

A decorative graphic in the top left corner consists of several overlapping circles of various colors (yellow, orange, red, purple, blue) that are divided into segments, resembling a stylized sunburst or a cluster of data points.

***Discover the Linux on IBM
zEnterprise Effect***

The Server that Never Sleeps so You Can

Speaker Name and Title



Trademarks

The following are trademarks of the International Business Machines Corporation in the United States and/or other countries.

AIX*	DB2*	IBM*	Maximo*	Rational*	System z*	z/OS*
BuildForge*	DB2 Connect	IBM (logo)*	MQSeries*	Smarter Analytics	Tivoli*	z/VM*
CICS*	Domino*	IMS	Parallel Sysplex*	Smarter Cities*	WebSphere*	z/VSE*
ClearCase*	FileNet*	Informix	POWER7*	Smarter Planet*	zEnterprise*	
Cognos*	HiperSocket	InfoSphere	PR/SM	SPSS*		
DataStage*	HyperSwap	Lotus*	Quickr*			

* Registered trademarks of IBM Corporation

The following are trademarks or registered trademarks of other companies.

Adobe, the Adobe logo, PostScript, and the PostScript logo are either registered trademarks or trademarks of Adobe Systems Incorporated in the United States, and/or other countries.

Cell Broadband Engine is a trademark of Sony Computer Entertainment, Inc. in the United States, other countries, or both and is used under license therefrom.

Intel, Intel logo, Intel Inside, Intel Inside logo, Intel Centrino, Intel Centrino logo, Celeron, Intel Xeon, Intel SpeedStep, Itanium, and Pentium are trademarks or registered trademarks of Intel Corporation or its subsidiaries in the United States and other countries.

IT Infrastructure Library is a registered trademark of the Central Computer and Telecommunications Agency which is now part of the Office of Government Commerce.

ITIL is a registered trademark, and a registered community trademark of the Office of Government Commerce, and is registered in the U.S. Patent and Trademark Office.

Java and all Java based trademarks and logos are trademarks or registered trademarks of Oracle and/or its affiliates.

Linear Tape-Open, LTO, the LTO Logo, Ultrium, and the Ultrium logo are trademarks of HP, IBM Corp. and Quantum in the U.S. and

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

Microsoft, Windows, Windows NT, and the Windows logo are trademarks of Microsoft Corporation in the United States, other countries, or both.

OpenStack is a trademark of OpenStack LLC. The OpenStack trademark policy is available on the [OpenStack website](#).

TEALEAF is a registered trademark of Tealeaf, an IBM Company.

Windows Server and the Windows logo are trademarks of the Microsoft group of countries.

Worklight is a trademark or registered trademark of Worklight, an IBM Company.

UNIX is a registered trademark of The Open Group in the United States and other countries.

* Other product and service names might be trademarks of IBM or other companies.

Notes:

Performance is in Internal Throughput Rate (ITR) ratio based on measurements and projections using standard IBM benchmarks in a controlled environment. The actual throughput 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 improvements equivalent to the performance ratios stated here.

IBM hardware products are manufactured from new parts, or new and serviceable used parts. Regardless, our warranty terms apply.

All customer examples cited or described in this presentation are presented as illustrations of the manner in which some customers have used IBM products and the results they may have achieved. Actual environmental costs and performance characteristics will vary depending on individual customer configurations and conditions.

This publication was produced in the United States. IBM may not offer the products, services or features discussed in this document in other countries, and the information may be subject to change without notice. Consult your local IBM business contact for information on the product or services available in your area.

All statements regarding IBM's future direction and intent are subject to change or withdrawal without notice, and represent goals and objectives only.

Information about non-IBM products is obtained from the manufacturers of those products or their published announcements. IBM has not tested those products and cannot confirm the performance, compatibility, or any other claims related to non-IBM products. Questions on the capabilities of non-IBM products should be addressed to the suppliers of those products.

Prices subject to change without notice. Contact your IBM representative or Business Partner for the most current pricing in your geography.

This information provides only general descriptions of the types and portions of workloads that are eligible for execution on Specialty Engines (e.g. zIIPs, zAAPs, and IFLs) ("SEs"). IBM authorizes customers to use IBM SE only to execute the processing of Eligible Workloads of specific Programs expressly authorized by IBM as specified in the "Authorized Use Table for IBM Machines" provided at www.ibm.com/systems/support/machine_warranties/machine_code/aut.html ("AUT"). No other workload processing is authorized for execution on an SE. IBM offers SE at a lower price than General Processors/Central Processors because customers are authorized to use SEs only to process certain types and/or amounts of workloads as specified by IBM in the AUT.

The Server that Never Sleeps so You Can

- In the past, we had an infrastructure that involved many, many servers.
- Due to technical limitations, the servers didn't allow us really high availability.
- My phone rang all the time. I had to sleep with my phone next to me.



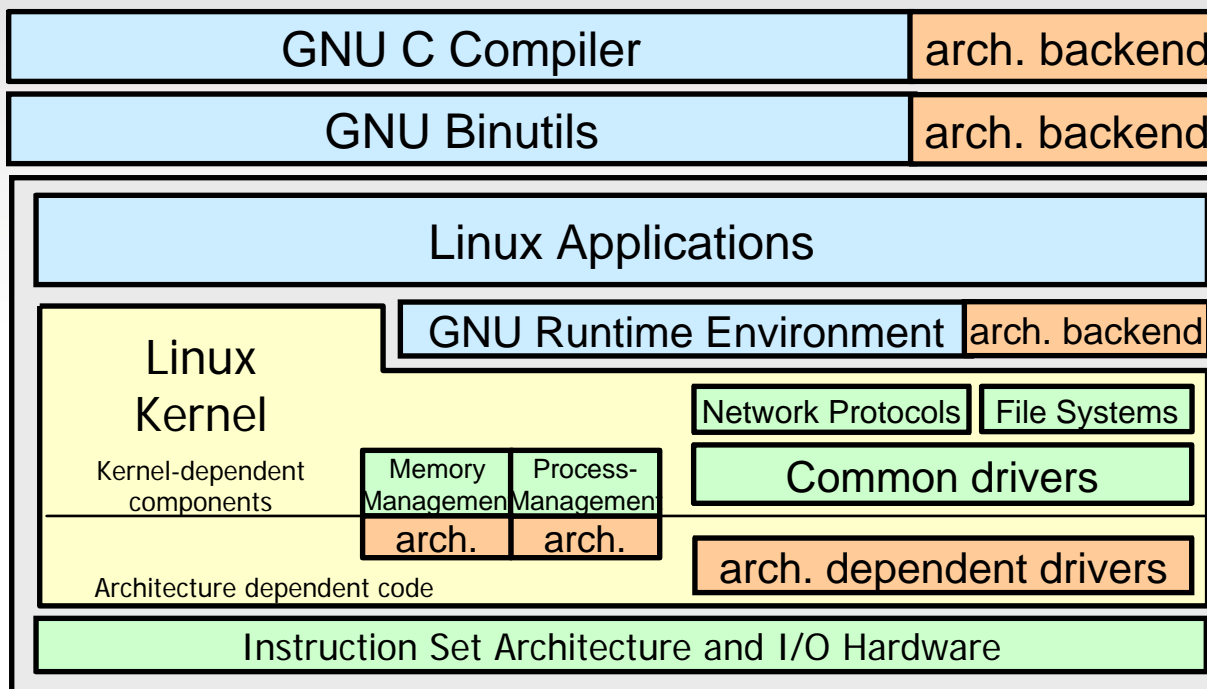
www.youtube.com/watch?v=E8cdYINr32M



- **The mainframe arrived. We transferred the processing to the mainframe.**
- And out of nowhere my wife ask me, „What happened? The phone doesn't ring in the middle of the night anymore. What happened?“
- So I explained the technological changes, the architectural changes.
- My wife give me a big smile and said „I want to meet this mainframe. I love the mainframe.“

Marcos Vinicius

Manager Technology Infrastructure at Siccob

Structure of Linux on System z

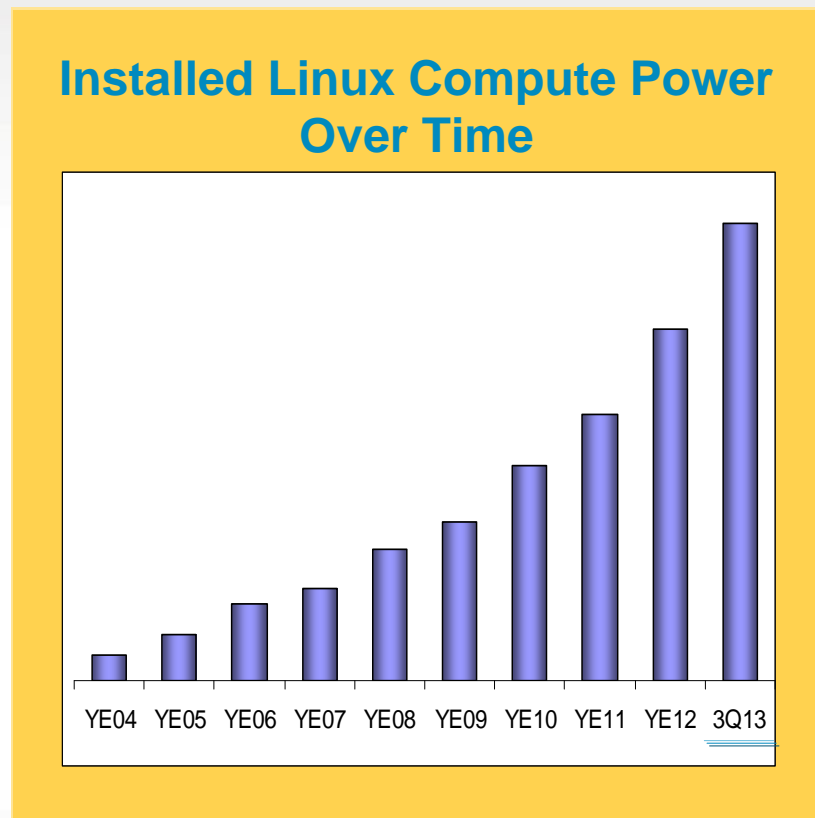


While  looks the same on different platforms, every  shows different personalities, qualities, features and options derived from the platform architectures.

Linux on IBM System z in 3Q2013

*Installed Linux Compute Power at 49% CAGR**

- 25.8% of Total installed compute power on System z runs Linux
- Installed Linux compute power increased 44% from 3Q12 to 3Q13
- 38% of System z Customers have Linux cores installed
- 81 of the top 100 System z customers are running Linux on System z**
- 58% of new System z Accounts run Linux



* Based on YE 2003 to 3Q2013

**Top 100 is based on total installed compute power



Success based on Client Values

IT challenges addressed with IT Optimization on System z

IT Challenges

- IT budget
- Take care on expected growth
- Security and availability - 24x7 operations
- Automation and monitoring
- Flexible deployment for software
- Virtualization of everything
- Social and environmental responsibilities
- IT capabilities to deliver on the business strategy

**Reliability, Availability, Security, Scalability, Supportability,
Serviceability & Standardization**

What is Different About System z

Collocation of data and applications and Disaster Recovery



Distributed IT environment

Collocation of data and applications



Distributed IT environment

Disaster Recovery improvement

Improved Performance and Efficiency.

Collocation reduces **operational complexity**, allowing for the **reuse of skills and infrastructure** in the form of **processes, tools, and procedures**.



Coordinated availability and DR solution for applications and databases.

What is Different About System z

Security & Operational Efficiency and Inside-Growth



Improved Security
and
Operational Efficiency

Less servers, cables, switches result in less operational effort and less intrusion points.



Inside-Growth
Horizontal & vertical
scalability



System z virtualization capabilities provide mature and sophisticated technologies.



CSL-WAVE Virtualization Management

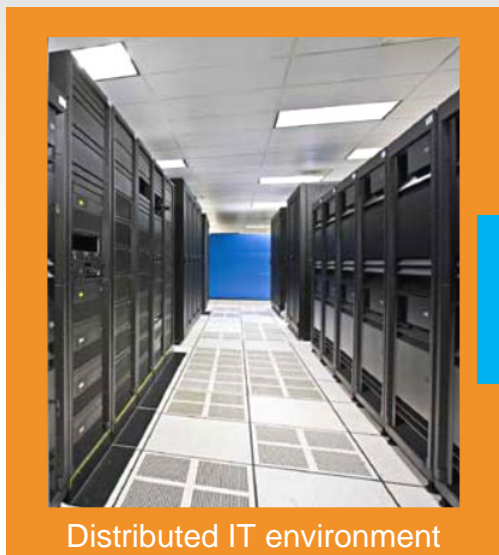
Intelligent Visualization – Simplified Monitoring – Unified Management

- **Monitors and manages virtual servers and resources** from a single graphical interface
- **Simplifies and Automates** tasks
- **Provisions virtual resources** (Guests, Network, Storage)
- **Supports advanced z/VM capabilities** such as Single System Image and Live Guest Relocation
- **Allows delegation of administrative capabilities** to the appropriate teams

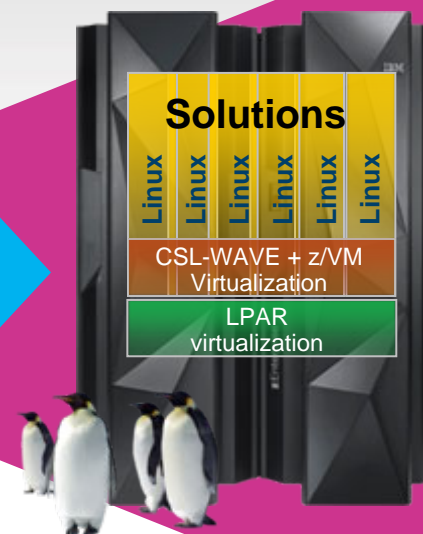


Drives simplicity into managing highly virtualized environments while taking the first critical steps toward cloud.

IT Optimization with System z



Improved efficiency
and economics



- Operational and management reduction
- Software licensing cost reduction
- Network reduction
- Improving security
- Collocation of data and applications
- Floor-space and energy reduction
- Growth inside a server
- Maximized hardware utilization
- Disaster recovery cost reduction and simplicity

IBM CIO zEnterprise Landscape

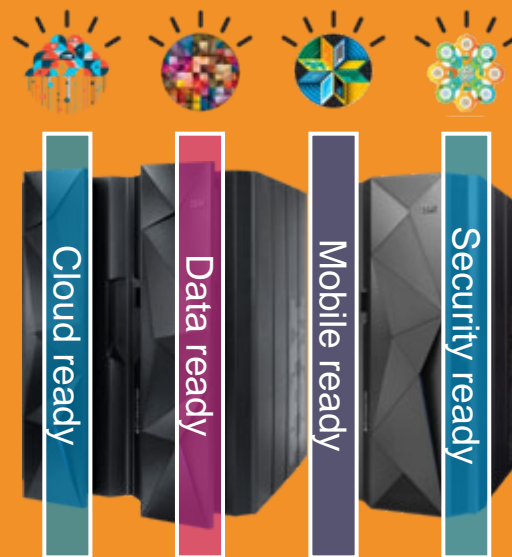


...supporting the Globally Integrated Enterprise

IBM System z is open for all Solutions

Capitalize from transformative technologies

- Data services
- Business applications
- Mobile applications
- Security & Infrastructure services
- Email & collaboration services
- Business Process Management
- Enterprise Content Management
- Development & test
- Industry Solutions
- All managed in a Cloud

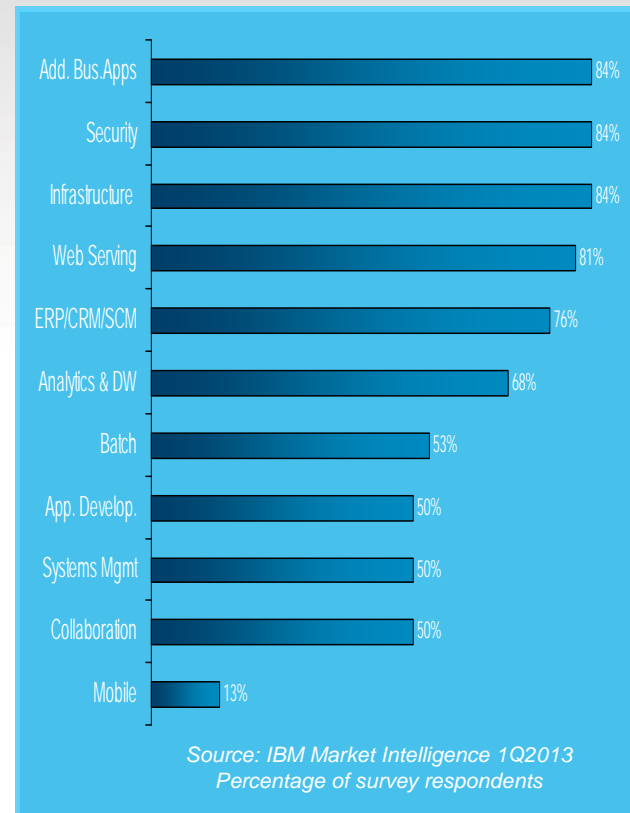


Linux on IBM zEnterprise®
and
IBM Enterprise Linux Server

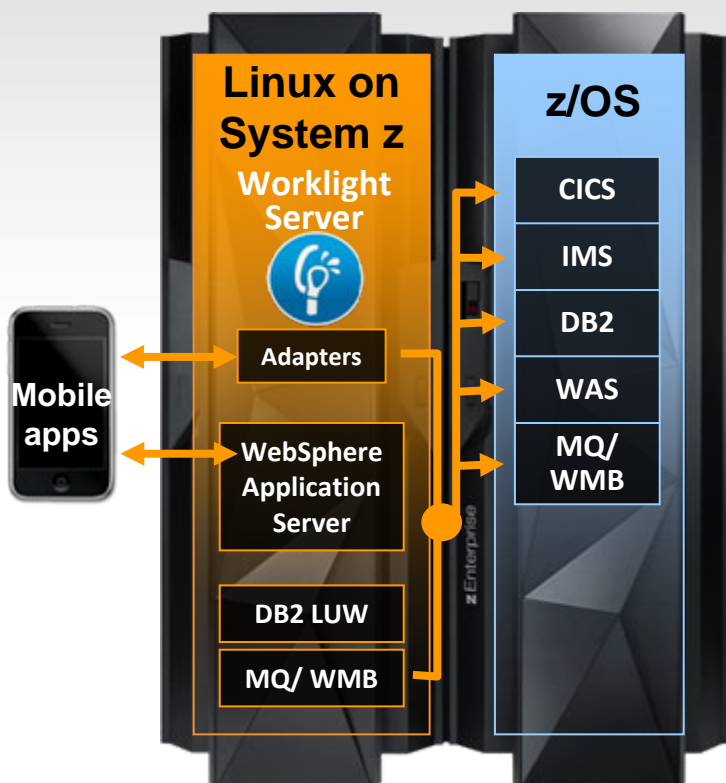
**The efficient and economic infrastructure
 for consolidation and solution deployment**

Recommended Workloads for Linux on System z

- ✓ **Data services:** DB2, Cognos, SPSS, InfoSphere™, Informix, Oracle Database, Builders WebFOCUS, ...
- ✓ **Business applications:** WebSphere Application Server, WebSphere Process Server, WebSphere Commerce, SAP apps, Oracle apps, Java™, ...
- ✓ **Mobile application hosting:** WebSphere Portal, IBM Worklight®, ...
- ✓ **Security & Infrastructure services:** WebSphere MQSeries®, WebSphere Message Broker, WebSphere Enterprise Service Bus, DB2 Connect™, ...
- ✓ **Email & collaboration:** Lotus Domino®, Lotus Collaboration: Sametime, Connections, Quickr™, Forms, ...
- ✓ **Business Process Management:** Business Process Manager, WebSphere Business Monitor, FileNet® Business Process Manager, WebSphere Operational Decision Management, ...
- ✓ **Enterprise Content Management:** FileNet Content Manager, Content Manager, Content Manager On Demand
- ✓ **Development & test:** e.g. of WebSphere/Java applications – Rational® Asset Manager, Build Forge®, ClearCase®, Quality Manager, UrbanCode
- ✓ **Industry Solutions:** Intelligent Operations Center for Smarter Cities®, Smarter Infrastructure for Social Services - Curam on zEnterprise, Enterprise Asset Management (Maximo®) for Government, Smarter Analytics™ Anti-Fraud Infrastructure for zEnterprise, zEnterprise Smarter Analytics for Retail
- ➔ **All workloads managed in a Cloud:** Tivoli® Provisioning Manager (TPM), Tivoli System Automation Manager (TSAM), SmartCloud Provisioning (SCP), CSL-Wave, xCat, ...



Connecting Mobile Apps on the zEnterprise



- ✓ System z is leader in transaction processing with the ability to handle volumes of critical data
- ✓ System z secures the data for mobile processing from mainframe to mobile device
- ✓ System z is the perfect environment for developing a mobile, cloud, and analytics integrated solution

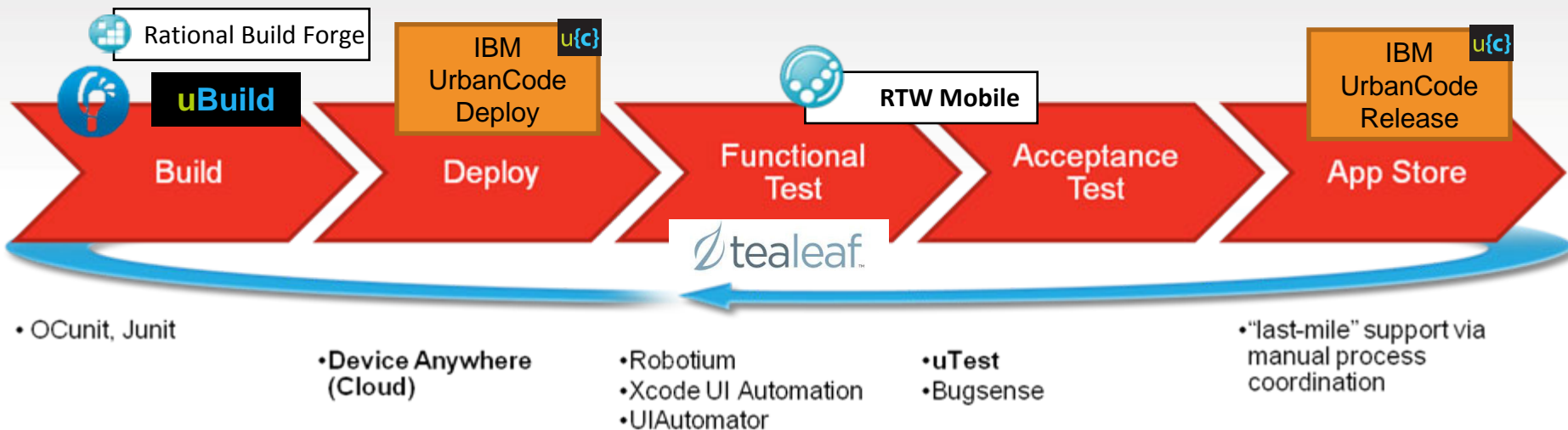
- **Server side software components and adapters for channeling System z to mobile devices** with IBM Worklight Server

- **Mobile application support** with WebSphere Application Server on System z

- **Mobile protocol connectivity with core System z applications** including CICS, IMS, TPF, MQ, WMB and DB2

DevOps for Mobile

Accelerate Delivery focusing on quality and user experience

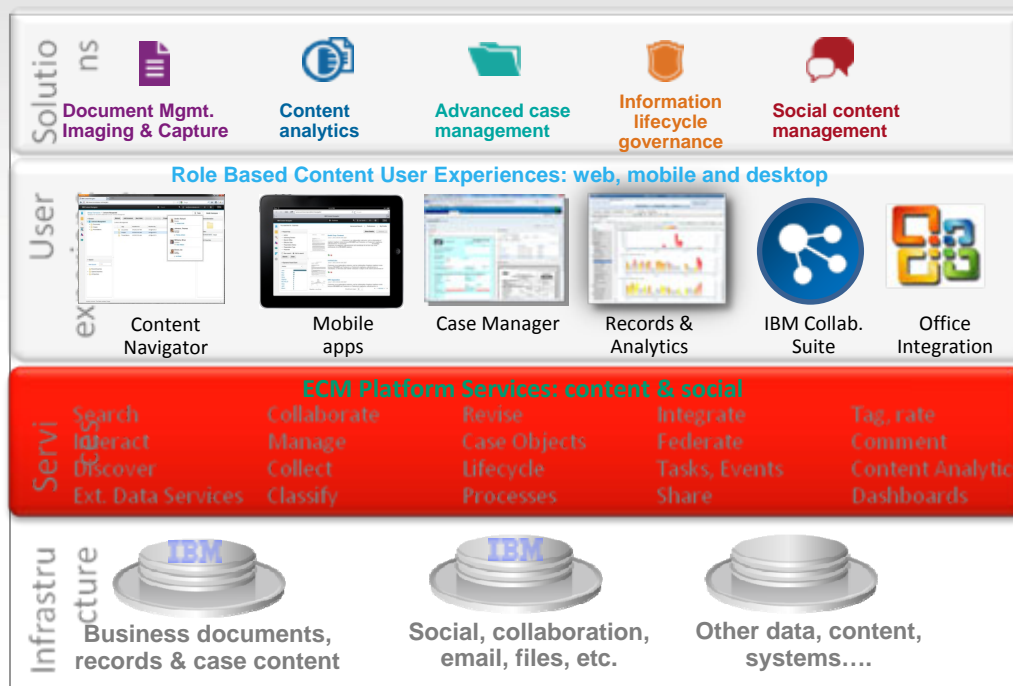


One-star ratings kill companies. A **fickle user base with many competing options** makes reacting to feedback essential. **Continuous Feedback and Optimization** using **Tealeaf** helps monitor user sentiment and usage, letting teams react to poor feedback before it spirals

THE WALL STREET JOURNAL.

FileNet as the foundation for ECM solutions

- Ideal candidate for deployment in a virtualized environment
- Gains benefits from the flexibility for resource configurations and virtual network features
- Local memory provides high communication requirements (no hardware requirements)



The System z virtualization environment provides significant advantages for all multi-server environments, such as FileNet P8.

- Fast communication with short latencies between multiple components
- High disk I/O bandwidth

Why consider Linux on System z?

Datacenter Simplicity

- Less is more – simplicity through advanced and tightly integrated virtualization technology, automation features and highly-scalable server capacities

Trusted Operations

- Designed to avoid or recover from failures for extremely high levels of business availability
- Impressive horizontal and vertical scalability – Advanced resource utilization – Flexible resource allocation

Unrivalled Economics

- Software licensing costs can be reduced by up to 70%
- Maintenance and operations cost go hand in hand with simplicity of IT
- Fewer servers use less energy and consume less space
- Unique simple design can dramatically reduce overall IT costs compared to distributed IT environments and even public cloud providers.



Backup





What is Different About System z

What System z Hardware Does

- **System z hardware is designed to run multiple workloads concurrently**
 - More cache and memory to support shared workloads
 - Dedicated I/O subsystem delivers high bandwidth and achieves high density for workloads with heavy I/O
 - High Performance FICON (zHPF) improves I/O rates and I/O service time
 - Physical I/O adapters and channel are virtualized and shared by workloads
 - Dynamic channel path management (DCM) dynamically adjust the channel configuration in response to shifting workload patterns
- **System z hardware has unique workload management capabilities**
 - Workload managers efficiently manages dynamically computing resources
 - Workload manager takes processing resources from “donor” workloads when needed
 - Workload management handles workload peaks with maximum core efficiency
 - LPAR isolation/virtualization permits most effective use of resources
 - Sharing resources efficiently with isolation allows multiple environments to co-exist
- **System z hardware qualities of service are rated at 99.999% availability**
 - Comprehensive, multi-layered strategy for reliability and serviceability
 - Concurrent operations with hardware repair and upgrade protects against outages
 - Highest availability and lowest downtime
 - Capacity on Demand provides elasticity to handle unexpected peaks
 - Highest standard for Disaster Recovery
 - Ultimate security – EAL5, virtual machine cannot circumvent workload isolation, HiperSockets™ provide secure memory-speed communication



What is Different About System z

Virtualization

- **Do more with less**
 - Deploy more servers, more networks, more applications, and more data
 - Achieve nearly 100% utilization of system resources nearly 100% of the time
 - Enjoy the highest levels of resource sharing, I/O bandwidth, and system availability
- **Reduce costs on a bigger scale**
 - Save on software license fees
 - Consume less power and floor space
 - Minimize hardware needed for business continuance and disaster recovery
- **Manage growth and complexity**
 - Exploit extensive facilities for life cycle management: provisioning, monitoring, security, workload mgmt, capacity planning, charge back, patching, backup, recovery, etc.
 - Add hardware resources to an already-running system without disruption
 - Workload deployment on a “scale up” machine means fewer cables, fewer components to impede growth
- **More flexibility, minimize lead time for new projects**
 - Workload deployment to a single System z server offers significant advantages in terms of flexibility
 - Rapid provisioning reduces lead time for new IT projects, helping to increase business agility



What is Different About System z

Maximizing Resource Utilization

- **Software Hypervisor integrated in hardware**
 - Sharing of CPU, memory and I/O resources
 - Virtual network – virtual switches/routers
 - Virtual I/O (mini-disks, virtual cache, ...)
- **Shared everything infrastructure through hardware allows for maximum utilization of resources**
 - Processors, Memory, Network, Adapters, Cryptography, Devices
- **Designed to support diverse mixed workloads – not just more of the same**
 - Intelligent and autonomic management of diverse workloads and system resources based on business policies and workload performance objectives
 - Allows deployment while maintaining one virtual server per application
 - Complete workload isolation
 - High speed inter-server connectivity
- **Handles peak workload utilization of 100% without service level degradation**
 - Utilization often (usually) exceeds 90%

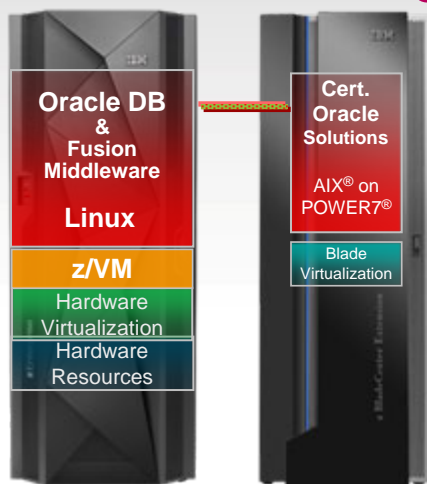
Why consider Linux on System z?

- **Single server simplicity**
 - Fewer components lead to a simpler and less complex IT environment which requires less administration efforts
- **Efficiency at scale - high flexibility, scalability & resource utilization**
 - All system resources can be shared and directed dynamically between applications, virtually, whenever and wherever they are needed
- **High server capacity with up to 101 cores running at 5.3 GHz¹**
 - Host up to hundreds of virtual Linux servers in a single footprint
- **Non-disruptive growth within one physical server**
 - Computing capacity can be added on the fly²
- **Ultimate security**
 - EAL5 certification and high-speed cryptography integrated as part of the chip
- **Economics**
 - Saving opportunities in software, maintenance, energy & floor space, disaster recovery

¹ ELS based on zEC12 server, ELS based on zBC12 server provides 13 cores running at 4.2 GHz

² Processors, memory, I/O connectivity can be added without disruption.

Deploy Oracle Software to the “Best Fit” Technology



Oracle software deployments (incl. consolidations) with the Enterprise Linux Server provides an excellent price performance.

- From an Oracle licensing perspective 1 IFL = 1core
- Less operational efforts
- High levels of security and availability

Business Connexion – South Africa

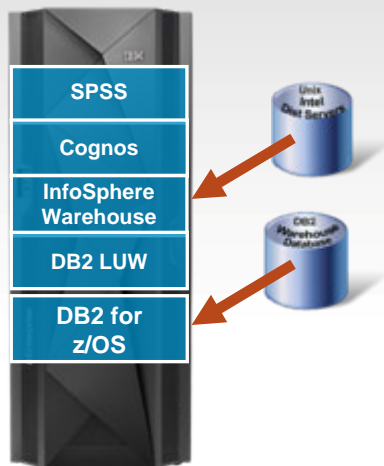
- ICT services to the financial sector, government, ... and more
- Approximately 50 virtual Linux servers; flexible environment for hosted services; high performance for Oracle databases
- Enabled competitive pricing for client services

Met Office – UK

- Oracle licensing costs cut by a factor of 12
- I/O-intensive workloads perform considerably better on zEnterprise than on commodity servers
- Fewer physical servers means a more manageable Linux landscape and lower hardware lifecycle costs

Business Intelligence and Predictive Analytics

IBM DB2, IBM InfoSphere, IBM Cognos BI and SPSS



Integrated Stack creates compelling value for the Business Users

- Predictive Analytics, Business Intelligence, Data Warehousing on highly scalable, secure and available IBM System z
- Low cost, easy to manage
- Simplified and faster access to the transactional data

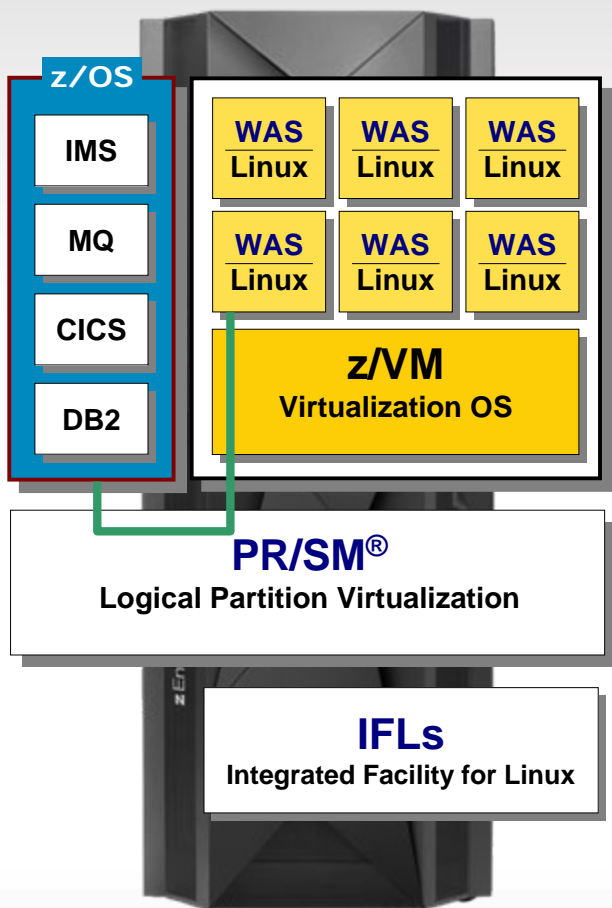
Siccob - Brazil

- Supporting rapid business growth with robust, secure and efficient System z technology
- Created a virtualized Linux landscape running more than 300 production environments, and deployed DB2, InfoSphere DataStage and Cognos
- Enabled growth in mobile, internet and branch transactions; avoiding \$1.5 million in electricity costs annually

White Cube - UK

- Moved from an x86 based environment to an Enterprise Linux Server
- Migration from x86 to System z was a seamless experience
- Reduced maintenance and deployment times
- Leverages IBM Cognos analytics software on System z
- Together, hardware and software, enables White Cube to make informed decisions, based on real time

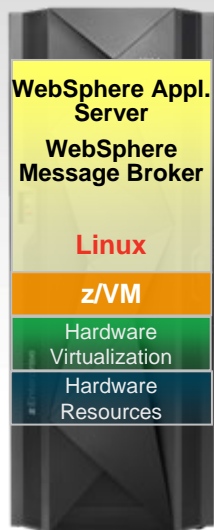
Benefits of Webhosting on Linux for System z



The benefits relate to how multiple Linux instances can be efficiently hosted on System z:

- Ability to consolidate many Linux and WAS instances to a single server footprint
- Better disaster recovery (DR) capabilities since all artifacts grouped by System z
- Ability to create new instances of Linux and WAS very quickly
- Ability to access z/OS data across HiperSockets

Web Application Hosting and SOA Infrastructure



- Ability to consolidate many Linux and WebSphere Application Server (WAS) instances to a single server footprint
- Better disaster recovery capabilities since all artifacts grouped
- Ability to shared WAS binaries across multiple Linux instances hosted by z/VM virtualization
- Ability to create new instances of WAS very quickly
- Ability to communicate and access data across HiperSockets

Traxpay - Germany

- Traxpay looked to redesign the B2B payment process to offer an innovative financial transactions platform, enabled 24/7
- Banking connections are implemented in Java using WebSphere Application Server. Highly secure point-to-point communication links are established with IBM WebSphere MQ
- ELS and WebSphere allows to deliver the utmost in online performance, reliability, and security for our customers


Bank of Tokyo-Mitsubishi UFJ (BTMU) - Japan

- BTMU developed a Service Oriented Architecture (SOA) platform to realize this "cloud-banking" concept
- It does „*not only enables service linkage on Linux and other systems, but also scalability*“
- SOA platform, leveraging WebSphere Message Broker, has accelerated the ability to build services in response to business issues
- 18% increase of re-utilization rate of services*

* as of March 2012



Much more workloads that benefit

<p>Reliable and Scalable Business Collaboration</p> <p>Lotus Domino +  TREND MICRO</p> <p>Lotus Sametime Lotus Quickr Lotus Connections</p>	<p>IBM Enterprise Content Management (ECM) Solutions</p> <p>IBM ECM portfolio includes approximately forty different software products such as FileNet and IBM Content Manager</p>	<p>IBM Maximo Asset Management</p> <p>Maximo Asset Management unifies comprehensive asset life cycle and maintenance management on a single platform.</p>
<p>Gruppo API – Italy</p>	<p>Large Healthcare Insurer – USA</p>	<p>City and Country of Honolulu – USA</p>
<p>The migration of Lotus Domino, the corporate email system, worked extremely well. Over a two week period, 1,200 user email boxes were moved to ELS without interruption of service to users.</p>	<p>FileNet and Content Manager On Demand are used with DB2, InfoSphere and Cognos to support the business processes for the Integrated Health Management. The solution enables to analyze a large collection of data while also achieving real-time claims adjudication and offering a robust member portal.</p>	<p>Maximo software is used as a single point of management for every aspect of a wide range of public services. Using the solution, the city can also improve the perception of the city by performing more preventive and corrective maintenance.</p>



Virtualization and Cloud Portfolio

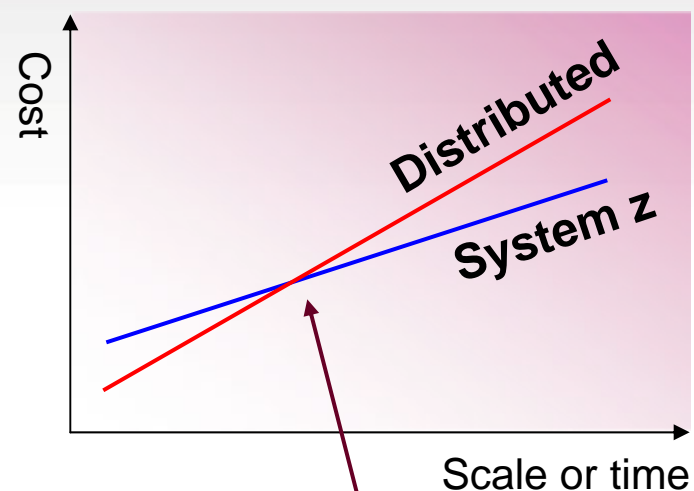
Virtualization Infrastructure & Virtualization Management	Entry Level Cloud Standardization & Automation	Advanced Cloud Orchestration & Optimization
<p>zEnterprise: zEC12, zBC12</p> <ul style="list-style-type: none"> • Massively scalable • Characterized by great economics / efficiencies • Highly secure / available <p>z/VM 6.3</p> <ul style="list-style-type: none"> • Support more virtual servers than any other platform in one footprint • Integrated OpenStack® support <p>Linux on System z</p> <ul style="list-style-type: none"> • Enterprise Linux Server <p>CSL-WAVE</p> <ul style="list-style-type: none"> • Drives simplicity into managing virtualized environments while taking the first steps toward cloud <p><i>Differentiation</i></p>	<p>xCAT</p> <ul style="list-style-type: none"> • Shipped with z/VM 6.3 • Allows customers to set up a rudimentary cloud environment, without acquiring any additional product • Based on open source code • No upgrade path to SmartCloud suite <p>SmartCloud Entry *</p> <ul style="list-style-type: none"> • A simple, entry level cloud management stack • Based on OpenStack • First tier in the SmartCloud suite of cloud management products <p><i>Standardization</i></p>	<p>Cloud Ready for System z</p> <ul style="list-style-type: none"> • Image-based cloud service delivery with integrated provisioning, monitoring, service catalog & service desk, storage management, and HA <p>SmartCloud Provisioning</p> <ul style="list-style-type: none"> • Builds on functionality of SmartCloud Entry and adds middleware pattern support for workload deployment <p>SmartCloud Orchestrator *</p> <ul style="list-style-type: none"> • Builds on functionality of SmartCloud Provisioning and adds runbook automation <p><i>Service Lifecycle Management</i></p>

* System z support currently in development

Solution scale and lifespan significantly impact the cost equation

- **Acquisition costs:**
 - Hardware, systems software, maintenance
- **Operating costs:**
 - Application license, labor, energy, floor space

Typically, the larger the scale or the longer the lifespan of the solution, operating costs become relatively more important



Scale, lifespan and individual workload characteristics all impact the position of the cross over point

Application Performance Characteristics – what fits?

Workload performance varies by application and can be best served by different platforms or the right mix of multiple platforms.

10. **CPU Intensive** – e.g. numerically intensive, etc.

9. **Protocol Serving** – e.g. static HTTP, firewall, etc.

8. **Skewless OLTP** – e.g. simple and predictable transaction processing

7. **Java Heavy** – e.g. CPU intensive Java applications

6. **Java Light** – e.g. data intensive Java applications

5. **Database** – e.g. Oracle DBMS or dynamic HTTP server

4. **Mixed High** – e.g. multiple, CPU-intense simple applications

3. **Mixed Low** – e.g. multiple, data-intense applications or skewed OLTP, MQ

2. **I/O Bound** – e.g. high I/O content applications

1. **Data Intensive** – large working set and/or high I/O content applications

Optimal for System z

Optimal for other platforms



World-Class Server Virtualization: System z LPAR and z/VM

Helping clients reduce costs and improve control of their IT infrastructure

- ✓ **Virtualization**
- ✓ **Consolidation**
- ✓ **Workload management**
- ✓ **Automation**

• **Logical Partitioning (LPAR) and z/VM are complementary technologies**

- Both employ great hardware and firmware (PR/SM) innovations developed over the years
- Virtualization is a part of the *basic componentry* of the System z platform

• **LPAR**

- Host a relatively small number of very high-performance virtual servers
- Very low overhead, hardware-based virtualization through partitioning

• **z/VM**

- Host large numbers of high-performance virtual servers
- Low overhead, hardware-based, true virtualization with extreme levels of software augmentation

Together, System z LPAR and z/VM technology provide:

- High performance “on the metal” virtual servers for larger, performance-critical workloads
- The ability to provision 1000s of additional virtual servers flexibly and on demand

