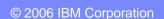


Software Strategy and Directions for System z

Ray Jones WW Vice President, System z Software





The z Software Strategy

Reinvigorate the System z Ecosystem:

- Attract New System z Customers and Application Workloads
- Retain and Grow Existing System z customers
- Make the Mainframe Relevant to a new IT Generation

Platform Modernization and Simplification are key:

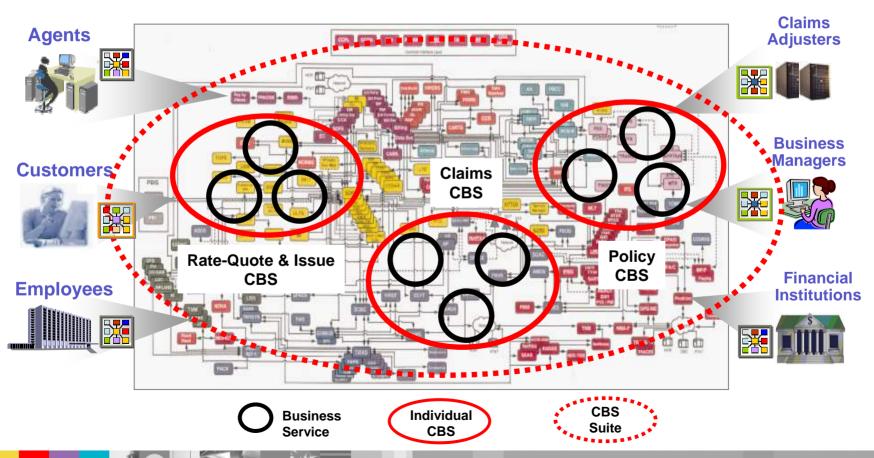
- Evolve to an SOA Server
 - Systematic Reengineering of the Software Stack
 - More Open Standards Compliant and Common Middleware
 - Integration with the z Platform for Added Functions
- Deliver High Value Tools to Support Evolving Business Needs
 - Enable Modernization of Existing Assets
 - Build On Ramps for New High Value Business Assets
- Make System z Easy to Install and Manage for Better TCO
 - New Faces of z
 - Simplified Labor Intensive Tasks
 - More End to End Management Capability from a z Central Point of Control





SOA Promises to Un-Bundle the "IT Hairball"

- IT assets are described and exposed as standards-based Web services
- Composite Business Service (CBS) are loosely coupled, distributed apps built on IT assets typically already available to the organization and exposed as services





SOA, WAS z/OS, & the Mainframe

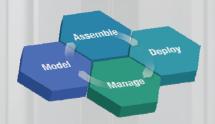
Recent data indicates that 41% of mainframe customers are building or deploying new applications on System z - up from 31% a year ago.

WebSphere is the key to unlocking & reusing many core assets and extending their value, and the mainframe is at the heart of many SOA

customers.

- Commitment to open standards
 - ▶ J2EE
 - JMS support
 - XML support
 - Advanced Web services
- Commitment to SOA
 - SCA & futures
- WebSphere security
- WebSphere high availability
- Engine for WebSphere expansion products on z/OS

WebSphere
Application
Server for z/OS



CICS, IMS, & DB2

- Platform integration
 - > z/OS WLM
 - Automatic Restart Mgr
 - Parallel Sysplex
 - Security (RACF)
- Asset integration
 - Local DB2 connections
 - ▶ IMS & CICS integration



WebSphere Application Server V6.1 Generally available June 30, 2006

Focus on innovation not implementation

- J2SE support (JDK 5.0)
- Application Server Toolkit enhancements
- Installation factory
- Portlet support
- JSF widget library

Standards and security driven SOA runtime

- Security configurations out of the box
- Web Services security enhancements
- Government standards
- Performance improvements

Deliver key function in new ways

- Flexibility through new Web services
- Session Initiation Protocol (SIP) servlets
- Flexibility with your messaging backbone

Administration enhancements and future SOD for ease of use

- IBM support assistant
- Web server for z/OS, powered by Apache
- 64 bit enablement for WebSphere for z/OS





CICS Transaction Server for z/OS V3.2

Increased Ease of Integration

- Maturing the Web Services capabilities and SOAP standards
- Wider support of other payload format (XOP & MTOM)
- Optimization of the HTTP Transport to give better performance, robustness and manageability
- Delivering a consistent approach between CICS systems for an IP environment.

Enhanced Application Transformation

Improved Operational Efficiency

- Conforming with WSDL 2.0
- More extensive Web Services support for COBOL data types
- Improved Application Deployment
- Exploitation of 64-bit storage for channels and containers.
 Used by Web services requests.
 - Enterprise wide workload management ARM correlator
 - CPSM Integrated install and definition & CPSM WUI enhancements
 - JDK 1.4.2 JVM management and PD improvements
 - Remove capacity restraints relating to Data
 - Continued enhancements to OTE enabling some File Control configurations and the MQ Bridge Adapter



IMS: The Continuing Journey ... with IMS V10

Easing Integration with New Technology for a Service Oriented Architecture

- Enhancing IMS XML and Web Services Connectivity
- Integrating Operations across Subsystems/Platforms

Simplifying Installation and Management

- Defining Resources Dynamically
- Easing Operations Management
- Easing Systems Management

Providing High Performance, Scalable, Available, Reliable and Secure Solutions

- Providing More Parallelism in DB Recovery Control
- Widening Bandwidth for Multiple Systems Coupling
- Enhancing Security





DB2 9 for z/OS: Raising the Bar Addressing Business and Infrastructure Goals

Now in Beta

Faster, Lower
Cost
Development
and Porting

- pureXML simplifies access to XML data
- SQL improvements that simplify porting
- Native SQL procedural language
- Default databases and table spaces
- Automatic unique indexes to support primary keys

Decrease Complexity and Cost

- Enhanced Compression and Optimization
- Fast table replacement and append
- Partition, range, multi dimensional clustering & hashing
- Volume-based COPY/RECOVER using FlashCopy
- Optimization Service Center
- DB2 managed optimistic locking

Streamline Compliance Efforts

- Network trusted security context & database roles
- Instead of Triggers
- Improved auditing capabilities
- SSL
- New encryption of key DB2 resources

Information Led
Business
Innovation

- Support for both relational & integrated pureXML data
- WebSphere integration
- Data Warehousing on System z
- SAP optimized with 40+ specific features









DB2 zIIP Exploitation Optimizing Costs with New Specialty Engines

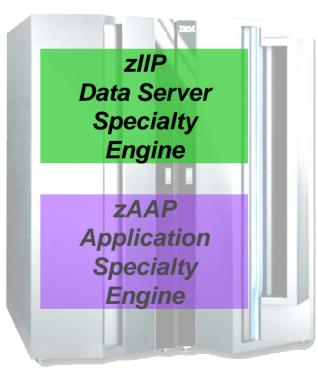
Significant Value, Available Now

- Improved Response Times
- Improved TCO
- Flexible Configuration
 - Multiple LPARs, Applications across Systems and Platforms, DRDA Support

Tests Show Multiple Workloads Can Benefit

- SAP OLTP
 - 40% better response time
 - Regular CP time reduced
 - 49.8% LPAR redirected
- BI Batch Workloads
 - Better response times
 - CPU time reduced
- SAP Business Warehouse
 - 43% better response time
 - 50.1% LPAR redirected
- Utilities
 - Up to 60% of workload redirected

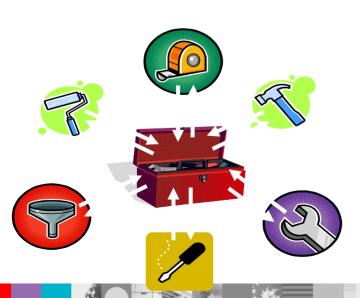






New Tools to address TCO in 2006

- DBA Time = Money
 - Managing application changes
 - Tuning for performance
 - Optimizing repetitive tasks
 - Managing Complexity
 - Complying with regulations and audit



Time savers

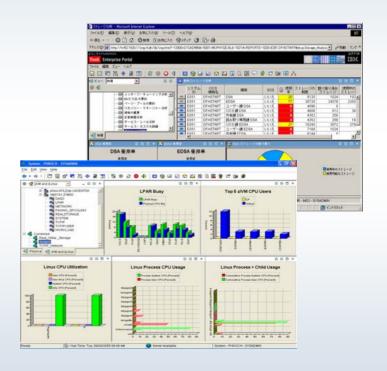
- DB2 Change Management Expert
 - Automates and simplifies the most time consuming DBA task
- Omegamon DB2 Performance Expert
 - Tunes DB2 systems
 - Finds performance problems
 - Eliminates bottlenecks
- DB2 Optimizer Expert
 - Optimizes query performance
- DB2 Utilities enhancements
 - V8 zIIP exploitation
 - vNext volume based utilities
- IMS Sysplex manager
 - Simplifies complex IMS sysplex management
- DB2 Thread Expert
 - Manages DB2 Threads
- DB2 Audit Management Expert & IMS Audit Management Expert
 - Enables fast auditing of DB2 and IMS users and data
- DB2 Regulatory Compliance Suite
 - Combines 4 tools, including Audit Expert into a single compliance offering



New OMEGAMON XE Capabilities

Common across the OMEGAMON portfolio of solutions

- CCMDB Integration
- Language globalization
 - French, German, Italian, Spanish,
 Portuguese, Chinese (simple & traditional), Japanese, Korean
- Advanced interoperability via workspace linkages
 - Enhances and improves problem resolution
- Problem Determination Guides
 - Improves diagnose and operational problem solving
- Multi-product version support
 - Enables incremental deployment of products
- IBM zIIP monitoring





Composite Application Manager for SOA v6.1

Support for ITSM strategy

Discovery Library Adapters add discovered Service information to CCMDB



Integration with WebSphere Service Registry and Repository

- Reconciliation of registered services with those monitored by TCAM
- Tivoli Enterprise Portal views show business process relationships for impact analysis



Integration with WebSphere Enterprise Service Bus SCA runtime

Provides SCA-based mediation primitives for enhancing management functions (monitoring, logging, routing and transformation)



New Platform support

CICS TS 3.1, DataPower SOA Appliances, WebSphere ESB, WebSphere CE, JBOSS Application Server, SAP NetWeaver





System z for ISVs

Comprehensive resources helping System z ISVs build middleware-based applications, develop skills and close business

Training and education

Announcing

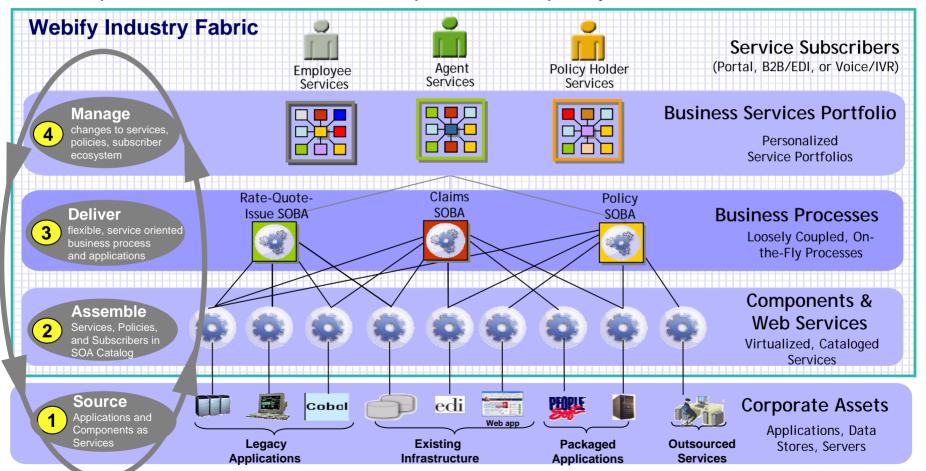
- Providing skills for students, developers and business partners
- Integrated technical support environment fees waived for 2006*
 - ▶ Online tools, 24/7 support
 - Remote access to System z hardware
 - Worldwide centers for in-person technical support
- Hardware and software discounts
 - Substantial discounts for application development on z/OS
- Go-to-market support
 - Investing in driving leads and closing business for System z ISVs
 - Assigned dedicated IBM sales reps to close business





Webify Industry Fabric is industry SOA middleware for Composite Business Services

Composite business services are composed of multiple layers with services at its core





15

WebSphere Portal V6 integrated with Process Server Integrate Process Flow on System z - And Portlet Factory



Process
Orchestrating
within Portal

Form Driven Workflows





Portlet to Portlet Interaction

Ad-Hoc Person to Person Exception Handling and Problem Resolution

Dynamically Presented Based on Role & Security

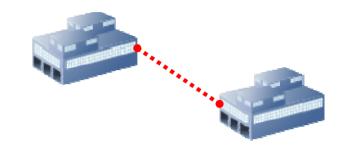




XML Solves Business Problems Today Effectively Serving XML Data is Essential



- Business to Business Integration
 - Platform independent transport mechanism
 Purchase order triggers transactions flowing over a service oriented architecture



- Document Management
 - Government and legal industry require digital signature

Tax forms require signature & change year to year

Documents often contain sub-documents
Literary materials contain books, chapters,
chapters

and sub-



- Business Intelligence
 - Universal representation from multiple sources
 Claims adjustor reviews damage estimates from multiple garages
 without consideration of original format





DataPower Product line – Today





WebSphere Integration Developer Rational Application Developer

D DAAPOWER ---

XI50 XML Message Handling

Process:

WebSphere Process Server

WebSphere ESB & Message Broker

WebSphere Partner Gateway & Adapters

People:

WebSphere Portal

WebSphere Everyplace Deployment

Workplace Collaboration Services

Information:

WebSphere Information Integrator

Application Infrastructure:

WebSphere Application Server & XD



XA35 XML Accelerator

WebSphere Business Modeler Rational Software Architect

DataPower does +

B2B XML Security Policy Enforcement

WebSphere Business Monitor
Tivoli Composite Application Manager

Tivoli Federated Identity Manager
Tivoli Access Manager for e-business

Tivoli. software does

SOA Security Management

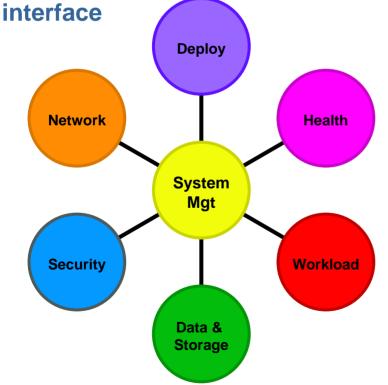
Policy Management Federated Identity Management Auditing and Compliance for SOA User Provisioning



z/OS Management Focus Areas

Goals

- •Eliminate, or automate z/OS administrative and operational tasks
- •Simplify the tasks that remain with a modern, easy to learn and useful



Assist customers with the following tasks:

- Deployment: Plan, order, install, migrate, configure, update OS, SW products, HW devices:
 - Migrate to new releases and deploy "on demand" features

Health and availability management:

Detect, diagnose, recover from – and prevent
 z/OS problems.

Data and storage management:

- Deploy new storage devices; migrate data
- Establish storage management policies that meet business goals.

Workload management:

- Define workload management policies and track policy execution
- Monitor and control system activity: business applications, batch jobs, UNIX®processes, and other forms of work

Network management:

Monitor, configure and administer network connections, servers, and security. Focus: IP and SNA over IP

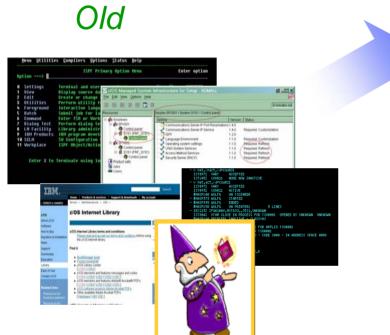
Security management:

 Configure z/OS security and help protect resources and information from unauthorized use



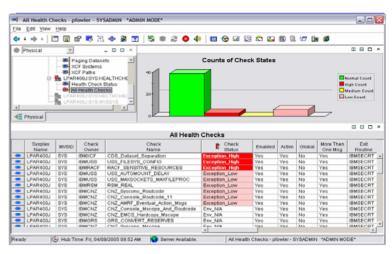
Modernizing the "Face" of z/OS

New



Expert-friendly, long learning curve for people new to platform

- •Multiple, inconsistent UIs no central system management portal
- •Many interfaces foreign to those new to platform
- •Manual tasks requiring extensive documentation

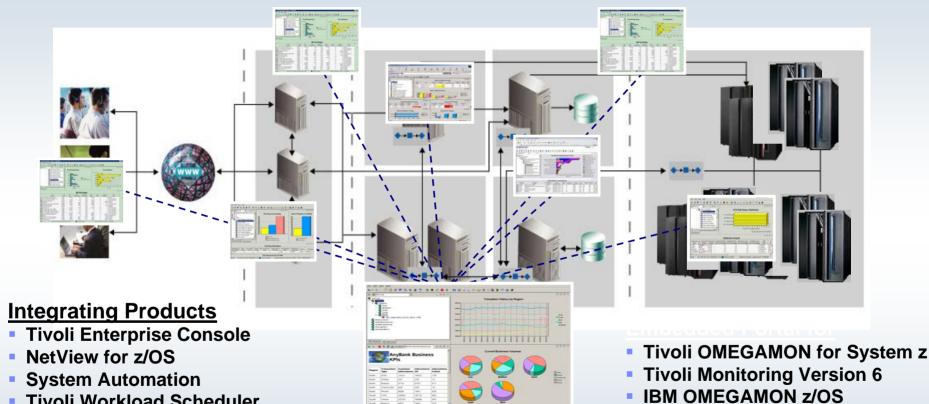


- ✓ Modern look & feel; more familiar to those new to platform
- √ Focus on customer goals
- ✓ Optional for those who prefer traditional interfaces
- ✓ **Simplified**, **automated** task-oriented mgmt interface, with integrated user assistance
- ✓ Central z/OS management portal



Complete View Of Application Performance

A Dynamic Role-based Policy Workspace for Integrating IT Operations Silos



Tivoli Enterprise Portal

(TEP)

- **Tivoli Workload Scheduler**
- **Tivoli Monitoring Version 5**
- **Tivoli Service Level Advisor**
- **Tivoli Business Systems Manager**
- Netcool OMNIbus Active Event List

- **Management Console**
- **Tivoli Composite Application Manager Family**

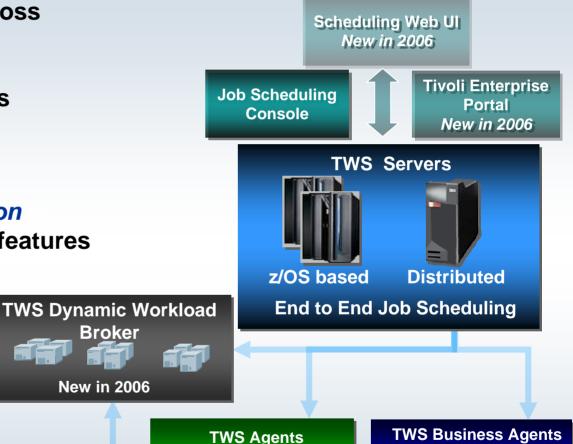


IBM Tivoli Workload Scheduler

- Single solution to integrate workloads from multiple applications, across multiple platforms.
- Improves availability and integrity of production systems
- High Availability and Fault Tolerant architecture.
- Enhanced TWS-WLM integration support new WLM scheduling features

Broker

- **New TEP integration** monitor the status of TWS critical jobs
- Dynamic real-time workload automation traditional calendar and event-based scheduling
- New Critical Path Monitoring and management feature for TWS



AIX, HP, Solaris, Windows,

Linux, OS/400, z/OS...

SAP

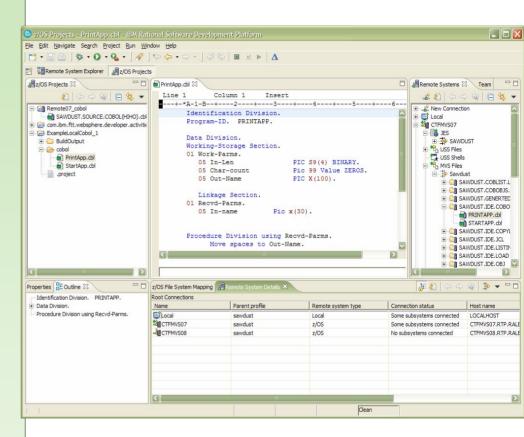
PeopleSoft Oracle



WebSphere Developer for zSeries

Eclipse-based integrated development environment for developing enterpriselevel, multi-tier applications (composite applications)

- Builds z/OS applications
 - ▶ COBOL, PLI, HLASM
 - ▶ TSO/Batch, CICS, IMS, DB2
 - DB2 Stored Procedures COBOL, PLI, Java, SQL
- Creates COBOL/CICS/JSF/Java/J2EE Multi-tier apps
 - Built on Rational Application Developer
 - Includes all of the J2EE web development tools
 - Generate JSF/EGL/J2EE web front ends
 - COBOL back ends running on zSeries
- Enables CICS and IMS applications for Web services and SOA
 - Provides tooling to make it easy to integrate existing applications into an SOA
- Supports the full application lifecycle
 - Model, Architect, Develop, Test, Deploy, and Manage





The IBM Software Development Platform – A New Face for z Integrated and role-specific tools



WebSphere Business Modeler

WebSphere **Business Monitor**

> Rational RequisitePro

Rational Software Modeler



Rational Software Architect

> Rational Data **Architect**

WebSphere Studio **Asset Analyzer**

Asset **Transformation** Workbench



Developer

WebSphere Developer for zSeries

Rational Business Developer Extension

Rational Application Developer

> WebSphere Integration Developer



ester

Rational **Functional &** Manual Tester

Rational **Performance Tester**

Problem Determination **Tools for System**



IBM Tivoli Configuration Manager

Tivoli Monitoring

Tivoli Provisioning Manager

Tivoli Intelligent Orchestrator

Customer Extensions



3rd Party ISV Tools



Rational Team Unifying Platform

Rational Unified Process Rational Build Forge IBM SCLM Advanced Edition Rational ClearCase **Rational ClearQuest** File Manager for z/OS



Rational Portfolio Manager



Looking Beyond DB2 9 –Autonomics and Transparency

- Reduce the need for z specific skills
 - Advanced autonomics
 - Reduced administration
- Continued cost/performance improvements
 - Table scan acceleration
- New application improvements
 - Even more XML
- Extend the lead in availability, scalability & performance
 - Deeper SW, HW, OS, disk management integration
- Continued leadership for security & data compliance



How is Security Different on the Mainframe?

Information & **Applications**



A highly secure business environment with compliance to standards helps build industry creditability and gain consumer trust

People



Supports a variety of encryption standards to help keep current with industry and government security regulations



Manage access of critical data for users through **Multiple Level Security**

End-to-end protection that helps keep data uncorrupted and uncompromised





Integrates security with the network with built-in technology resistant to hackers





Architected for security from within to reduce risk and not be susceptible to viruses

"The **IBM mainframe** is the **only** computing system to earn the **highest level of industry security** certification, EAL5." Bob Hoey, Worldwide VP Sales for System z

"Operating systems generally called 'secure' rarely reach higher rankings than EAL4." wikipedia.org *EAL (Evaluation Assurance Level) = International standard to define security requirements in computer systems.



Summary

- •We are delivering a New Generation of Software on z
- SOA and z Together Extend and Leverage Decades of Massive Business Investments
- •The z Ecosystem Now Enables Leap Frogging to the Next Generation of Applications
- Simplification of IT Management is the Next Large Step
- Its All About the Economies of Scale and How z
 Capability and Quality of Service makes a Difference