IBM System i™

System i: Delivering Innovation That Matters



Elaine Lennox, Vice President System i Marketing

i want stress free IT. i want control. i want an i.



Today's Webcast

- Innovation That Matters
- Delivering System i Innovation
 - -What's New!
- Driving Broader Marketplace Awareness

CEOs today have to drive growth while managing costs. One answer? Innovation



CEO agenda

- Find innovative ways to grow the business
- Streamline/improve efficiency of business processes
- Improve the productivity of employees
- Better understand and meet customer expectations
- Maintain continuity of business operations overall

CIO agenda

- More easily introduce new applications and systems
- Better integrate business processes with IT
- Improve IT systems utilization and productivity
- Enable better access to information
- Reduce or mitigate business operations risk





IBM System i: Applying technology innovation to help you implement solutions without the complexity

CIO agenda

- More easily introduce new applications and systems
- Better integrate business processes with IT
- Improve IT systems utilization and productivity
- Enable better access to information
- Reduce or mitigate business operations risk



IBM System i[™]...

- Designed to help you simplify your IT environment and reduce costs
- Best of IBM in one box:
 a complete business system OS, database, software, security,
 virtualization and storage all integrated, tested and ready to run
- Installs faster and takes less people to maintain
- Runs thousands of the worlds' most popular business applications
- Embraces open standards
- Legendary uptime and reliability

...helps enable innovation





Multi-Year Journey





2006 Innovation, awareness, community







2005 Renewed marketing, solutions focus

Zend



The php Company

2004 Renewed the product

Application Innovation	Tools Innovation	System i Innovation
Technical Assistance Virtual loaner program Open developer roadmap Educational offerings	Open ecosystem IBM recognition Technical reviews Committed partnership	Technical consultants Advisory board for System i roadmap Industry enablement Community building
Conversion assistance Accelerate Deployment	Competitive advantage Extend Capabilities	Redefine Solutions

Investing in the future for System i Clients, ISVs & Business Partners



What's New: Delivering System i Innovation

Zend Core[™] i5/OS_a

New applications

- 2,500+ new/enhanced apps
- 880+ new/enhanced i5/OS apps
- 154 System i tools providers

New capabilities

- Improved Windows management via BladeCenter and System x
- PHP for integrated Web application development
- Integrated IP telephony for collaboration solutions



- New offerings
 - i520 Collaboration Edition
 - Enhanced Capacity Backup Edition
 - i520 Solution Edition for Oracle's
 JD Edwards EnterpriseOne

New promotions

- IGF "Get More, Pay Less"
- ISV rebate and offers
- Economic replacement promotions



New Applications

IBM System i Initiative for Innovation

Application Innovation	Tools Innovation	System i Innovation
 2,500 new/enhanced applications 880 new/enhanced i5/OS applications 	 273 ServerProven tools on System i Developer Roadmap 154 System i tools members 	 Over 1,400 ISVs in PartnerWorld Industry Networks program 45 ISVs on System i advisory board
Accelerate Deployment	Extend Capabilities	Redefine Solutions

www.ibm.com/systems/i/innovation

i want an i.



New Capabilities

IBM System i Integration with BladeCenter & System x

Key Highlights:

- New integration of BladeCenter and System x with System i via industrystandard iSCSI technology
- Easily manage multiple Windows servers with System i Navigator & IBM Director
- Centralize Windows data and exploit System i virtual storage architecture and resources for dynamic storage management and performance
- Synchronize Windows and i5/OS user ID's and passwords
- Simplify network configuration, data access and application communication with virtual network connections
- Save time and effort by consolidating Windows and i5/OS backups and by using high-speed System i tape drives

Get Started

- Available for System i models 520, 550, 570 or 595 running V5R4; upgrade today!
- Learn more about enhanced windows integration at: www.ibm.com/systems/i/bladecenter



Announced May 2006!



New Capabilities

Web application development with PHP and i5/OS

Key Highlights:

- PHP is an easy to use, open source web application environment
- PHP has 22 million internet sites, 4.5 million developers, and 10,000+ components and applications
- 2,200 people have dowloaded the early copies of Zend Core for i5/OS; generally available on July 28th
- Zend is The PHP Company
- Get Started: Begin ordering Zend Core for i5/OS and Zend Studio Professional for i5/OS at www.zend.com on July 28th



Zend Core for i5/OS

- PHP runtime environment in i5/OS providing connections to DB2 UDB for i5/OS and RPG and COBOL applications
 - With 3 years Standard support
- Gold and Platinum support levels available for a fee



Zend Studio Professional for i5/OS

- Integrated Development Environment on Windows or Linux
 - With 3 years Standard support
- Gold and Platinum support levels available for a fee

* Zend retail price for Core and Studio Professional on Intel for 5 developers with 3 years standard support - zend.com 7-6-06

No Charge

No Charge

= \$5000 Value*



New Capabilities

IP Telephony solution with 3Com and IBM System i

Key Highlights:

- IBM and 3Com team to deliver "all-in-one" IP telephony suite for small and mid-sized businesses; announced March 2006
- First IP telephony solution to scale vertically with a full suite on one system
- Based on open industry standards
- Run business and telephony applications simultaneously
- Significant savings over traditional telephony

Get Started:

- Get ready for IP Telephony by upgrading to i5/OS V5R4
- Learn more at: www.ibm.com/systems/i/solutions/iptelephony/
 - Become a beta and click on the "Request more information" button on the web





New Offerings

System i 520 Collaboration Edition

Key Highlights

- A powerful, flexible and cost effective alternative to running Collaboration applications on Windows servers
- Deploy Lotus Domino, IBM Workplace or WebSphere Portal solutions with the flexibility and security of i5/OS
- Specially-configured 1-way 520 Collaboration Edition with the minimum memory and disk needed for performance to run collaboration applications
 - 1-way POWER5+ 1.9GHz with L3 cache
 - 8200 MCU (Mail & Calendar Users Benchmark)
 - One i5/OS License
 - 4-32GB Memory
 - 4-278 Disk Drives, 35GB or more per disk
 - Select either RAID or mirroring disk protection

Get Started

 Learn more about System i collaboration solutions at: www.ibm.com/systems/i/solutions/collaboration/



Lotus. software

WebSphere software

Announced May 2006!



New Offerings

IBM System i Capacity BackUp Edition Breakthrough Savings for Business Resiliency Deployment

Key Highlights

- Allows you to choose the right business resiliency approach for your company
- Supports a broad range of high availability and disaster recovery solution options
- Deploy your assets where and when your business needs them most
- Temporary transfer of i5/OS and 5250 Enterprise
 Enablement licenses from primary system to CBU Edition
- Buy what you need today and add as your business grows
- Enable Capacity on Demand processors; permanently or temporarily
- Protect all your applications on i5/OS, Linux and AIX 5L
- Expanded 550/570/595 CBU Editions, with or without 5250 OLTP applications*

Get Started:

- Contact your IBM Sales Rep, Business Partner Rep or visit www.ibm.com/systems/i/hardware/cbu
- Contact HA/DR ISVs to learn about their Capacity BackUp Edition companion offers



^{*} Product Previews provide insight into IBM plans and directions. All statements regarding IBM's plans, directions, and intent are subject to change without notice.



New Offerings

System i5 520 Solution Edition for Oracle's JD Edwards EnterpriseOne

Key Highlights

- A single system solution optimized for up to 100 users
- Competitively priced to give clients an affordable alternative to Wintel servers
- Based on a 520 one-way POWER5+ system
- Purchase requirement: Client spend of \$25k US minimum on JD Edwards EnterpriseOne software, maintenance, services and/or training

Key Benefits:

- Simplifies your IT environment and resource requirements to support a highly available ERP solution
- Potential for quicker ROI based on lower System i TCO and more affordable pricing vs. Wintel¹
- Helps reduce risk with the combined expertise of IBM and Oracle solutions

New all-in-one competitively priced Solution Edition SMB offering designed for up to 100 users of JDE E1

ORACLE

"The combination of Oracle's JD Edwards ERP solutions and the IBM System i platform has a proven record of delivering outstanding business results for customers," said Lenley Hensarling, vice president and general manager for Oracle's JD Edwards EnterpriseOne product line. "With IBM's new System i 520 Solution Edition for JD Edwards EnterpriseOne, clients can now acquire a very attractively priced system that is optimized for EnterpriseOne."

www.ibm.com/systems/i/editions/solutionedition

¹Dell PowerEdge 2800, 05/29/06; source: Ideas International https://as.ideascp.com/cp/cp.aspx?c=Qfw9Cg5ZY1NGd/eNwkgZtxA==&s=poweredge%202800)



New Promotions

- IGF "Get More, Pay Less" Leasing Offer
 - Attractive leasing offers available now
- Economic Replacement Promotions
 - Talk to your business partner or IBM Sales Rep on latest trade-in and rebate offers
 - Rebates from 19% 38% off of list price; varies by Region
- ISV Rebate / Offers Up to \$140K
 - With purchase of new System i or upgrade with participating ISV software
- Price promotion for WDHT 60% Price Reduction
 - Helps customers deploy HATS workloads more cost effectively and provides additional capabilities for IBM WebFacing applications.
 - Offer expires on September 30, 2006 so act quickly.





Driving Broader Marketplace Awareness

- Print advertising
- Interactive & Web advertising
- Three-beat phrase
- Partner / ISV Marketing
- Academic Initiative
- Analysts, press
- e-mail, newsletters
- Merchandising





System i Three-beat Phrases

Submit your own!

Drop a note to iwantani@us.ibm.com with your phrase

i want stress free IT. i want control. i want an i.

i don't want smoke and mirrors. i want control. i want an i.

i want my spouse to remember what i look like. i want control. i want an i.

i don't want to "add an app, add a server". i want control. i want an i.

i don't want to be a slave to the system. i want control. i want an i.

i want a less complicated future. i want control. i want an i.

i don't want virtual vacations. i want control. i want an i.

i want ingenuity. i want control. i want an i.

Guidebook with complete set of phrases and information at http://www.ibm.com/systems/i/iwantani/

New IBM Print Advertising





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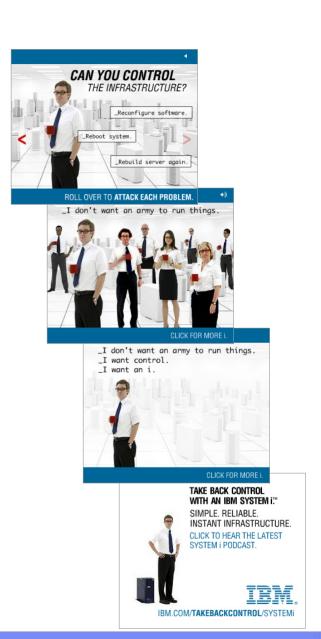


New IBM Web Advertising









Getting Started

- Get the i want an i kit –
 www.ibm.com/systems/i/iwantani/
- Update your team and CIO on the new System i offerings and solutions
 - Learn more at: www.ibm.com/systems/i
- Take advantage of the current promotions available to you
 - Talk to your business partner or IBM sales rep for more details
- Attend Fall COMMON in Miami
 - September 17 21, 2006
 - Sign up today!www.common.org/conferences/2006/fall/



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