### The Value Proposition for Business Partners

# WebSphere









s a decision-maker at an information technology firm, you want to make investments that provide superior financial returns AND strategically position your firm for significant growth. Here's a rare opportunity to do both. Improve your firm's profitability while improving that of your customers: offer them best-of-breed solutions based on IBM's WebSphere software platform and watch your business grow.

For your customers, the future of business is all about connecting and transacting with any and all entities that offer opportunities to reduce costs and boost profits. To be able to thrive in this new world of dynamic e-business, companies need a flexible, high-performance IT architecture. Tens of thousands of businesses have already made the move to WebSphere; here's why:

- A leading-edge platform: IBM's huge investment in WebSphere (US\$1 billion) means that this multifaceted platform will continue to grow and evolve to address your customers' key business challenges and technical requirements both now and in the future.
- Performance: Industry analysts and customers around the world consistently give the WebSphere family of products high marks for its scalability, reliability and performance.
- Open standards: WebSphere has been built on the premise that adoption of open standards will grow as the world becomes more networked. That's why most

WebSphere products are written in Java<sup>™</sup>, they run on Apache and Linux, they support standards like XML and Enterprise Java Beans, and even emerging Web Services standards like SOAP. UDDI. WSDL. XML. and J2EE<sup>™</sup> 1.2 (Java 2 Enterprise Edition platform). IBM views our Web Services leadership as particularly significant in an increasingly interconnected world. Web Services will provide a means for different organizations to connect their applications with one another to conduct dynamic e-business across a network. no matter what their application, design, or run-time environment. We firmly believe that this represents the future of computing — that open

standards will enable businesses to connect with and transact business more rapidly and profitably than ever before.

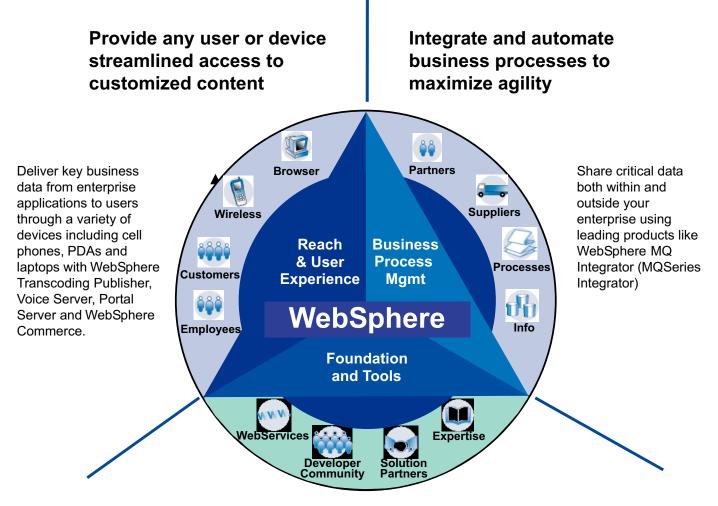
Internationalization: The WebSphere family of products fully supports the conduct of global business in a manner that few other vendors can match; all are built using a best-of-breed development approach refined over decades of building internationalized products. The platform supports more than 10 of the world's major languages and it formats dates, times, numbers, addresses, prices, and measurements in a locally appropriate manner.







t's a comprehensive e-business platform that delivers superior customer ROI by providing an unprecedented combination of flexibility, functionality, and performance. While other vendors offer point solutions that require costly custom integration, IBM has designed the WebSphere platform with the big picture in mind. WebSphere addresses what we see as both the biggest challenge and opportunity to business in the 21st century: developing a reliable and open information infrastructure that is flexible enough to accommodate even currently unforseen requirements.



#### Build, connect and manage applications

Build, test and deploy new applications with a complete set of integrated development tools like Visual Age for Java Build your IT infrastructure on a solid foundation using worldclass products like the WebSphere Application Server and WebSphere MQ (MQSeries)

## What is WebSphere?

#### WebSphere product families include:

- Foundation and Tools: WebSphere Application Server, WebSphere Studio, WebSphere Host Access
- Reach and User Experience: WebSphere Portal, WebSphere Voice, WebSphere Everyplace, WebSphere Commerce
- Business Process Management: WebSphere Application Integration, WebSphere Business Process Management

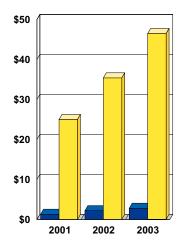


WebSphere is used by two-thirds of the Fortune 500, 90% of top commercial banks, most large American telecommunications companies, and 15 of Wall Street's top brokerage firms.

Who's using WebSphere?

WebSphere has a global customer base of over 35,000. According to a recent Morgan Stanley Dean Witter survey, **IBM WebSphere was chosen for strategic implementations more than twice as often as BEA and over four times more often than Oracle**. And small wonder — WebSphere has seen nine consecutive quarters of double-digit growth; just this past year WebSphere's market share has grown 10 times faster that BEA's. Now that's momentum you can build on.

## What's the market opportunity?



#### What's the market opportunity?

In a word— Enormous! If your company provides IT solutions to businesses today, you know that information is one of your customers' most powerful sources of competitive advantage. Think of all the business entities in the world that will begin sharing data from their enterprise applications with their suppliers, distributors and customers over the next five years. Now that's a big market! IBM's WebSphere offers a compelling value proposition to customers, to help your business grab a piece of this lucrative pie.

As the chart to the left indicates, helping businesses integrate

EAI Software
e-business Integration Services

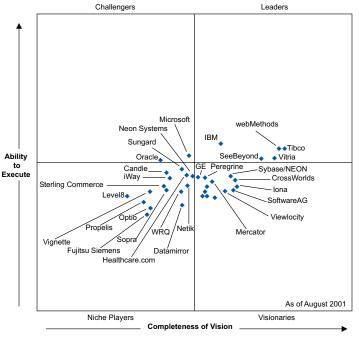
their applications internally and with companies in their supply and demand chains will be a nearly US\$50 billion business by 2003. With IBM's WebSphere you have an integrated, best-of-breed platform you can lead with when discussing the strategic options with your customers. Plus, as an IBM Business Partner, you get a host of training and support from IBM to help you close more business and deliver the engagements you've won (more on this later).

A recent study by Meridian Technology Marketing shows that, for every dollar spent on IBM Software, customers spend \$11 on Business Partner services; \$6 on IBM and other hardware, and \$3 on Business Partner and other software. A whopping 80% of IBM Business Partners report their IBM Software business grew 64% since 1998.

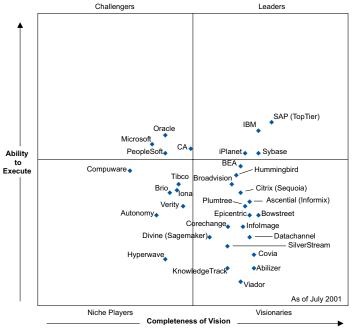
## How does the competition stack up?

hile there are a lot of other companies out there offering software solutions to one or two key business problems, none can match the quality and range of solutions and the completeness of vision that IBM brings to the table. But don't take our word for it. IBM appears in the top right quadrant (Leaders/Visionaries) in Gartner's 'Magic Quadrant' evaluations of middleware, e-commerce, AND portal applications. Now that's thought leadership.

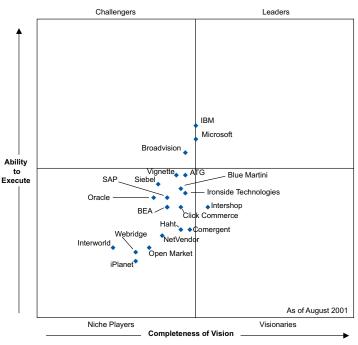
#### Gartner's 'Magic Quadrant' for Application Integration and Middleware (August 2001)



Gartner's 'Magic Quadrant' for Portal Products (July 2001)



#### Gartner's 'Magic Quadrant' for Sell-Side Platforms (August 2001)



The Magic Quadrant is copyrighted July 2001 and August 2001 by Gartner, Inc. and is reused with permission. Gartner's permission to print its Magic Quadrant should not be deemed to be an endorsement of any company or product depicted in the quadrant. The Magic Quadrant is Gartner's opinion and is an analytical representation of a marketplace at and for a specific time period. It measures vendors against Gartner-defined criteria for a marketplace. The positioning of vendors within a Magic Quadrant is based on the complex interplay of many factors. Well-informed vendor selection decisions should rely on more than a Magic Quadrant. Gartner research is intended to be one of many information sources and the reader should not rely solely on the Magic Quadrant for decision-making. Gartner expressly disclaims all warranties, express or implied of fitness of this research for a particular purpose.

•

## So show me the money!



ou're in business to make money — we know that. You stay ahead of your competition by making smart investments; you seek superior returns without undue exposure to risk. And you're always on the lookout for important technological developments and market trends, so that *you* can jump on them before your competitors do. You know that being just ahead of the curve can mean big profits. Catch the next wave of the e-business revolution with a proven leader. Come on board with us as a WebSphere Business Partner — and watch your profits soar!

- High Return on Investment almost 50% ROI in year one, over 125% ROI in year two, and that's if you close only 8 small deals and 3 midsized in 2 years! Many of our Business Partners have blown these figures away, because when your people are skilled up on WebSphere you find yourself working on repeatable engagements that are highly profitable.
- Low Risk in this difficult economic environment, customers are asking a lot of hard questions about any software company's longterm viability before making a purchase. Take that one right out of the equation as an IBM Business Partner. You also want to protect the investment you've made in training your people. The growing need for businesses to rapidly exchange data coupled with the rapid growth of the WebSphere platform means that you will have a ready pipeline of business for years to

come. And your experience developing repeatable WebSphere-based solutions means that you can deliver such engagements at lower cost, enabling you to outbid the competition and make superior margins on those deals at the same time!

Added Vision - if you're a small or medium sized business it's not always easy to know where the marketplace is going. You know it's incredibly complex, but it's hard to tell the false starts and dead ends from the ideas that will permanently change the way we do business. IBM has invested heavily to be where the market is going, to support open standards like Linux and Java<sup>™</sup> and XML, to enable dynamic e-business through web services initiatives like UDDI. Don't guess at where the marketplace is going; stand on the shoulders of a giant.

#### Return on investment (US\$)

	Year 1	Year 2	Total
Sales Revenue	\$705,000	\$1,595,000	\$2,300,000
Less:			
Investment	\$367,500	\$590,000	\$957,500
Cost of Sales	\$115,250	\$590,000	\$705,250
SG&A (6% of revenue)	\$42,300	\$95,700	\$1,662,750
Subtotal	\$525,050	\$1,275,700	\$1,800,750
Net Profit	\$179,950	\$749,550	\$929,500
Return on Investment	49%	127%	97%
Number of Sales Transactions	4	8	12

These figures are based on realistic estimations for a representative sample of WebSphere-based solutions. These figures are for demonstration purposes only and, while realistic, do not represent any guarantee on the part of IBM, its Business Partners or affiliates.



## Marketing and sales support from IBM

ecause IBM is committed to helping Business Partners close business and deliver profitable engagements, we are investing over \$100 million in WebSphere marketing programs. When you work with IBM, you gain access to the worldwide IBM customer base, you can leverage the mindshare IBM has created around WebSphere and e-business, and you can use IBM's technical sales support to gain a competitive advantage when selling your own services. Below are a few resources designed to help Business Partners expedite the sales cycle and close new deals :

*Lead Generation* tactics include telemarketing support, joint advertising and tradeshow assistance

**WebSphere Demo** is a Flash<sup>™</sup> demonstration which provides line-of-business managers with a high-level overview of the key components of the WebSphere platform

*Campaign Designer* helps Business Partners build customized direct mail pieces, print advertisements and web banners

**Business Partner Proposals** enable Business Partners to create their own marketing activities to drive sales of IBM software, and IBM will pay as much as half the cost. These activities may include events, telemarketing campaigns, e-seminars promoting a Business Partner's services, or an advertisement in a trade journal leveraging IBM's Customizable Campaigns

**Executive Assessment** is a consulting tool to help you get in the door and quickly gather the information you need from a prospect to devise a high-level solution, build a business case and present a winning proposal



**Seminar Solutions** are fully scripted sales presentations that you can customize and deliver face-to-face to key prospects

**Start-Now Solutions** are especially designed to help growing companies develop an affordable and reliable IT infrastructure to position these companies for e-business success. For smaller customers or those with limited infrastructure this can make a great starting point for a long-term relationship

**Practice Accelerator** is a deal-based, handson technical mentoring offering available to qualified WebSphere Business Partners. The program provides a customized workshop on technical sales issues, coupled with actual hands-on mentoring from IBM WebSphere solutions experts, to help Business Partners close business rapidly

WebSphere Innovation Connection Online is a web portal designed to provide a single point of access where IBM Business Partners can obtain information surrounding every aspect of the WebSphere platform. Business Partners can find comprehensive information about how to market, sell, deliver, and support business solutions based on WebSphere. White papers, sales kits, competitive guides, newsletters, collateral from trade shows and teleconferences — it's all here. Visit the site at www.ibm.com/websphere/partners

## Skills development and getting WebSphere certified



BM recognizes that the key to profitable services engagements is repeatability; so we offer a host of classes to help your technical resources skill-up on the various components of the WebSphere platform. Your technical people can become certified in a variety of WebSphere family products (like the WebSphere Application Server or WebSphere Host Integration to name just two) by completing a prescribed series of technical courses and then passing the appropriate exams. WebSphere certification tells your customers that the technical resources you send out to work on their projects are trained experts, and clients expect to pay extra for such expertise. According to early surveys by IBM, 64% of IBM Business Partners indicated that having their IT professionals IBM certified for e-business increased their ability to close a sale; 59% reported an increase in sales volume.

For more information on WebSphere certification, visit www.ibm.com/certify

#### WebSphere Sales University 101 Workshop

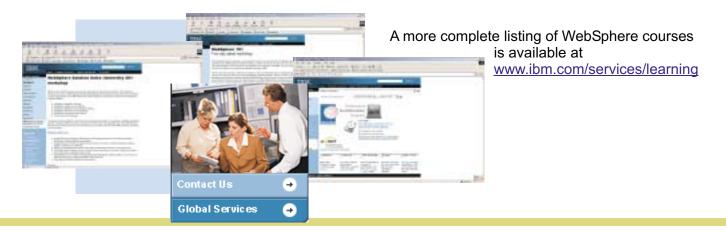
This two-day sales workshop, available to qualified Business Partners, is an opportunity for your sales people to learn about the key products in the WebSphere portfolio, how to position them against the competition and, most importantly, how you can make more money by leveraging the strength of IBM.

For more information: http://www.ibm.com/software/info/websphere/partners/ws101.html

#### WebSphere Solution Sales 201 Workshop

This interactive one-day selling workshop, based on IBM's Signature Selling Methodology, helps Business Partners recognize customer pains, qualify opportunities, develop solutions with their customers and quickly close the deal. This workshop is available to qualified Business Partners who have completed the prerequisite courses (IBM's two-day Signature Selling Methodology and WebSphere Sales University 101 Workshop).

For more information: http://www.ibm.com/software/info/websphere/partners/ws201.html



## What are current WebSphere Business Partners saying?

BM Business Partners are making real money with WebSphere right now. Here is a brief overview of just a few of them, and what they're saying about their relationship with IBM.



Global Information Services (GIS) de Mexico (Mexico City): the company provides e-business, system engineering, networking and general IT solutions to businesses ranging from small ad agencies to leading retailers. The alliance with IBM has helped the company increase its customer base by 45% in just one year, with a 30% increase in revenues.

"When GIS was starting out, attracting clients was a challenge. Since forming our partnership with IBM, we've increased our market share by 18%." Jorge Muñoz, Operations Director, Global Information Services de Mexico

**Mincom** (Brisbane, Australia) - With 2001 revenues of A\$190.4 million and operations in 13 countries, Mincom specializes in providing enterprise technology solutions for assetintensive industries, improving business outcomes for the mining, oil and gas, utilities, transportation, government and defense industries.

"The IBM WebSphere products and tools allow us to focus on the development of what we do best, i.e. solutions for asset-intensive industries. IBM offers the broadest range of products from a single company, and that makes it easier for us due to better product integration, and dealing with a single partner is easier than multiple partners. The tools that IBM provides are also integrated into the products, and with the release of the Eclipse framework, it means that more tools can be integrated into a single desktop architecture for all our development needs" - John Benders, Manager Product Development Technology, Mincom





Viador (San Mateo, CA): this \$28 million company, a leading provider of objectoriented middleware infrastructure, helps customers around the world use information to reduce costs, drive new revenue, and enable enterprises to use the web to expand their reach.

"We are really happy with the partnership with IBM. We have seen a growth of over \$1,000,000 in revenue as a result of the partnership" Ben Connors, VP of Business Development, Viador.

"The partnership with IBM is a big advantage from a sales, marketing and technical standpoint. We team up with IBM for tradeshows and seminars and take a pro-active approach in other marketing activities. IBM brings us credibility and resources. IBM provides high quality, appropriate leads to us. Most of our projects are large scale enterprise projects. Our partnership with IBM has brought in several major clients." Ben Connors, VP of Business Development, Viador.

> **Versant** (Fremont, CA): A \$30 million leader in object-based enterprise software systems, helping companies extend their enterprises over the Internet by using e-business applications. WebSphere has reduced their implementation costs by as much as 40%.

"Versant's relationship with IBM provides WebSphere Application Server customers a complete, integrated e-business solution while other vendors' offerings require integration by the customer" Nick Ordon, CEO, Versant Corporation

**Digital Union** (Guildford, UK): this company provides systems implementation and integration, B2B, B2C and SCM technology consulting, and strategy consulting for firms in manufacturing, health care and a variety of other industries.

"We knew that WebSphere Commerce Suite would be the most cost-effective way for the customer to implement indirect and direct procurement. It supports industry standards and enables clients to integrate with their supplier networks. Additionally, it's established their entire ebusiness infrastructure and platform allowing them to deliver additional solutions to the business such as Content Management and Collaboration without re-investing on the infrastructure." Patrick Lawton, CEO, Digital Union, speaking about the solution Digital Union crafted for customer Kiddie Plc.

"We expect that we'll have our payback in less than a year." Group Purchasing Manager, Kiddie Plc.



## The Next Step: Get with the program

IBM's PartnerWorld for Software program is designed to make sure our Business Partners get the most out of their relationship with IBM. The program has three levels of membership: Member, Advanced, and Premier. At each successive level, IBM makes a greater commitment to the Business Partners' success and the Business Partner makes a greater commitment to IBM. PartnerWorld for Software offers not-for-resale code, volume discounts, tuition reimbursement, enhanced post-sales technical support, compensation for influencing the sale of IBM software and a host of other benefits.

Ready to start growing your business with WebSphere?

Then visit www.ibm.com/partnerworld/software to get started.





For general information about WebSphere: <u>www.ibm.com/websphere</u>

For information about IBM WebSphere Business Partner opportunities: <u>www.ibm.com/websphere/partners</u> <u>www.ibm.com/websphere/developers</u>

For information about IBM Business Partner programs designed to drive new software revenues through innovative comarketing, visit PartnerWorld for Software: <u>www.ibm.com/partnerworld/software</u>

To access the IBM WebSphere Innovation Connection Online: <a href="http://www.ibm.com/websphere/partners">www.ibm.com/websphere/partners</a>

To access IBM WebSphere course information: www.ibm.com/services/learning

For information on IBM Professional Certification: <a href="http://www.ibm.com/certify">www.ibm.com/certify</a>

