Cost Saving Solutions For Small And Medium Businesses

Trademarks and Disclaimers

© Copyright International Business Machines Corporation 1994-2009. All rights reserved.

References in this document to IBM products or services do not imply that IBM intends to make them available in every country.

The following terms are trademarks or registered trademarks of International Business Machines Corporation in the United States, other countries, or both:

IBM	ActiveInsight	Foundations	Lotus	POWER5	Cognos	iNotes	Lotus Foundations Notes
IBM(logo)	Lotus Notes	i5/OS	iSeries	LotusScript	Passport Adva	ntage	WebDialogs
AIX	Domino	OS/400	WebSphere	Z/OS	Many Eyes	Mobile Notes	Nitix
POWER	POWER6	Pow er Series	Pow er Systems	Quickr	Sametime	Smarter Planet	Softw are as Services
Symphony	Svstemi	System p	Svstem z	System z10	Unvte	UC2	z9

Linux is a trademark of Linus Torvalds in the United States, other countries, or both.

Solaris, Java, J2EE, JavaScript, and all Java-based trademarks are trademarks of Sun Microsystems, Inc. in the United States, other countries, or both.

Microsoft, the Microsoft logo, Active Directory, InfoPath, Office logo, Outlook, .NET logo, PowerPoint, SharePoint, Visual Basic, Visual Studio, Windows, Windows Mobile, Windows NT, Windows Server, and the Windows logo are either trademarks or registered trademarks of Microsoft Corporation in the United States, other countries, or both.

Intel is a registered trademark of Intel Corporation in the United States, other countries, or both.

PeopleSoft is a trademark of PeopleSoft, Inc. in the United States, other countries, or both.

Mozilla is a trademark of Netscape Communications Corporation in the United States, other countries, or both.

Other company, product and service names may be trademarks or service marks of others.

This information is provided "as is" w ithout w arranty of any kind, express or implied, and is based on IBM's current product plans and strategy, w hich are subject to change by IBM w ithout notice. IBM shall not be responsible for any damages arising out of the use of, or otherwise related to, this document. Nothing contained in this document is intended to, nor shall have the effect of, creating any w arranties or representations from IBM (or its suppliers or licensors), or altering the terms and conditions of the applicable license agreement governing the use of IBM softw are.

All customer examples described are presented as illustrations of how those customers have used IBM products and the results they may have achieved. Actual environmental costs and performance characteristics may vary by customer.

Information in this presentation concerning non-IBM products was obtained from a supplier of these products, published announcement material, or other publicly available sources and does not constitute an endorsement of such products by IBM. Sources for non-IBM list prices and performance numbers are taken from publicly available information, including vendor announcements and vendor w orldw ide homepages. IBM has not tested these products and cannot confirm the accuracy of performance, capability, or any other claims related to non-IBM products. Questions on the capability of non-IBM products should be addressed to the supplier of those products.

All statements regarding IBM future direction and intent are subject to change or withdraw all without notice, and represent goals and objectives only. Contact your local IBM office or IBM authorized reseller for the full text of the specific Statement of Direction.

Some information in this presentation addresses anticipated future capabilities. Such information is not intended as a definitive statement of a commitment to specific levels of performance, function or delivery schedules with respect to any future products. Such commitments are only made in IBM product announcements. The information is presented here to communicate IBM's current investment and development activities as a good faith effort to help with our customers' future planning.

Performance is based on measurements and projections using standard IBM benchmarks in a controlled environment. The actual throughput or performance that any user will experience will vary depending upon considerations such as the amount of multiprogramming in the user's job stream, the I/O configuration, the storage configuration, and the workload processed. Therefore, no assurance can be given that an individual user will achieve throughput or performance improvements equivalent to the ratios stated here.

Note to U.S. Government Users - Documentation related to restricted rights-Use, duplication, or disclosure is subject to restrictions set forth in GSA ADP Schedule Contract and IBM Corp.

Small And Medium Businesses – Roadmap For Smarter Collaboration

Appliance solutions or Cloud-based options

Reduce Infrastructure Costs Build customer and partner relationships Generate revenue







Free editors
Open source software
Open standards based

Reduce Desktop Costs



Small And Medium Businesses Are Struggling In Today's Economy...

More difficult to obtain financing¹

- Investors see inability to recoup and profit from investment
- Number of IPOs in 2008 => 6 (smallest number since 1977)
 - Zero IPOs in Q4 2008
- Small businesses feel greater economic pinch than bigger companies²
 - 18% at risk of going out of business
 - ▶ 79% experiencing reduced sales

¹ Source: National Venture Capital Association, Arlington, Va. January, 2009

² Source: http://blogs.wsj.com/economics/2008/10/10/more-small-firms-risk-going-out-of-business/

We need email for our small business. But we really need to keep our costs in check...

We can cut your costs by 70% with IBM Lotus solutions...

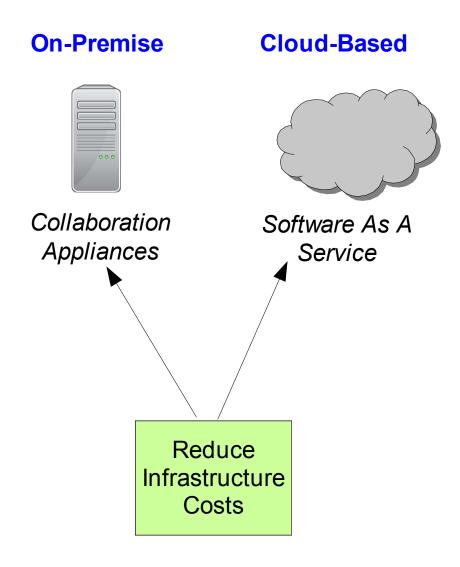


Startup Loans CEO

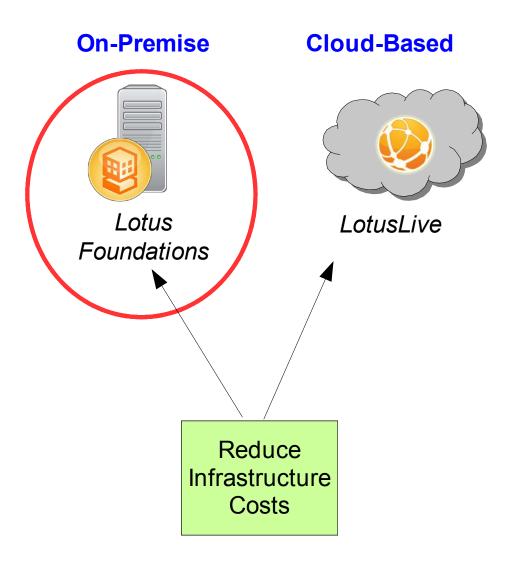


IBM

Low Cost IBM Solutions For Small Businesses



Low Cost IBM Solutions For Small Businesses



Collaboration Appliance Solutions From IBM Lotus

- Appliances pre-packaged, standardized services available as on-premise solution
 - Includes hardware and software
 - Minimal on-site administration
 - Extensible and customizable
- Lotus Foundations family of Collaboration Appliances
 - On-premise servers optimized for small businesses and delivered through IBM Business Partners
 - Autonomic self-managing, self-healing and self-configuring
 - Deploys in under 30 minutes
 - Requires no in-house IT resources; remotely managed
 - Designed to accommodate growth

Lotus Foundations Offers Range Of Collaboration Capabilities

- Lotus Foundations Start
 - Lotus Domino based
 - Email, Personal Productivity and Infrastructure
 - \$6.55 per user per month* (US\$)
- Lotus Foundations Branch Office
 - Lotus Domino based
 - Single-server email and productivity for remote offices
 - > \$7.46 per user per month* (US\$)
- Lotus Foundations Reach (available 2H 2009)
 - Unified Communications
 - Pricing available at product release

Lotus Foundations *Start* - An Email Appliance For Small Businesses

- Lotus Domino email and collaboration appliance designed for businesses of 5 -500 users
- Available as hardware appliance, or software appliance supporting IBM System x or third party hardware*
- Run as single server, or may be clustered

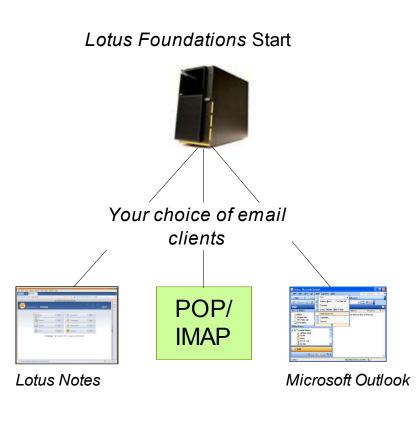


Lotus Foundations
Start

Fully automated and self-managing No need for expensive in-house
technical expertise or IT staff

Lotus Foundations Start Runs Lotus **Domino On Native Linux**

- Includes Directory, File and Print Sharing, Backup and Recovery, Security, Firewall and Administration services
- Includes support for business applications
 - Developers Kit for quick, easy packaging and deployment of Domino applications - one-click install
 - Includes VMware container so Windows applications continue to run
- Chose email client based on function or cost
 - Includes Lotus Symphony productivity editors (no charge)





Symphony included

Lotus Foundations *Start* Makes Sense For Small Businesses

- Helps reduce infrastructure costs
 - Includes backup services, file and print services, security and firewall
 - No on-site IT staff needed
 - Low-cost Linux OS
 - Choice of very low cost email client
- Can grow as business needs change
 - Clustered servers
 - Full function email clients
 - Supports business applications

Small Businesses Are Moving To Lotus Foundations Start To Save Money

- Microsoft Small Business Server (SBS) has 50-user limit
 - Customers facing "sticker shock" when told cost of upgrade to standard Windows Server and Exchange

EnVision Solutions, a Raleigh, N.C-based systems integrator, cited one customer who moved off Microsoft Small Business Server and onto Lotus Foundations, and ultimately saved about \$10,000 in up-front licensing costs and \$20,000 a year in ongoing expenses

 Systems integrators who sell both Lotus Foundations and SBS are seeing far more interest in Foundations

"We're seeing a big increase in the number of customers moving to the Foundations server," said James Sulfare, owner of Solinkit, a Chambersburg, Pa.-based solution provider.

 Appliance features of Foundations cited as meaning increased business opportunities without increased headaches

"It's truly an appliance," said Bernie Leung, president of Mesa Technology, a Chicago solution provider

M/A Design Group Moved Off Microsoft Platform And Onto Lotus Foundations

Business challenge:

M/A Design Group used Microsoft Windows Server 2003. Poor file management and lost data hurt productivity



Solution:

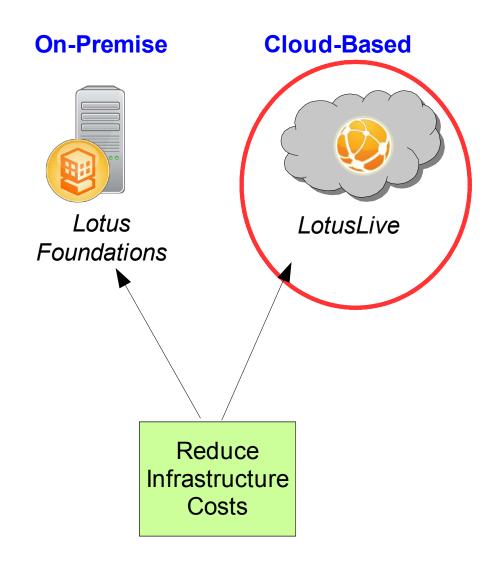
- M/A Design moved to IBM Lotus Foundations Start
- The appliance automatically backs up the company's information and makes it easier to share large files via email
- The solution was affordable and simple to deploy

Benefits:

Reliably automates system backup and restores files with little or no IT support "With the IBM Foundations Start software appliance, we shortened our system recovery time, cut the time our designers have to wait on AutoCAD files by two-thirds and now we don't hope our clients receive our files—we know they do."

> — Murrie Alcorn, owner, M/A Design Group

Low Cost IBM Solutions For Small Businesses

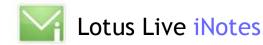


Software-As-A-Service Solutions From IBM Lotus

- Software-as-a-Service Cloud-based, shared, standarized services
 - Minimal on-site administration
 - Immediately usable
- LotusLive family of Software-as-a-Service Collaboration services
 - Delivered as online services
 - Low-cost
 - Browser accessible
 - Scalable can grow with your business

LotusLive Offers A Full Range Of Collaboration Services





Web-based email service with personal calendar and shared contacts. Mobile capability.

Collaboration

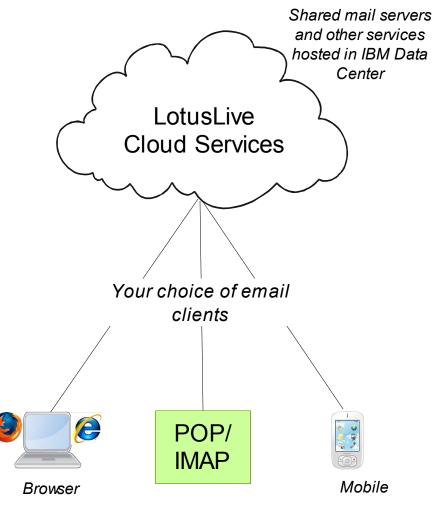


An integrated suite of Web collaboration and business networking solutions including:

- My Network
- Files
- Web Meetings and Events
- Activities
- Forms and Live Charts
- Instant Messaging

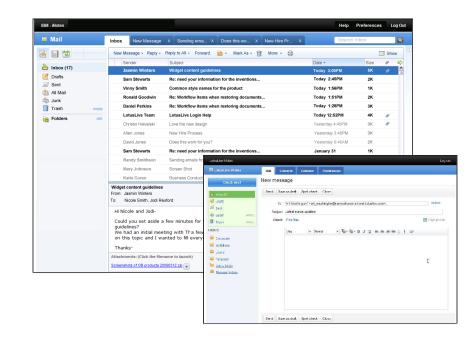
LotusLive iNotes – Low-Cost, Cloud-Based Option For Email

- Web-based email, calendar and contacts only
 - Accessible over Internet
 - Via browser...
 - POP3/IMAP4 client (Lotus Notes, Microsoft Outlook, Thunderbird, Eudora, etc.)
 - Mobile (Blackberry, iPhone)
 - Offline use supported
- Scalable and affordable
 - > \$3.00 per user per month
 - 1GB out-of-the-box storage
 - Additional storage blocks available for purchase
 - Simplified, reduced administration



DEMO: LotusLive iNotes Provides Online Email And Calendar For Small Businesses

- LotusLive iNotes
 - Create visually-appealing emails with full rich text editor
 - Name type-ahead speeds processing
 - Scheduling and planning is easier with calendar day, week and month options



Try it: https://www.lotuslive.com/

This looks great. But what about security? Is my email safe?

IBM has deployed LotusLive in secure data centers. Let me explain...

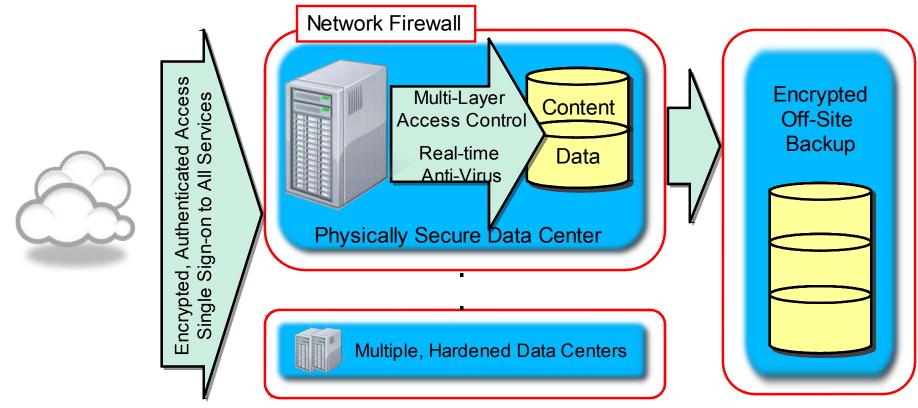


Startup Loans CEO



IBM

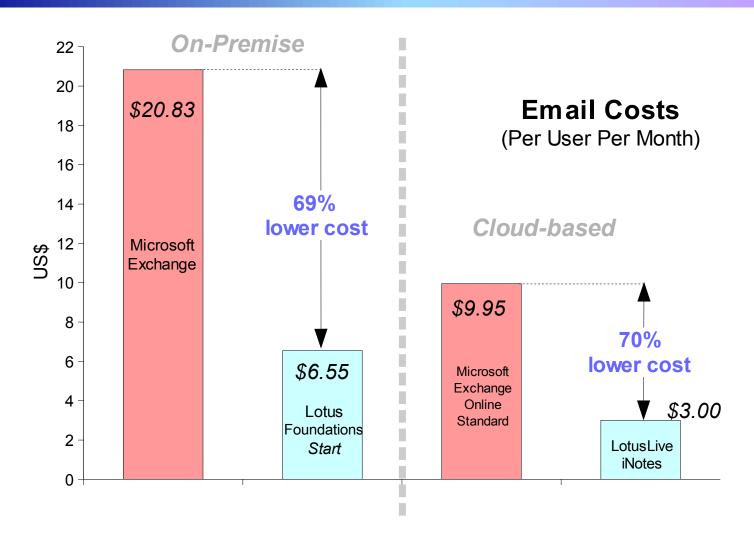
LotusLive Provides A Highly Secure, Rigorously Controlled Environment



- Security configuration reviewed quarterly
- Change management at multiple levels/perspectives
- Periodic application and infrastructure reviews

- Rigorous configuration management
- Periodic vulnerability scanning
- IBM operation processes consistent with SAS70 Type II controls testing
- 3rd-parties SAS70 Type II certified

Low Cost IBM Solutions For Small And Medium Businesses



Source: IBM, Ferris Research. Cost for average typical Exchange email derived from Ferris Research report 02/14/2008. Assumes 100 users base and averaged over 3 years. Cost of Lotus Foundations include hardware (\$2409 [Entry]), server license (\$229) and client (\$149 per user) software.

Summary – Cost Saving Solutions For Small And Medium Businesses

	IBM Lotus	Microsoft
Turn-key appliance for email and personal information management	Lotus Foundation <i>Start</i>	No
Low cost, browser-based online email with offline and mobile support	LotusLive iNotes	Microsoft Exchange Online Standard more expensive