



**The New zEnterprise –
A Smarter System
For A Smarter Planet**

Deploying Web Applications

Introducing Service Oriented Finance

We're a traditional bank with branch offices throughout the country.

This has been a difficult year. Survival is our a top priority.

We need to change the way we do business!



**Service Oriented Finance
CEO**

Service Oriented Finance Needs A New Web site

Our business is changing, and we need a new Web site



**Service Oriented Finance
CEO**

It's a big project. We need to think hard about how to build it.



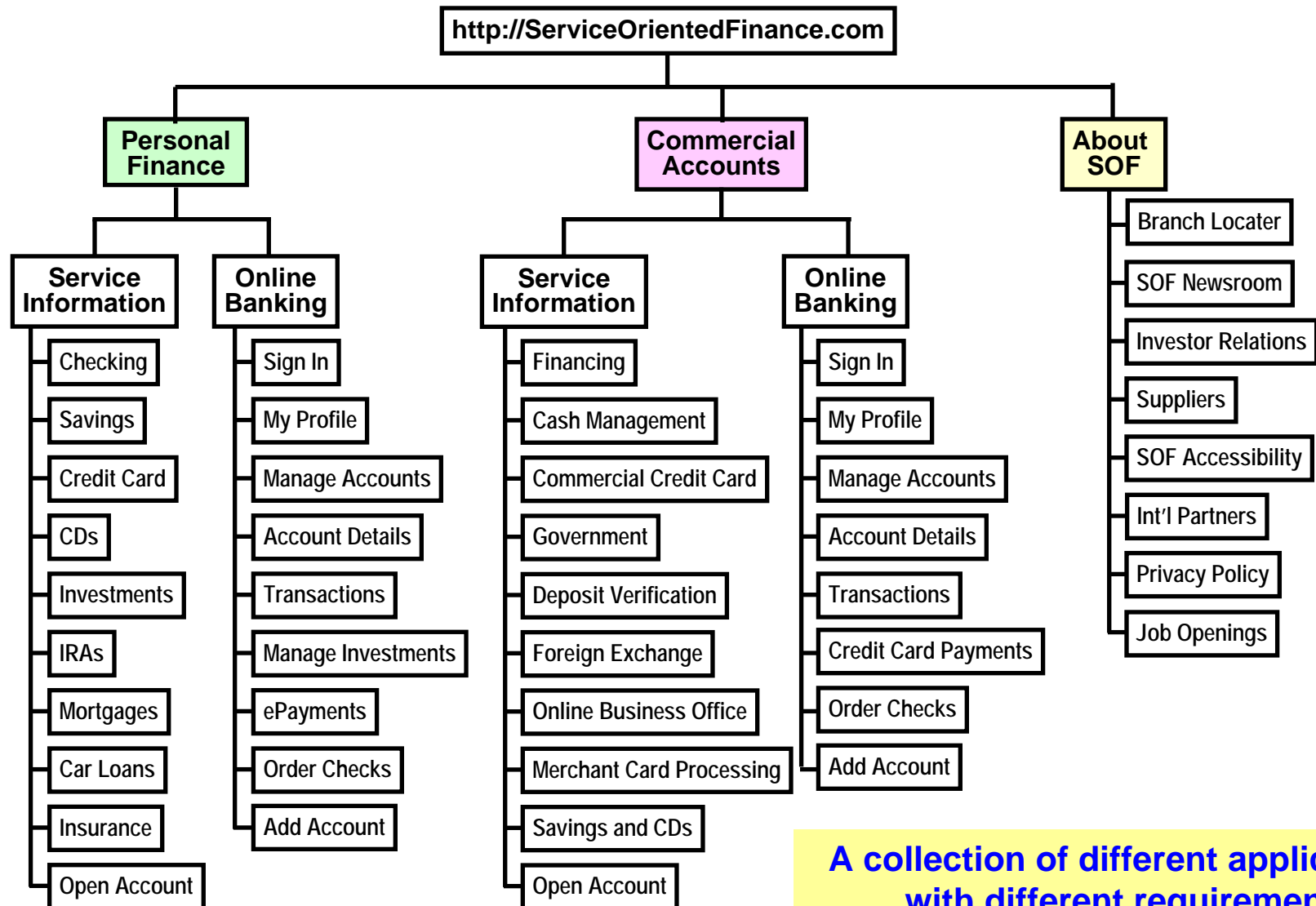
**Service Oriented Finance
CIO**

Be sure to choose a solution that's fit for purpose!



IBM

New SOF Web Site Will Need To Provide A Number Of Services To Different Constituencies



A collection of different applications with different requirements

Attributes For Classifying Application Requirements

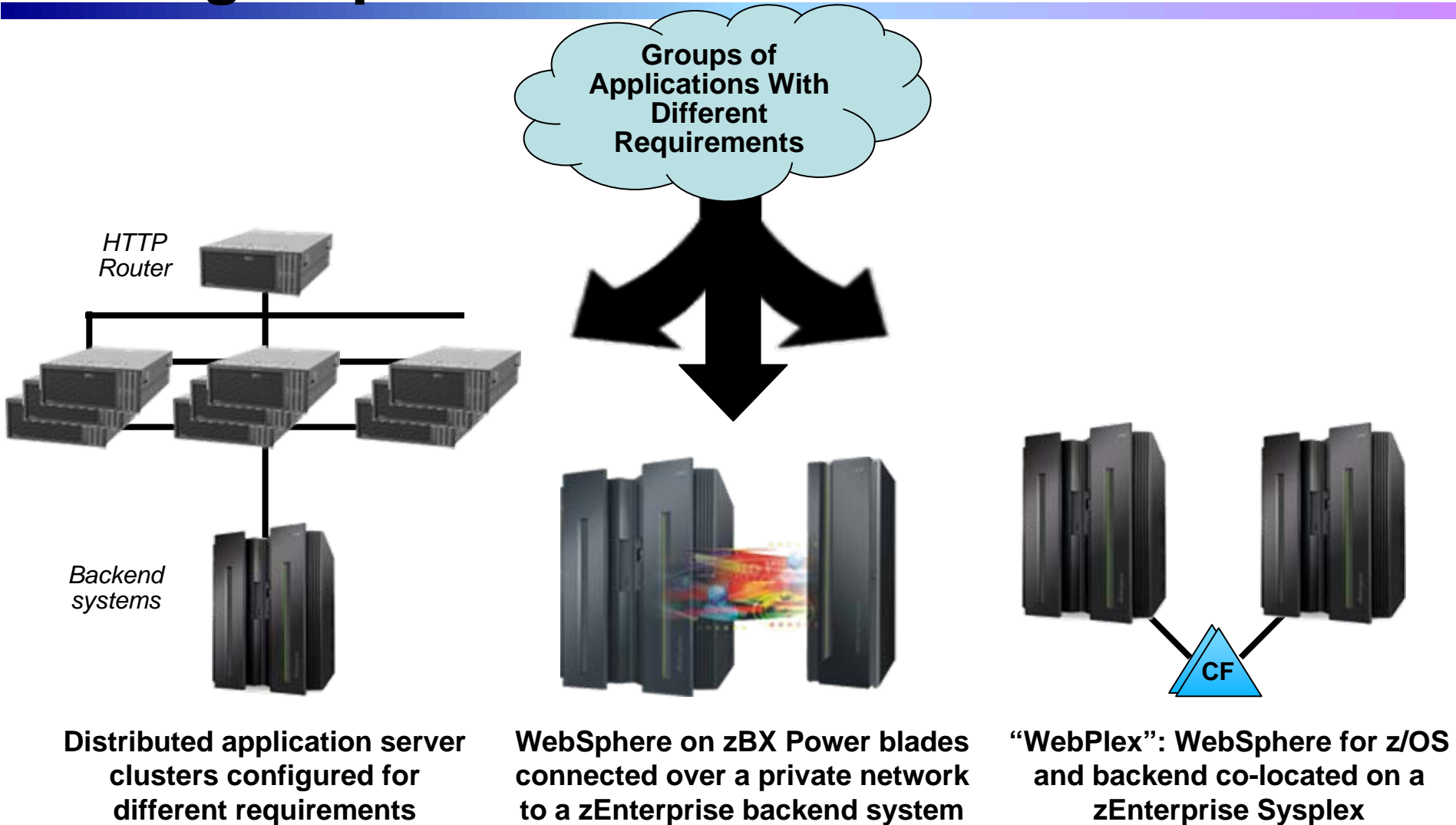
- **Availability**
 - ▶ High availability applications rarely go down
- **Variability**
 - ▶ Large variations in workload demand
- **Resiliency**
 - ▶ Application continues to perform despite IT site failure
- **Integration**
 - ▶ Applications that integrate with Backend Systems must have optimal response time and security
- **Security**
 - ▶ Site must resist attacks
 - ▶ Applications must preserve data confidentiality
- **Price Performance**
 - ▶ System must be competitive in cost

Each Application On The Web Site Will Have Different Levels Of Requirements

		Availability	Variability	Resiliency	Integration	Security
Personal Banking	Checking and Savings	H	H	H	L	H
	Mortgages	H	M	H	L	H
	CDs	M	M	H	L	M
	Investing	H	M	H	L	M
Commercial Banking	Merchant Card Processing	H	H	H	H	H
	Payments	H	H	L	H	H
	Account Management	H	M	H	H	M
	Verify Deposits	M	M	H	H	H
About SOF	Service Information	M	L	L	L	M
	Branch Locator	L	L	H	L	M
	Investor Relations	H	H	L	L	M
	Job Opportunities	L	L	L	L	M

Price performance is critical for entire solution

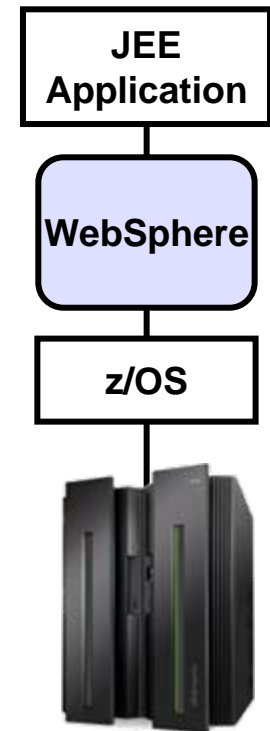
Design Options For The SOF Web Site



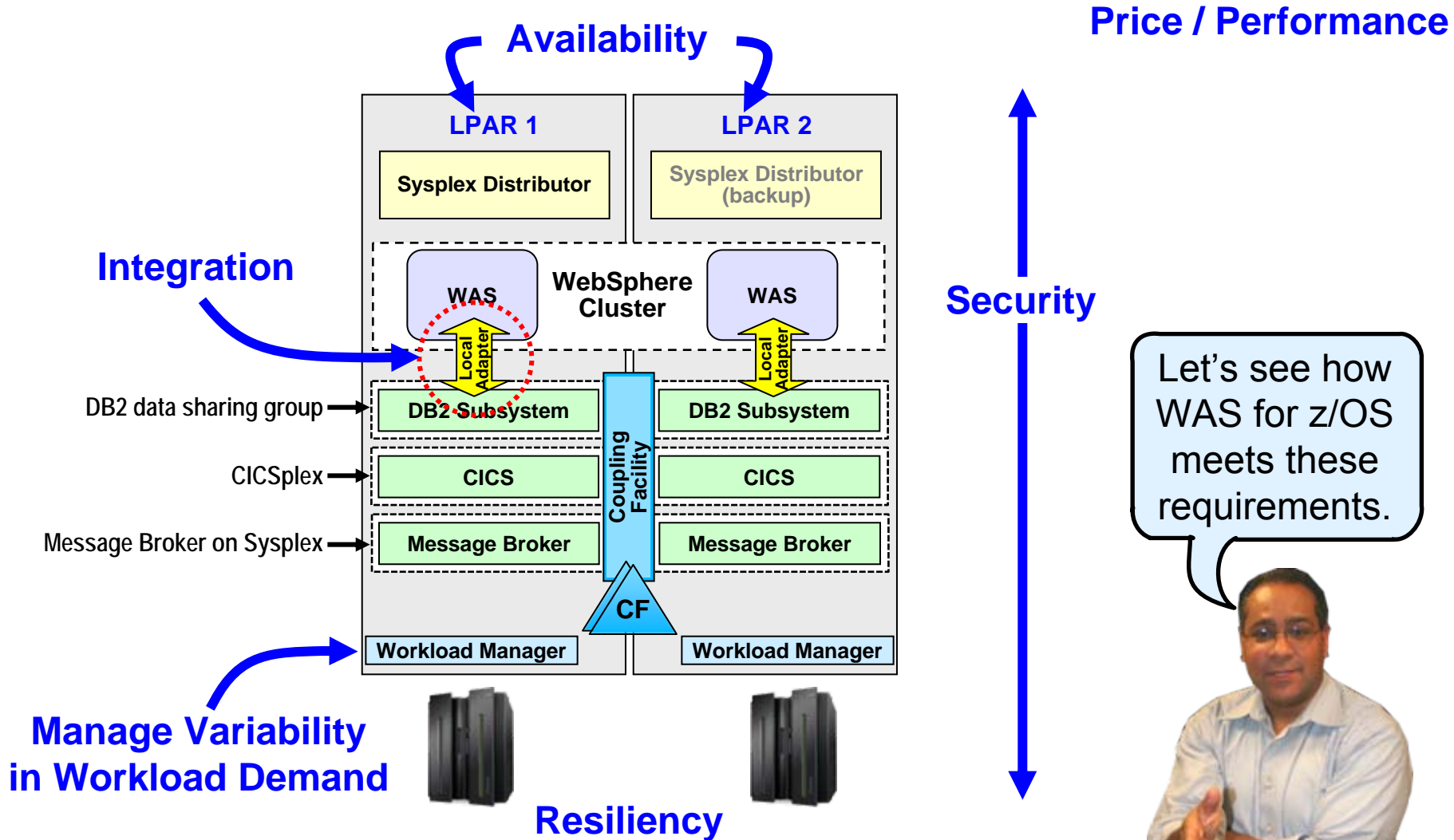
Which Platform Is Best Fit For Purpose?

WebSphere Application Server For z/OS Is The Ideal Web Infrastructure

- JEE applications are portable among all WebSphere platforms without recompilation
 - ▶ WebSphere supports standard JEE Interface and Web standards
- WebSphere for z/OS is optimized to exploit z/OS and zEnterprise capabilities
 - ▶ Advanced capabilities not available on other platforms, including Sysplex clustering
- WebSphere Application Server (WAS) for z/OS is also the foundation for
 - ▶ WebSphere Process Server for z/OS
 - ▶ WebSphere Enterprise Service Bus for z/OS
 - ▶ WebSphere Portal for z/OS

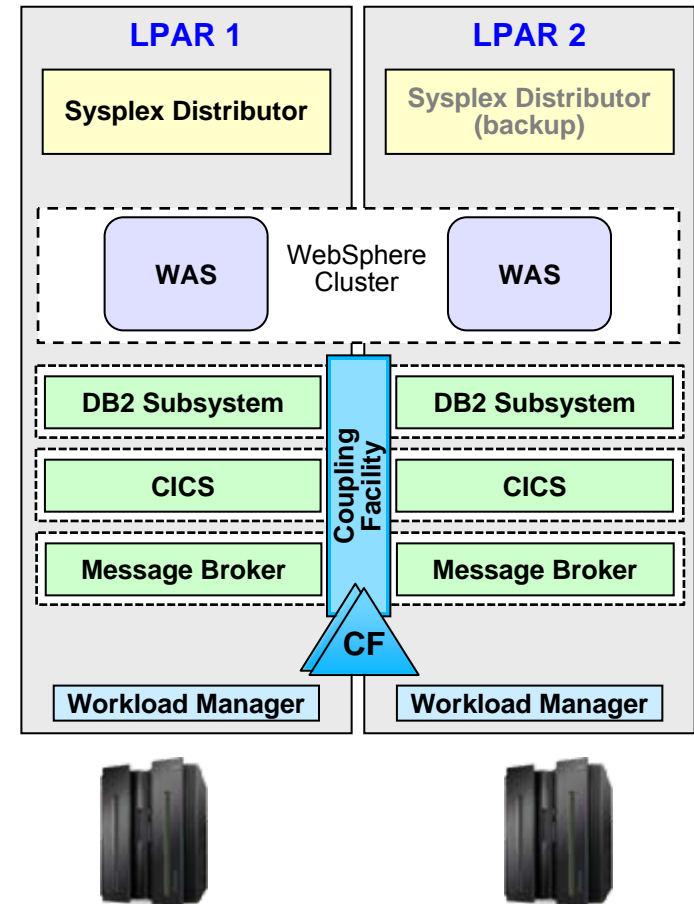


WebSphere for z/OS Can Be Deployed In A Parallel Sysplex Configuration



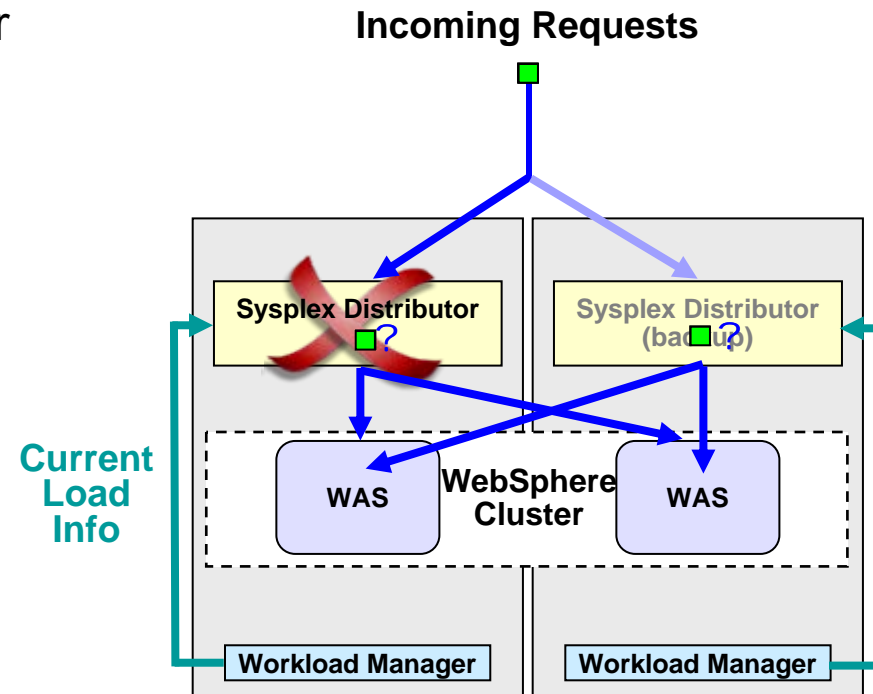
Parallel Sysplex Is The Key Enabler For High Availability

- **Parallel Sysplex** links two or more cooperating hosts in an Active/Active configuration
- **Coupling Facility** provides memory shared between hosts for
 - ▶ Locks
 - ▶ Cache
 - ▶ Data lists
- **Clusters** group cooperating middleware instances across the Sysplex
 - ▶ If one instance fails, another takes the load
 - ▶ Incoming transactions intelligently distributed to WAS instances in the cluster for load balancing
 - ▶ DB2 clusters implement true data sharing
 - ▶ CICSplex shares customer workload
 - ▶ MQ uses Sysplex to provide high availability for message-driven applications

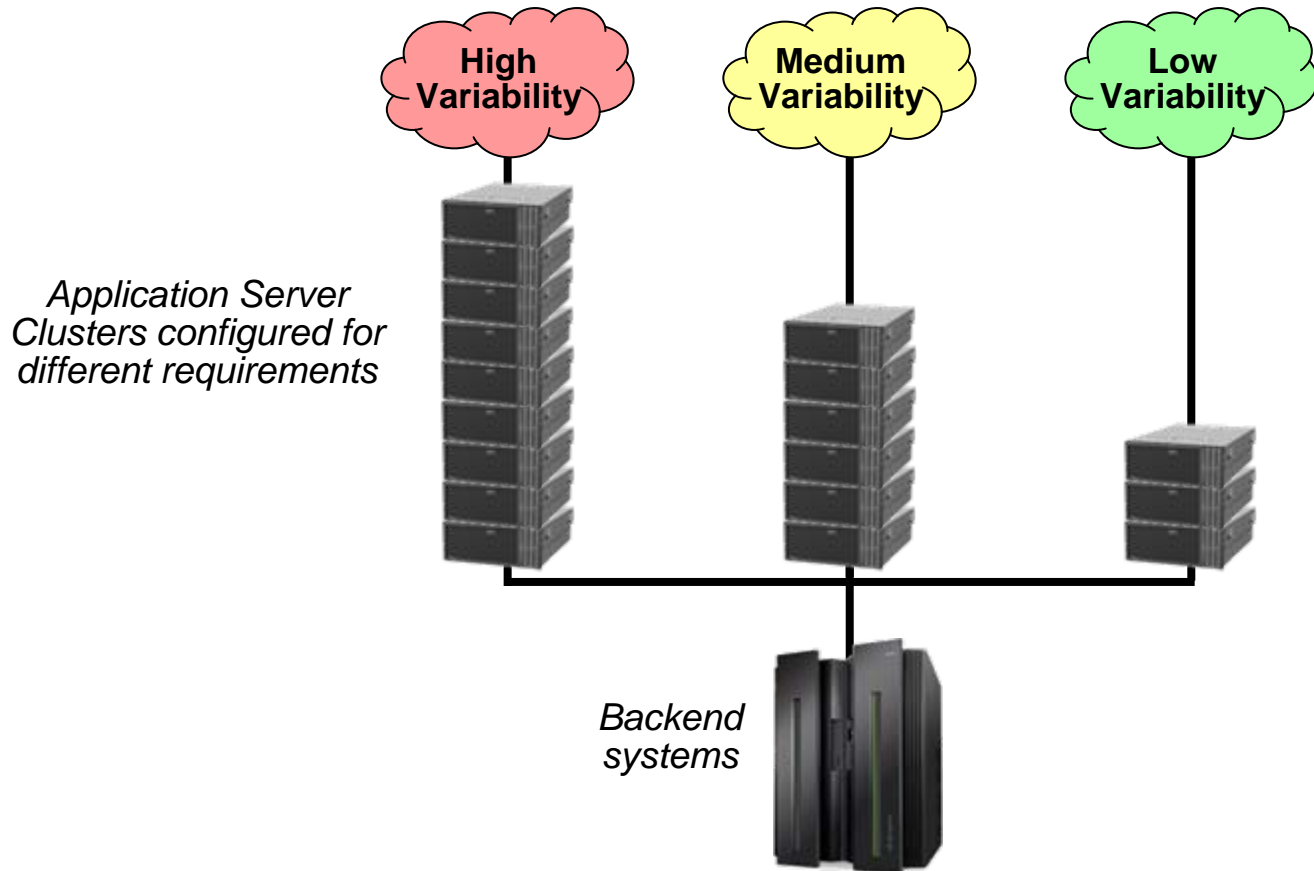


Sysplex Distributor Sends Incoming Requests To Best Available Server

- Sysplex Distributor is an intelligent router
 - ▶ Receives incoming requests
 - ▶ Determines which potential target LPAR is the best
 - ▶ Redirects the request to that LPAR
- It uses current load information from Workload Manager to support dynamic load balancing among WebSphere instances
- In the event of a failure in the LPAR or TCP stack, Sysplex Distributor functions **automatically** move to a backup TCP/IP stack
- All of this is transparent to the user and the applications

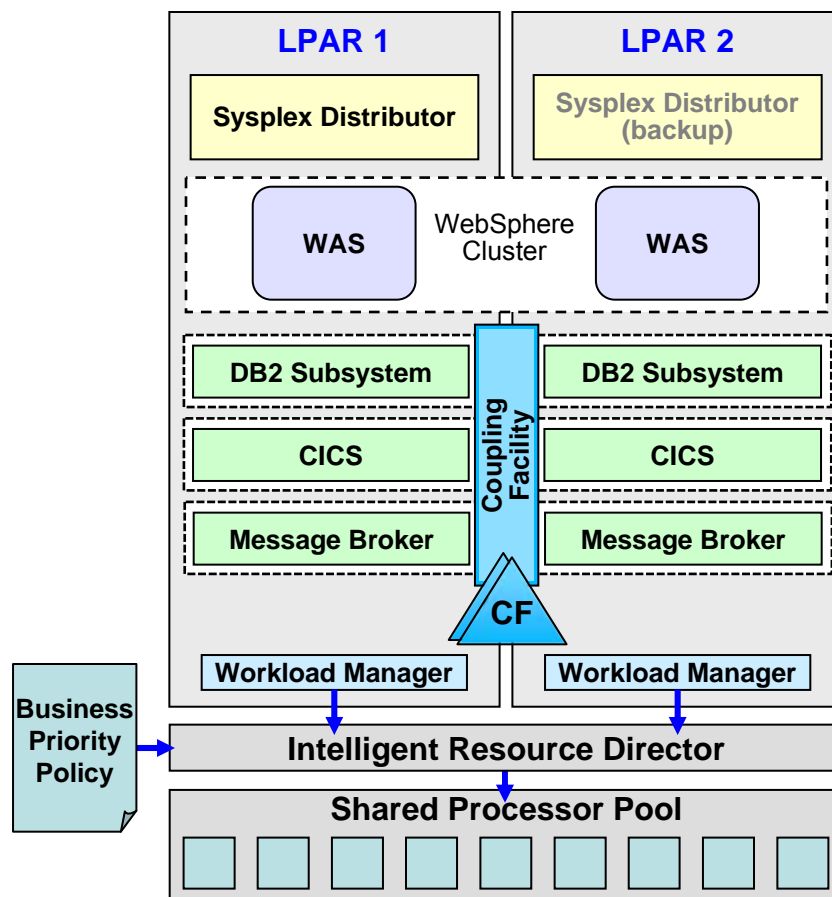


Distributed Solutions Must Over-Provision For High-Variability Workloads



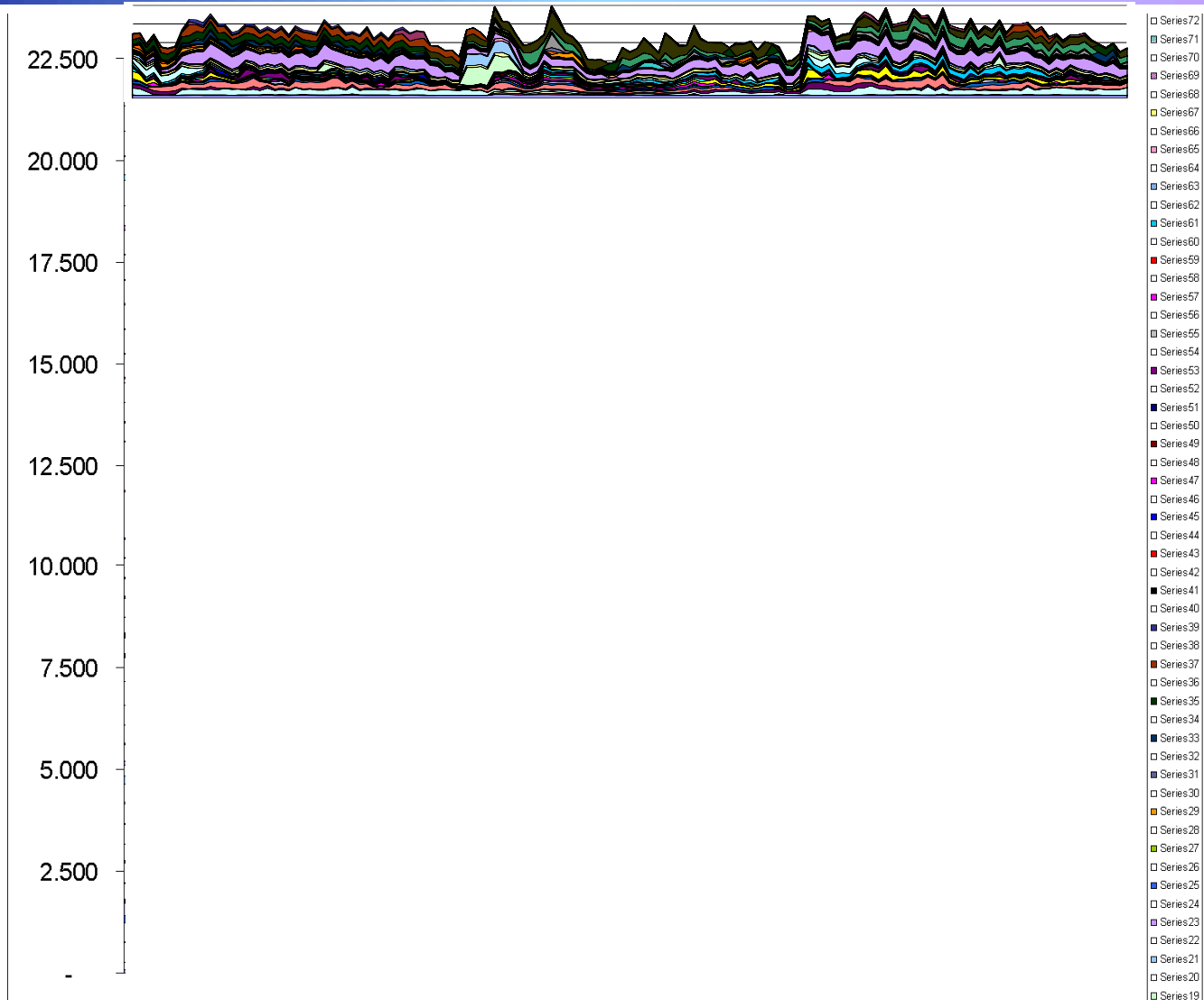
**Distributed Application Server Cluster
(e.g., Oracle, Weblogic on Sun SPARC)**

Mixed Workloads Share Pooled Processing Resources

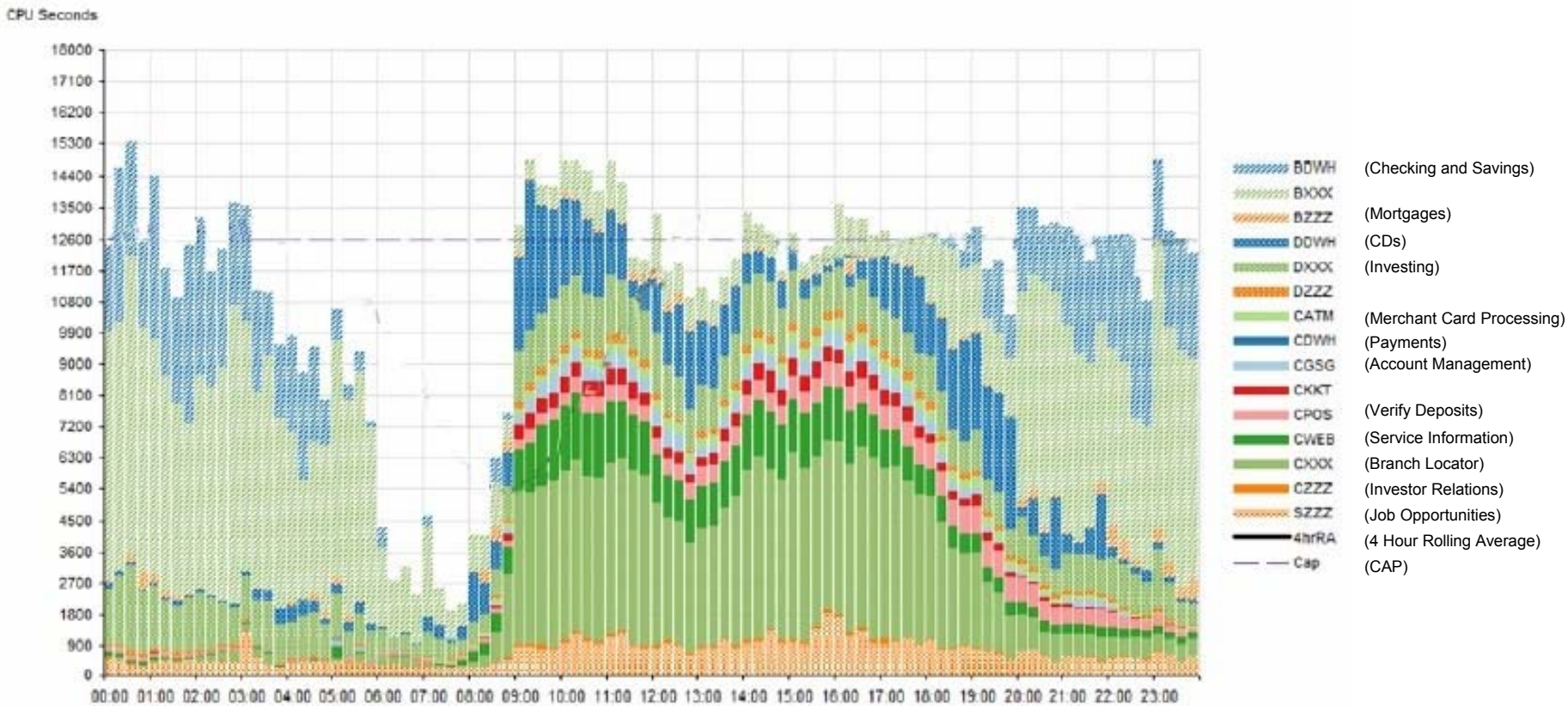


Workloads with light, medium, and heavy variation
Share the same pool of processors.

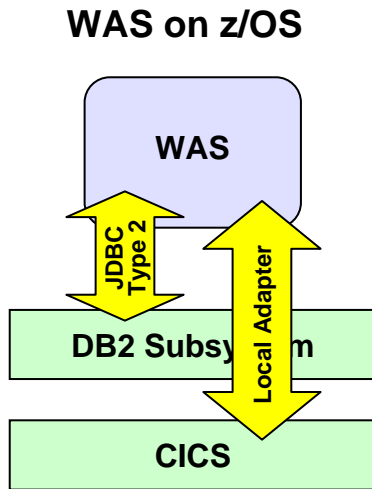
Sharing Processors Eliminates The Wasted Resources Of Distributed Servers



zEnterprise Shared Processors Achieve Competitive Costs Per Workload

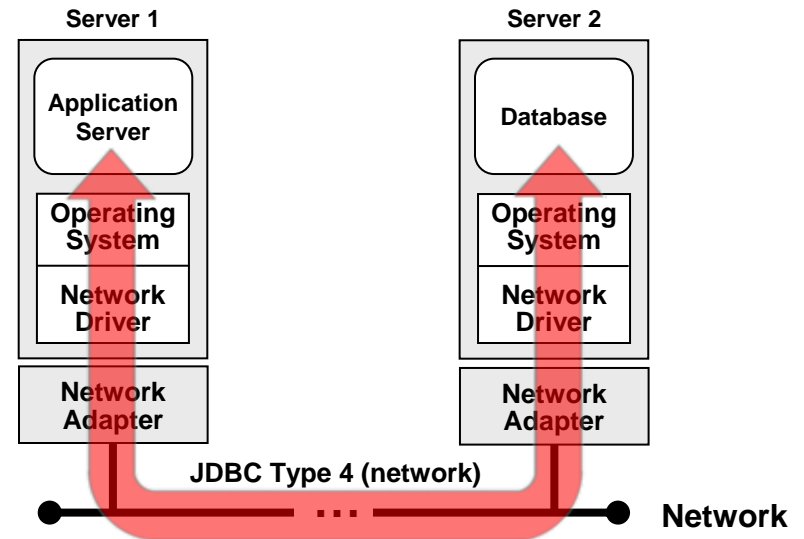


Webplex Enables Efficient Co-location of Applications with Backend Systems



- Data can be shared in memory between WAS, DB2, and CICS by co-locating in same LPAR
 - ▶ Local adapters provide direct, cross-memory access
 - ▶ Optimal performance, faster response time
 - ▶ Security - data stays in same physical host

Distributed Design



- Distributed design separates applications from data and transactions
 - ▶ Accumulates network latency
 - ▶ Exposes sensitive data to risk via physical network

A Secure Foundation

- **zEnterprise has the highest commercial common criteria ratings**
 - ▶ PR/SM rated at EAL 5
- **Workload Isolation**
 - ▶ zEnterprise Hypervisor maintains strict isolation between workloads
 - ▶ Hardware coded storage protect keys protects system and user workloads
 - ▶ Architecture design makes typical buffer overflows and virus payloads inoperable
- **Integrated access control throughout the stack**
 - ▶ RACF enforces access control and logs security events
- **Secure cryptographic encoding**
 - ▶ On-chip crypto hardware assist
 - ▶ Optional high speed cryptographic processors
 - ▶ Support for Advanced Encryption Standard (AES) 192 and 256, SHA-384 and SHA-512



z/OS Provides Essential Network Security For Applications

- Communication Server for z/OS ensures that
 1. The partner is who it claims to be (endpoint authentication)
 2. Data came from the intended partner (data origin authentication)
 3. Data was not changed since it was sent via digital signatures (data integrity)
 4. Only the intended receiver can understand the data via encryption (data confidentiality)
- Data integrity and confidentiality are accelerated by zEnterprise cryptographic hardware

z/OS Provides Advanced Network Security

- Communications Server for z/OS provides the first line of defense against network attacks
 - ▶ Intrusion detection services
 - ▶ Dynamic defensive filtering protect from denial of service attacks
 - ▶ IPsec can encrypt data end-to-end, or across any portion, as controlled by a policy document
 - ▶ IPsec VPN offers system-to-system security, transparently to applications
 - ▶ SSL/TLS provides application-to-application security
- Communications Server for z/OS supports memory-to-memory hipersocket connections for internal communications
- z/OS HTTPS conforms 100% to the standard, but adds:
 - ▶ Ability to store keys in SAF (RACF) or file stores
 - ▶ Use of crypto hardware accelerator to speed up the encryption and decryption processes

We are building SOA and use XML, but we use many other data formats – from COBOL copybook to industry-specific formats.



**Service Oriented Finance
Development Manager**

Datapower appliances provide any-to-any data transformations – with full integration with System z!



IBM

DataPower XI50b Advanced Data Integration Appliance Reduces Mainframe Processing

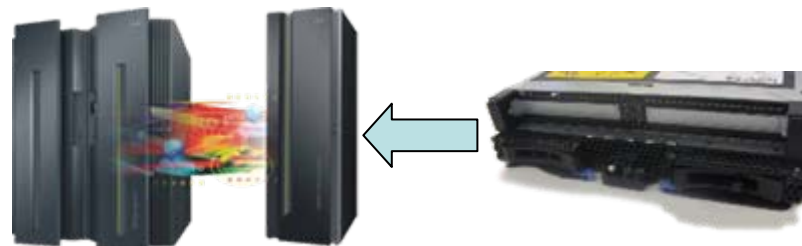
- An SOA appliance in a blade form
 - ▶ **Any-to-Any data transformation at wire speed**
 - between XML, text, COBOL copybooks, text, industry standards, or custom formats
 - ▶ **Built-in XML parsing and transformation**
 - Convert between XML schemas
 - ▶ **Content-based routing**
 - ▶ **Creates bridges between messaging protocols**
 - MQ, WebSphere JMS, third-party JMS, FTP, HTTP
 - ▶ **Direct-to-database access** for DB2®, Oracle, and Sybase
 - Use XML to directly insert, modify, query, and retrieve database info
 - ▶ **Advanced security capabilities** based on industry standards
 - ▶ Data validation,
 - ▶ Field-level security
 - ▶ Web services management
 - ▶ Access control



WebSphere Datapower XI50b

System z With WebSphere DataPower XI50b Is A Powerful Synergy

- Higher performance with Datapower hardware acceleration, reduces CPU usage
- Enables Web services for z backend systems
 - ▶ IMS, COBOL via copybook, DB2 (and other databases), CICS
- z/OS Sysplex Distributor performs load distribution to multiple DataPower blades
- XI50b Complementary High Availability features
 - ▶ Dual power supplies
 - ▶ Active/passive failover support
 - ▶ No spinning media
 - ▶ Self-healing capability
- Remote SAF/RACF and Crypto security integration
- In the first half of 2011, IBM intends to offer a WebSphere DataPower Appliance for IBM zEnterprise System on zBX model 002



DEMO: The New SOF Site

We got a prototype done quickly with some applications working.



**Service Oriented Finance
Development Manager**

Ok, let's see it!



Service Oriented Finance CIO

This is great! But what about the cost?



Service Oriented Finance CIO

Hosting your Web site on zEnterprise costs less!

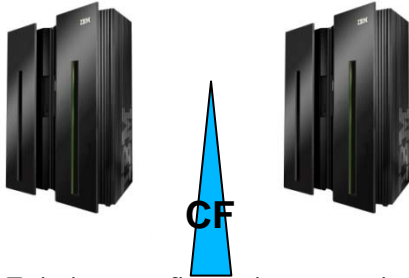


IBM

Deploy Web Application Without Disaster Recovery On zEnterprise vs. SPARC Servers

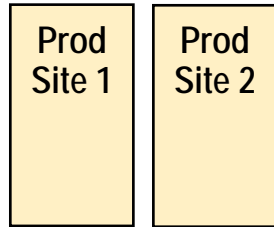
*Existing Mainframes
Parallel Sysplex*

Prod Site 1 Prod Site 2



Existing configuration, per site:
zEnterprise system with
5 GP, 4,616 MIPS workload

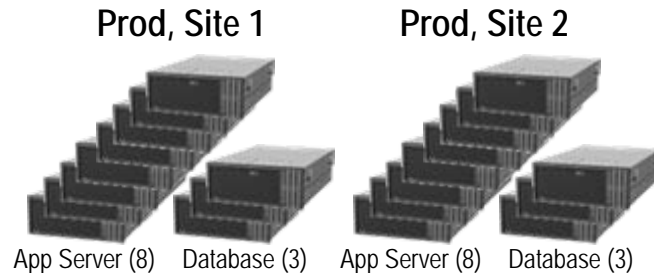
*Add 1 LPAR to each z10
for New Web Applications*



8,382 MIPS
Additional workload
per site, WAS + DB2
(16,762 MIPS total)

Incremental upgrade, per site:
6 zAAPs 5,261 MIPS WAS (85% zAAP eligible)
1 zIIP 877 MIPS DB2 (40% zIIP eligible)
3 GP 2,244 MIPS (WAS+DB2 ineligible)
40 GB memory

*Or: Add 11 SPARC Enterprise T5440
Servers, 1.4 GHz, 2 chip / 16 core
619,376 Performance Units per site
(22 servers, 1,238,753 Performance Units total)*



*3 year
cost of
acquisition
\$13.79M*

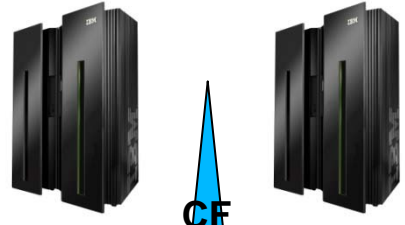


*3 year
cost of
acquisition
\$16.98M*

**USA
List Price
Comparison
(both IBM and
Oracle)**

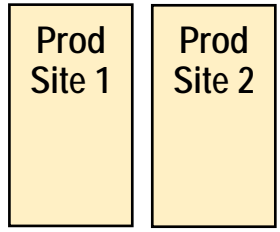
Deploy Web Application With Disaster Recovery On zEnterprise vs. SPARC

Existing zEnterprise, Site 1 Existing zEnterprise, Site 2



Existing configuration, per site:
zEnterprise system with
5 GP, 4,609 MIPS workload
5 "dark" GPs capacity backup

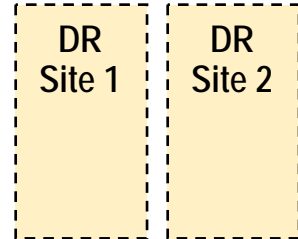
Add 1 LPAR to each z10 for New Web Applications



8,795 MIPS
Additional workload per site, WAS + DB2
(17,590 MIPS total)

Incremental upgrade, per site:
6 zAAPs 5,261 MIPS WAS (85% zAAP eligible)
1 zIIP 877 MIPS DB2 (40% zIIP eligible)
3 GP 2,244 MIPS (WAS+DB2 ineligible)
40 GB memory

...And Add Disaster Recovery



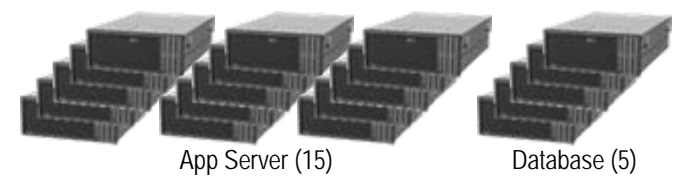
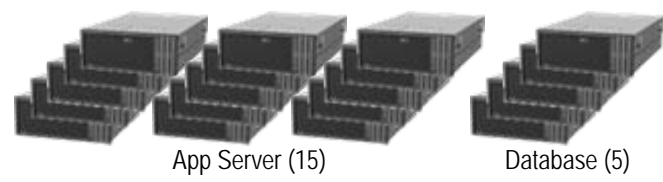
Capacity Backup upgrade, per site:
6 backup ("dark") zAAPs
1 backup ("dark") zIIP
3 backup ("dark") GPs
40 GB memory

Or: Add 20 SPARC Enterprise T5440 Servers, 1.4 GHz, 2 chip / 16 core
1,180,532 Performance Units for Site 1

...And add 20 more servers for Site 2

Prod+DR, Site 1

Prod+DR, Site 2



3 year cost of acquisition
\$14.73M



3 year cost of acquisition
\$30.41M

USA
List Price Comparison
(both IBM and Oracle)

Why Does A “WebPlex” Solution Cost Less On zEnterprise?

- Efficient utilization of shared resources
 - ▶ Distributed solutions experience core proliferation, requiring more software licenses
- Lower price specialty processors (zAAP, zIIP)
- Very favorable Disaster Recovery pricing
- System management and labor costs are much higher for distributed servers (but this is not included in this cost study)

Which Platform Is Best Fit For Purpose?

	WebSphere for z/OS	Distributed System
Availability	Most reliable platform	Less reliable
Variability	Managed workloads, shared processors	Over-provision for peak demand
Backend Integration	Co-located and Secure	Network Latency; Exposed wires
Resiliency	Systematic Disaster Recovery	Individualized Disaster Recovery
Security	Best	Typical
Price/Performance	Lower Cost	Higher Cost