee),
LOTUSPHERE (up to $1100 per attendee),
e-business University (up to $1200 per attendee),
IBM Software Product Education,
IBM education card (up to $4995 per card)
Business Partner Executive Institute (BPEI)
Lotus/IBM Camp w/one night stay (up to $250 per attendee)
  or w/o one night stay (up to $150 per attendee),
Certification test expenses,
Lotus CBT New Package (up to $1670 per package),
Lotus CBT Technical Package (up to $3890 per package),
Lotus CBT Total Package, (up to $5560 per package)
Sylvan and CATGlobal certification testing (up to $150 per test),
LotusVision Broadcast Video tapes (up to $50 per video),,
LotusVision Subscriptions (up to 350 per subscription),
  Multivendor T.E.N. Busiiness TV station subscription
                for 12 months (up to $6600)
                or 24 months (up to $10,000)
Webinar - (up to $70 per connect point)
          "Partnering 101"
          "How to turn your business into an e-business"
           "How to put on a Seminar"
e-business Advisory Class - 3 days (up to $1800 per attendee
T&L to attend classes

Equipment   up to 3 IBM thinkpads purchased in 1999, all
                        must be claimed at the same time. These
                        thinkpads are to be used for demo purposes.

Streamlined Option -Approved expenses

Marketing Campaign Services	TeamPlayers campaigns (100 pieces minimum) (up to $2.50 per piece) - Host Integration - Web Self Service - E-mail messaging and collaboration - Commerce - Business Integration - Business Intelligence
Marketing Seminars	Seminar in a Box (only) (up to $9600 per seminar)
Product Sales Support	NO (is available for Premier/Flexible partners)
Promotional Merchandise	limited list !
Sales Incentives (for employees)	NO (is available for Premier/Flexible partners)!
Exhibiting at Trade Shows	NO (is available for Premier/Flexible partners)!

(NOTE: The following PartnerRewards categories for spending have been eliminated for both Premier and Advanced: Personnel, Recruiting, Launch Funds, Custom Programs)

Marketing Activity Caveats

To ensure that Business Development Funds are used to
drive mutually-incremental profits, the following expenses
are NOT reimburseable:

* Entertainment events
  - Concerts
  - Theater tickets
  - Sightseeing

* Sporting events
  - Participant
  - Observer
  - Sponsor

* Social events not associated with an approved
  focused marketing activity
  - Meals
  - Beverages

Which IBM Programs Use the PartnerRewards Infrastructure?

Four Programs are using the PartnerRewards Infrastructure

Separate Accounts
Multiple PALS
Different Approvers

1) Fulfillment partners (1% BDF fund)
   CRBP approves PAL

2) IBM and Lotus Sales Assistance Program
   BPSM/BPSR approves PAL

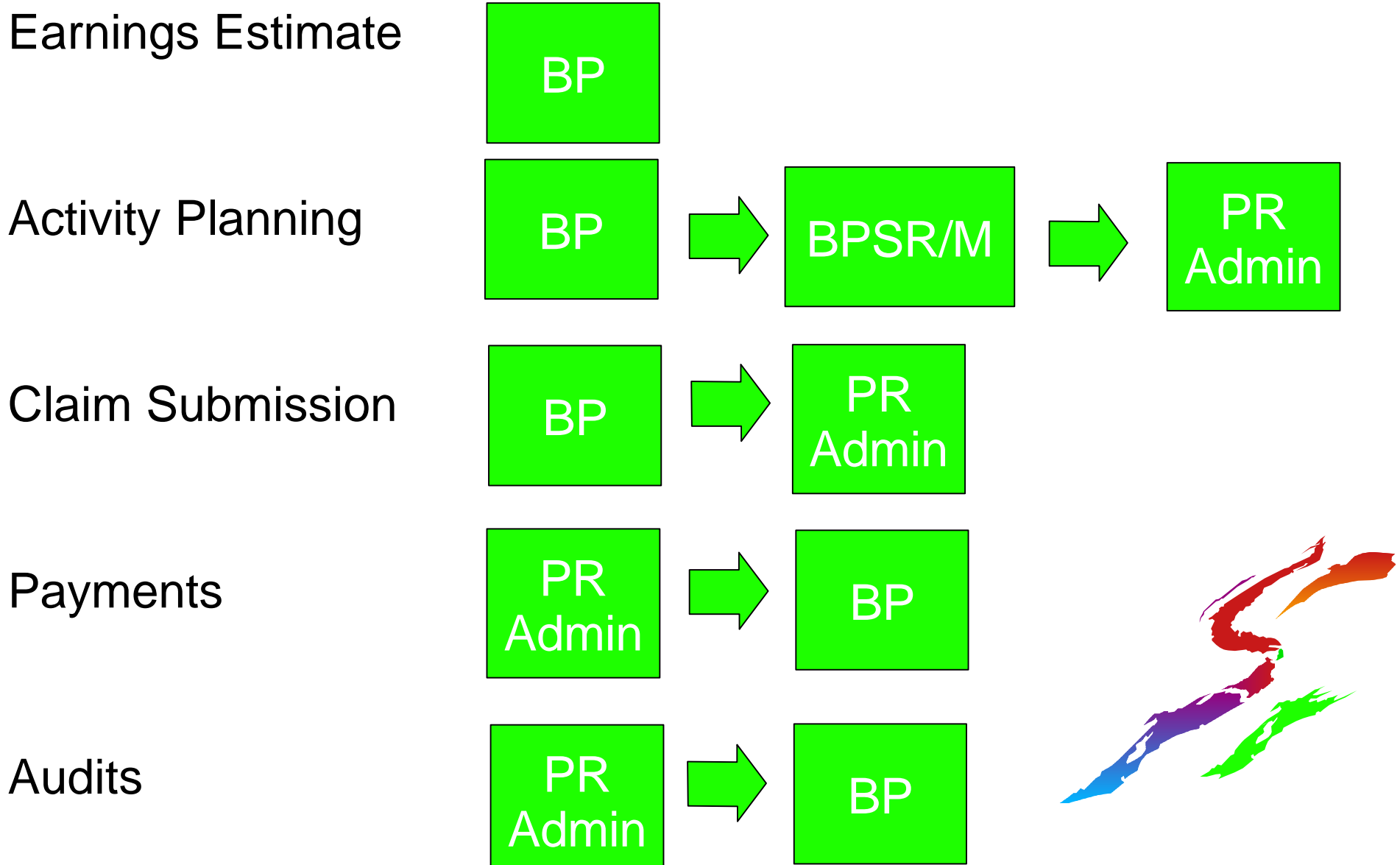3) PartnerRewards for Alliance Developers
   GAM approves PAL

4) ISV

   ISV REP approves PAL

Flexible Process Flow -
Activity, Approval, and Claim Process

Earnings Estimate

BP

Activity Planning

BP → BPSR/M → PR Admin

Claim Submission

BP → PR Admin

Payments

PR Admin → BP

Audits

PR Admin → BP

PartnerRewards Activity List (PAL)

Measurable marketing activities integrated with the Partner Plan

One per year - must claim all 1999 expenses by May 31, 1999
    or the account credit is forfeited.

During the first five months of year 2000, you can have two PALs -
    one for 1999 expenses and one for year 2000 expenses

First Time Users Guide - for Business Partners

Access the application

    1) Start an internet browser and enter the URL www.ibm.com/partnerrewards

    2) On the "Welcome to PartnerRewards" Screen,

        Select country, select language, and click on "continue"

    3) On the next screen,

        Double click on the PartnerRewards logo, since you have been mailed

        your user id and password.

    4) On the pop-up window, enter the userid, password, and click OK.

        These are case sensitive and both must be entered.

**Estimate and Publish Earnings Estimate**

    5) On the "PAL year view" screen,

        Click on "Create Earnings Estimate"

        Hint - if you want to return to this screen later, click on the blue panel under

            Activity - this year (or whatever year that you want to view)

    6) On the "Estimated Earnings" screen,

        Key in the year and the estimated soft dollar earnings for the IBM/Lotus Sales

            Assistance Program for that year.

        Click on "Save".

        Receive a message "Estimated Earnings Processed"

        Click on "Go back to year view screen"

    On the PAL year view screen, click on the reference # (NYA means not yet

            Assigned) for the activity that you want to publish.

        Click on "Publish".

        Receive a message "Document has now been published"

        Click on "continue"

Enter/Publish/Submit an Activity

7) On the "PAL year view" screen,
   Click on estimated earnings reference # for the appropriate year
8) From the "Estimated Earnings" screen,
   Click on a spending category
9) On a "PartnerRewards Activity" screen, enter all required fields. Scroll
   Through the entire page to ensure that you find all required fields.
   Click on "Save" (at the top left of page)
   Receive the message "Marketing Activity Processed"
   Click on "Go back to year view"
10) From the "PAL year view", click on the activity reference # just entered.
    Click "Publish" to allow the BPSM to view the activity.
11) From the "PAL year view", click on the activity reference #, then click on
    "Submit" to pass the document to the BPSM for agreement/approval.
    Key any submission comments.
    Click on "yes"
    Click on "Continue"
    Status shows "awaiting assignment"
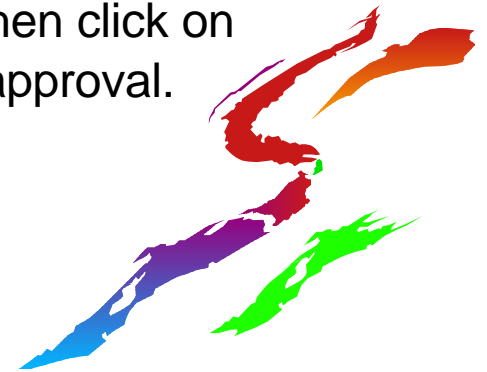
First Time Users Guide for Business Partners - Page 3

Claim Expense Reimbursement: Enter, Publish and Submit the Claim

12) From the "PAL year view", click on the activity reference # of the activity that you want to claim.

13) Click on "claim - activity/claims"

14) Select the activity and click on save.

15) Publish the claim

16) Submit the claim. Once submitted, it goes to the Administration Center for Processing. No BPSM approval is needed on claims for Premier Business Partners. No direct notification is made to Business Partners.   Business Partners must look at the account status on the web to determine payment status.   Status indicators are:

"Fully payable"   = adequate funds were available

"Partially payable = some funds were available , but not enough for full payment

"Pended"   = no funds available

Look at Account status - for Premier Business Partners only
(Advanced Business Partners call the PartnerRewards Admin Center for
your account information)

Account Status
On the Blue bar, click on "Account Status" for
A) a short description of the account status
B) the ability to request a detailed statement. This takes about 2 days
to show under the "account statement" heading.

Account Statement
On the Blue bar, click on "Account Statement" for either
A) the monthly regular detailed statement, or
B) the statement that was requested under account status several days
earlier.
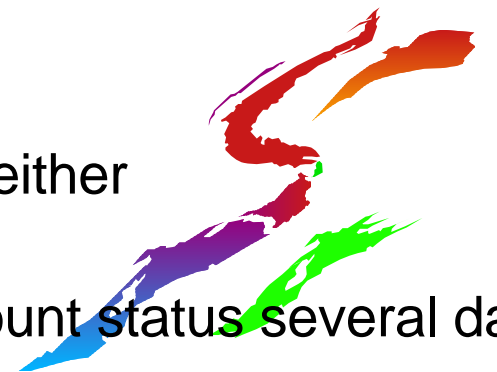
The next steps

1. **You should have received a welcome package** (with user id and password)
2. **Review the Program Guide**
3. **Estimate earnings and create a PAL online**
4. **Submit Project Form and close the sale**
5. **Submit the Sales Assistance Confirmation Form**
6. **When PAL is approved, Submit the claim online**
    (no invoice for expenses req'd except for audit)
    If you are an Advanced partner, submit hardcopy form with Invoice
    for preapproved expenses
7. **Receive the check**

(NOTE: Premier only steps are in blue and
         Advanced only steps are in green)