

PTC puts powerful PLM solutions in the hands of small and midsized manufacturers with scalability from IBM.

Overview

■ The Challenge

Small and midsized manufacturers lack the resources and funding to deploy an enterprisewide PLM solution

■ Why Become an On Demand Business?

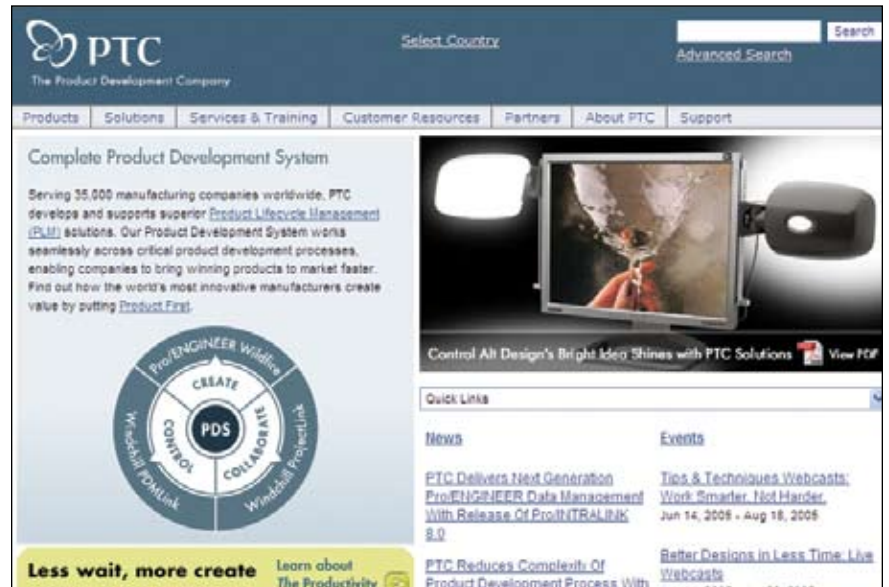
PTC needed to offer a solution that could be rapidly deployed with flexible pricing and scalability to enable SMB manufacturers to enjoy the benefits of PLM

■ The Solution

By leveraging IBM e-business Hosting™ services, PTC created a new product offering suitable for small and midsized businesses that can now take advantage of PTC's PLM solutions to shorten time-to-market, improve product quality and reduce costs

■ Key Benefits

- *Created an exciting new way to offer PLM solutions*
- *Addressed a growth market opportunity in SMB*
- *Enabled SMB manufacturers to quickly achieve the same benefits that enterprise customers have enjoyed with PTC's PLM solutions*



When manufacturers want to develop superior products, they often turn to Needham, Massachusetts-based Parametric Technology Corporation (PTC). With more than 35,000 customers worldwide, PTC provides product development and product lifecycle management (PLM) software solutions that include highly personalized technical support, consulting services and comprehensive training programs. PTC designs solutions for a wide variety of industries, including aerospace and defense, automotive, electronics and high technology, industrial products, medical equipment and consumer goods.

“There are really two ROIs here – the ROI that IBM brings to PTC’s business and the ROI that we’re able to bring to our customers through our offering, leveraging IBM’s on demand hosting expertise.”

— Steve Horan, corporate vice president, IT, Parametric Technology Corporation

On Demand Business Benefits

With PTC's PLM solutions, various customers report:

- Lowered parts costs by 35%
- Reduced time to prototype by 78%
- Decreased fabrication time by 50%
- Reduced total number of components by 40%
- Reduced development costs by 20%
- Increased engineering proficiency by 80%

“Prior to PTC, there were no on demand PLM solutions in the SMB space that provided companies with enterprise-class product data management and collaboration capabilities. We can help our SMB customers capture the power of product lifecycle management technologies and make them more capable of competing in the global marketplace.”

—Steve Horan, corporate vice president,
IT, Parametric Technology Corporation

Manufacturing companies today face global competition and increasing challenges in bringing innovative products to market. Rapidly changing technology, outsourcing and globalization have converged to create new complexities in developing products. As more people become involved in the product development process, the need intensifies for solutions that allow companies to create innovative designs, share information and manage change. This is the essence of PLM.

PTC has tightly integrated its three core products—Pro/ENGINEER® Wildfire™, Windchill® PDMLink™ and Windchill® ProjectLink™—into the flexible system that discrete manufacturers need for product lifecycle management. Pro/ENGINEER Wildfire is the core design offering within its product development system. Windchill ProjectLink is a solution that enables collaboration and project management, and Windchill PDMLink provides product data management, controlling digital product information throughout the product lifecycle.

While PTC's PLM On Demand is an offering of out-of-the-box solutions for manufacturers, PTC Windchill solutions had traditionally been deployed as a set of customized solutions for large enterprises. To make the most of these solutions, companies made up-front capital investments for software licensing fees and hardware infrastructure to support the applications—not to mention the in-house resources necessary to manage the overall solution. As a result, a large portion of PTC's customers—small and midsized businesses—were not able to take advantage of the collaboration and control benefits of Windchill.

PTC realized that in order to optimize the value proposition for its entire customer base, it needed to create a scalable infrastructure that would allow smaller companies to harness the power of Windchill without the up-front capital expense.

PTC opens the door to PLM for SMB manufacturers

Companies without PLM solutions typically use multiple, disconnected tools—such as spreadsheets, e-mail, faxes and file systems—to control product information and collaborate across their value chains. These companies often have multiple data repositories with inconsistent versions of product information scattered across their organization. With PTC's integrated PLM solutions, customers can see extraordinary impacts to their business. Various Windchill

customers report tangible benefits to their business—such as 35 percent reduction in parts costs, 78 percent reduction in time to prototype and an 80 percent increase in engineering proficiency. As product lifecycles become more complicated, Windchill helps enable manufacturers to streamline processes, fuel innovation and, ultimately, to deliver superior products.

Although using PTC Windchill solutions to accelerate product development cycles is attractive to SMB manufacturers, many customers cannot justify the up-front capital investment to purchase software licenses, deploy the solution and administer the overall environment. In addition, many SMB companies face more variability in business conditions, so a rigid pricing structure can result in customers paying high fixed costs for underutilized resources.

With IBM, PTC is able to offer SMB manufacturers an appropriate level of PLM capabilities where they need it and when they need it. PTC has created PLM On Demand, an SMB-friendly offering that features the capability of rapid deployment, virtually anytime/anywhere system access, and a monthly subscription option that helps enable rapid scalability. PTC now has a solution that is designed to substantially reduce integration complexity, cost and risk for companies of all sizes using PLM. With PTC PLM On Demand, the barriers to taking advantage of product lifecycle management solutions are gone.

IBM increases the Windchill factor

Although capable and experienced in running large data centers, PTC instead turned to IBM Information Technology Services–e-business Hosting to host its scalable infrastructure. According to PTC corporate vice president Steve Horan, “When we tell customers we use IBM e-business Hosting facilities, it puts to rest most concerns they might have about the security, reliability and performance of the facility.” The new PTC offering—hosted at IBM’s Boulder, Colorado service center—provides SMB manufacturing companies with access to Windchill PLM solutions through a shared hosting environment, eliminating the need for customers to maintain onsite hardware infrastructure.

Key Components
<i>Software</i>
<ul style="list-style-type: none"> • IBM AIX® operating system
<i>Servers</i>
<ul style="list-style-type: none"> • IBM @server® pSeries® p5 520 • IBM @server pSeries p5 570 • IBM TotalStorage® Enterprise Storage® server
<i>Services</i>
<ul style="list-style-type: none"> • IBM Information Technology Services - e-business Hosting™

IBM supplies PTC and its customers with IBM **@server**® pSeries® p5 520 servers and pSeries p5 570 servers running the IBM AIX® operating system. The machines also leverage networking capability and security functionality to support the Windchill environment. PTC chose the pSeries server platform for this solution because the technology offers superior scalability, pricing and performance. The solution also includes storage capacity on IBM TotalStorage® Enterprise Storage Server® devices. PTC also takes advantage of IBM Capacity Upgrade On Demand, enabling it to install processors and memory at a lower up-front cost. According to Horan, "We place an order to dynamically activate the processors and memory we need to accommodate the increase in workload. We benefit by paying for just what we need, when we need it."

The on demand solution is changing the way that PTC does business. As Horan says, "With every new product we offer, we ask ourselves if we can offer the product on demand." Utilizing the new IBM infrastructure, PTC also added an offering for larger customers that incorporates the benefits of on demand infrastructure with the product configuration that larger customers desire. With PTC PLM On Demand—dedicated, manufacturers can receive the same customized benefits of an onsite, customer-owned solution while having the option to scale up and down as necessary. The scalability has given larger customers more freedom to experiment with product pilots and innovate without large up-front costs. PTC and IBM have helped enable these manufacturers to develop superior products.

For more information

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03-06
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