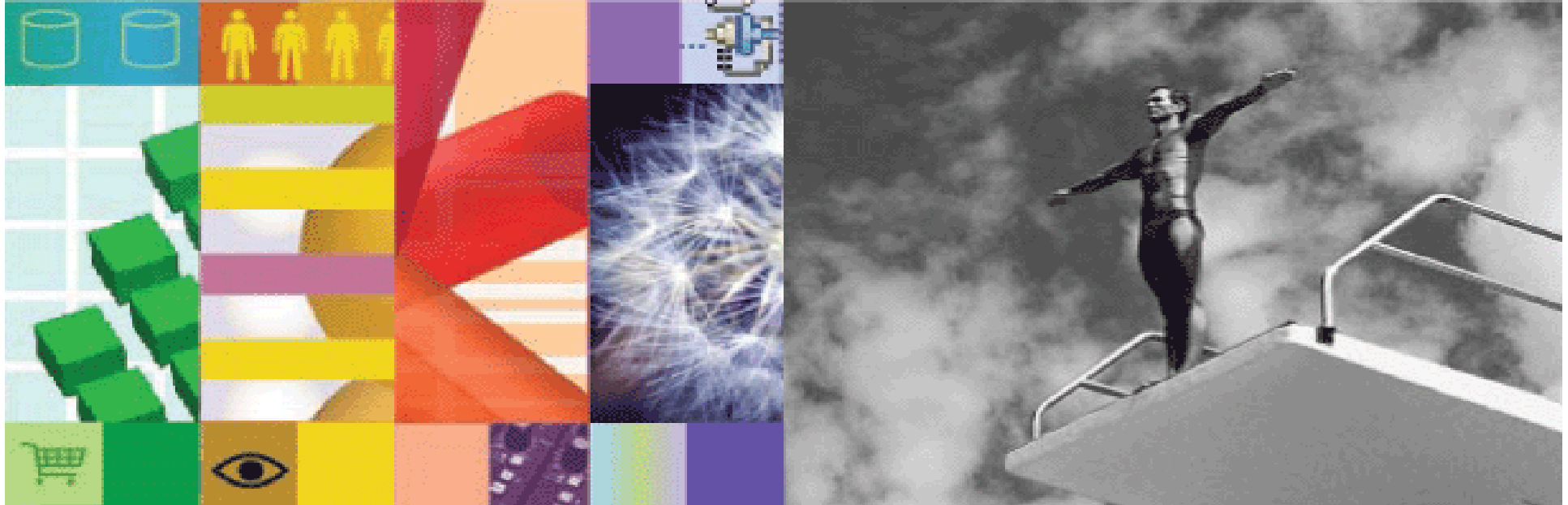


IBM Start Now Solutions Proven

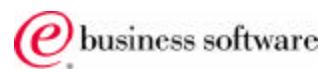


IBM Start Now Solutions Proven

Start Now Application Solution Offerings for SMB

Mike Watkins/Raleigh/IBM –SMB Offerings, SWG

Tel: 919 542 6858





Agenda

- ❑ Opportunity and trends in SMB
- ❑ IBM Software Group SMB Offering Strategy
- ❑ Overview of Start Now Solutions Proven
- ❑ Start Now Solutions Proven offerings
- ❑ What's in it for you?
- ❑ How to participate
- ❑ Partner Benefits
- ❑ ISV and Partner experience
- ❑ Q & A
- ❑ Close

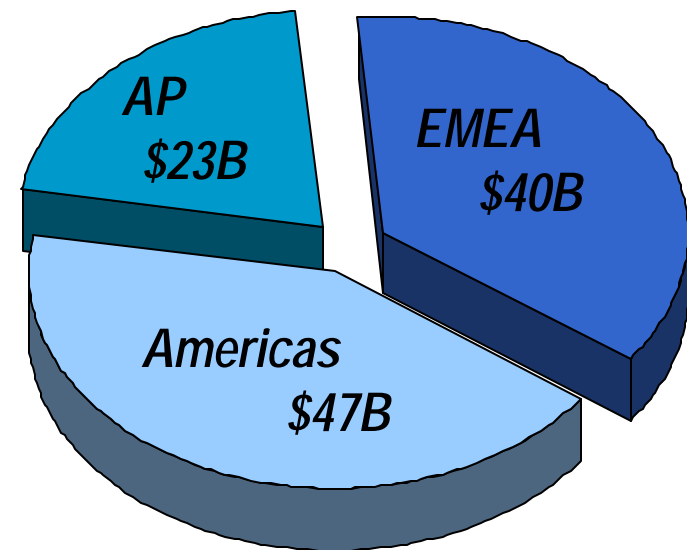




SMB Opportunity Profile

- ❑ SMB defined as 100 - 999 employees
- ❑ Over 600,000 businesses worldwide
- ❑ Been around 17+ years, on average
- ❑ Have 6 - 10 branch offices
- ❑ Very industry-oriented
- ❑ Often located in suburban business parks
- ❑ 60% is B2B - often supplying large customers
- ❑ They network extensively
- ❑ More likely to use a local vendor
- ❑ Channel is key to penetrating this customer set

2002 Opportunity



\$109 Billion
(6.7% CAGR)

Source: AMI Partners 2002

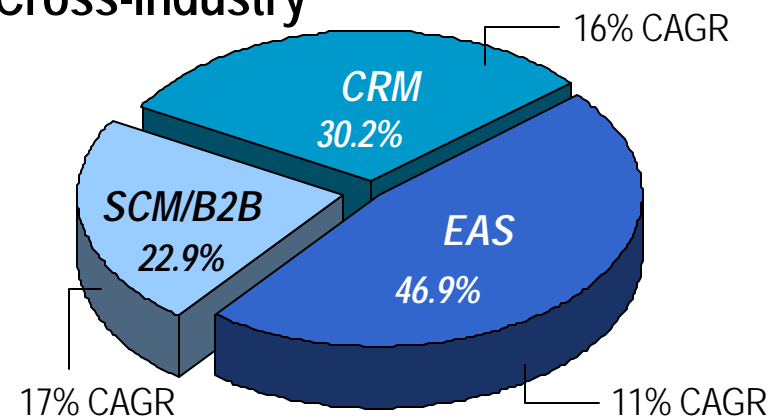
Source: IBM GMV 2001



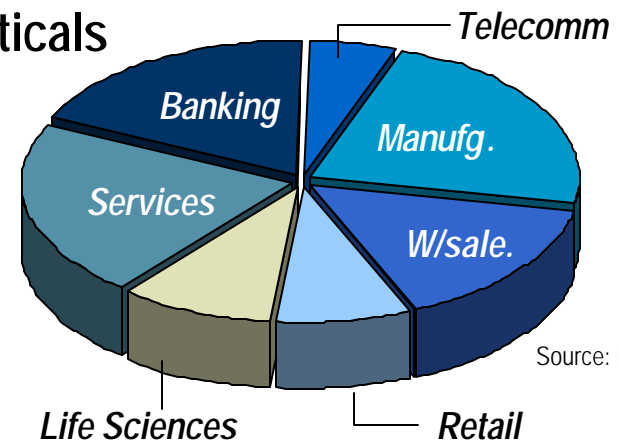
SMB Opportunity by Solution

- ❑ **Cross-industry solutions**
 - Growing faster than overall market
 - \$60 Billion opportunity – 2002 (overall)
- ❑ **Industries with largest IT investment**
 - Manufacturing
 - Computer and Professional Services
 - Retail Banking
- ❑ **Fastest growing industries**
 - Telecomms (incl. xSPs)
 - Pharmaceuticals (Life sciences)
 - Retail Banking
- ❑ **Game changers?**
 - Linux – 32% CAGR
 - eSourcing

Cross-industry



Verticals



Source: IBM GMV 2001



Solution Considerations in SMB

❑ Solution Components

- Application (generally from an ISV)
- Enabling software (OS, network, ...)
- Middleware (database, web server, ...)
- Hardware (platform, storage, clients, ...)
- Services
 - Consulting
 - Installation, integration
 - Performance, maintenance, ...
- Support (levels 1-3)
- Education
- Financing



- ❑ **Greater opportunity than product sales**
- ❑ **Willingness to pay a premium for solution components**
- ❑ **Like modular solutions**
- ❑ **Need coordinated and integrated solutions**



Types of Offerings



Product offerings

- ❑ **Brand or Cross-brand**
 - Replace/upgrade an existing product
 - Targeted to IT

Solution offerings

- ❑ **Infrastructure solution offerings**
 - Horizontal “plumbing”
 - Targeted to IT and LOB
- ❑ **Application solution offerings**
 - Solve core business issues that cause “pain” for LOB managers
 - Targeted to LOB



IBM Software SMB Offering Strategy

Strategic Focus	Product		Solution	
	Brand	X-Brand	Infrastructure	Application
IT Focus (1000-5000)			<p style="text-align: center;">Retain & Grow</p> <div style="display: flex; justify-content: space-around;"> <div style="background-color: #90EE90; padding: 10px; text-align: center;"> Start Now Solutions for e-business </div> <div style="background-color: #90EE90; padding: 10px; text-align: center; writing-mode: vertical-rl; transform: rotate(180deg);"> Industry-focus </div> <div style="background-color: #FFB6C1; padding: 10px; text-align: center;"> SN Solutions Proven </div> <div style="background-color: #FFB6C1; padding: 10px; text-align: center; writing-mode: vertical-rl; transform: rotate(180deg);"> Industry-focus </div> <div style="background-color: #FFB6C1; padding: 10px; text-align: center;"> <500 xSP <200 .com </div> </div>	
LOB focus (100-999)	<p style="font-size: 2em;">New Business Acquisition</p>			



Start Now Overview

❑ Start Now Solutions for e-business

- Family of **Infrastructure** solutions designed for - and built by - IBM Software partners – based on IBM middleware
- Enablement for **solution** selling and implementation
- Rapid ROI for customers and partners
- Focused on **SMB** market

❑ Start Now Solutions Proven

- Portfolio of SMB **Application** solutions for IBM Software partners – based on IBM Middleware
- Builds on the **Start Now Solutions for e-business**
- Start Now structure and methodology opened to IBM ISVs
- High customer appeal – “real answers to real business problems”
- High partner appeal – high margin, services intensive



What Start Now Provides Software Partners

- ❑ Technical and sales education
- ❑ Enablement Kit
- ❑ Complete set of sales and marketing materials

...Channel-ready, campaign-ready, SMB market-ready!





Enablement Kit

□ Program Manual

- Extensible solution definitions
- Software and hardware guidelines
- Installation, configuration and integration
- Skills needed
- Customer engagement task lists
- Services hours
- Demonstration and deployment guidelines
- Scaling and enhancing suggestions
- Support, services and marketing information

□ Technical CD

- Sample solution code
- Scaling and enhancing summary
- Solution tasks spreadsheet
- Demonstration and script
- Trial software (availability varies by offering)
- Technical education



Channel ready!



Sales and Marketing Material

- ❑ Solutions brochures
- ❑ Signature Sales materials
- ❑ Telemarketing script
- ❑ Sales and telesales training
- ❑ Marketing booklet
- ❑ Co-marketing materials
- ❑ Demonstration and script
- ❑ Customer sales presentations
- ❑ Seminar invitation/audience profile
- ❑ Case studies and references
- ❑ Elevator messages
- ❑ Solution descriptions
- ❑ Press releases
- ❑ White papers

Catalogs - Seminars - OTM - eMail - Direct Mail

Campaign ready!





A Good Solutions Proven offering

- ❑ Based on (and drags) IBM middleware *
- ❑ Focused on SMB market *
 - 50 – 2000 employees, \$10M - \$500M revenue
- ❑ Sales cycle less than 90 days
- ❑ Implementation completed in less than 60 days
- ❑ Packaged for mass-customization and services opportunity
- ❑ Entry-level price less than \$100K
 - Includes hardware, software (IBM + ISV), partner services
- ❑ Recognizable line-of-business solution
 - Not a development tool
- ❑ Partner enablement process < 5 days
- ❑ Technical sophistication required to understand solution is low
- ❑ Enabled for one or more of Windows, AIX or Linux platforms *





Available Solution Portfolio

Business Operations		
e-Bridge Technologies	Corporate budgeting workflow	Domino/DB2
Necho Systems Corp. (Acceleron)	Corporate expense tracking	Notes/Domino
PDX BizSystems Sdn Bhd	eSales, eInventory, eProcurement	Websphere/DB2
CRM		
Aspect Communications	Customer Service	Websphere
Auxilor	Customer Service	Domino
Clear Technologies, Inc.	SFA, Customer Service	Notes
Cognicase	SFA, Customer Service	Domino
Gedys	Customer Service	Notes
ITFactory	Office automation, CRM, HR,...	Domino
Relavis Corporation	SFA	Notes

\$20K to \$150K

Enterprise Applications		
eCom Systems	Plug & Go' B2B exchange	Websphere
ETS	HR, SFA, Cost & Asset tracking, .	Notes/Domino
Gedys	Enterprise resource calendar	Notes/Domino
PowerSys	eProcurement,	Websphere/DB2
PRONTO	Accounting, Distr., Mfg., Services	DB2
Knowledge Management		
Ai plc	Enterprise Portal	Notes/Domino
Gedys	Document life cycle mgt.	Notes/Domino

Web Enablement		
Mediapps	Corporate portal and publication	Websphere/DB2/D
Wired Business	Intranet enablement	Domino
Security		
Wipro Technologies	Enterprise identity and permission	Websphere



Solutions in Development

Binary Tree	e-Commerce	Domino
Bar Control	Warehouse Mgt.	Websphere/Wireless
Protegrity	Secure Data	Websphere, DB2
Selectica	e-Commerce	
Atlanta RP Enterprises	K-12 BI s	Sky Solutions
Infragistics	LeadServ	Metacom
Compoze Software Inc.	Harmony	Metacom
Compoze Software Inc.	Harmony	Data Technologies International
eOne Group Inc.	e-Commerce	Pazap net ltd
Adonix Transcomm, Inc.	Adonix X	Frontline
Image Architects, Inc.	OpenDO	KUMAtronik GmbH
Atomica Corporation	Atomica B	HUCON Multimedia GmbH
Foedero Technologies, Inc.	Foedero	Kenneth Morris Group
		Arrow
		The Media Shoppe
		Knowledge Dynamics Pte Ltd
		Brookstone Technologies Pty Limited
		Sky Expense Reporting
		IBM Start Now Security Management Solution
		Start Now Enterprise Systems Management
		Enterprise Financial Series
		ark-e-media
		Service management
		Document Management
		Content Management
		TRAXION
		General Accounting
		Content Mgt.
		BI
		The BrookstoneVirtualOffice
		WebSphere/DB2
		WebSphere/DB2
		DB2, Tivoli
		DB2
		Websphere, DB2
		Domino
		Domino
		Websphere
		WebSphere/DB2
		DB2
		DB2
		DB2/OLAP
		Domino, Domino EveryPlace

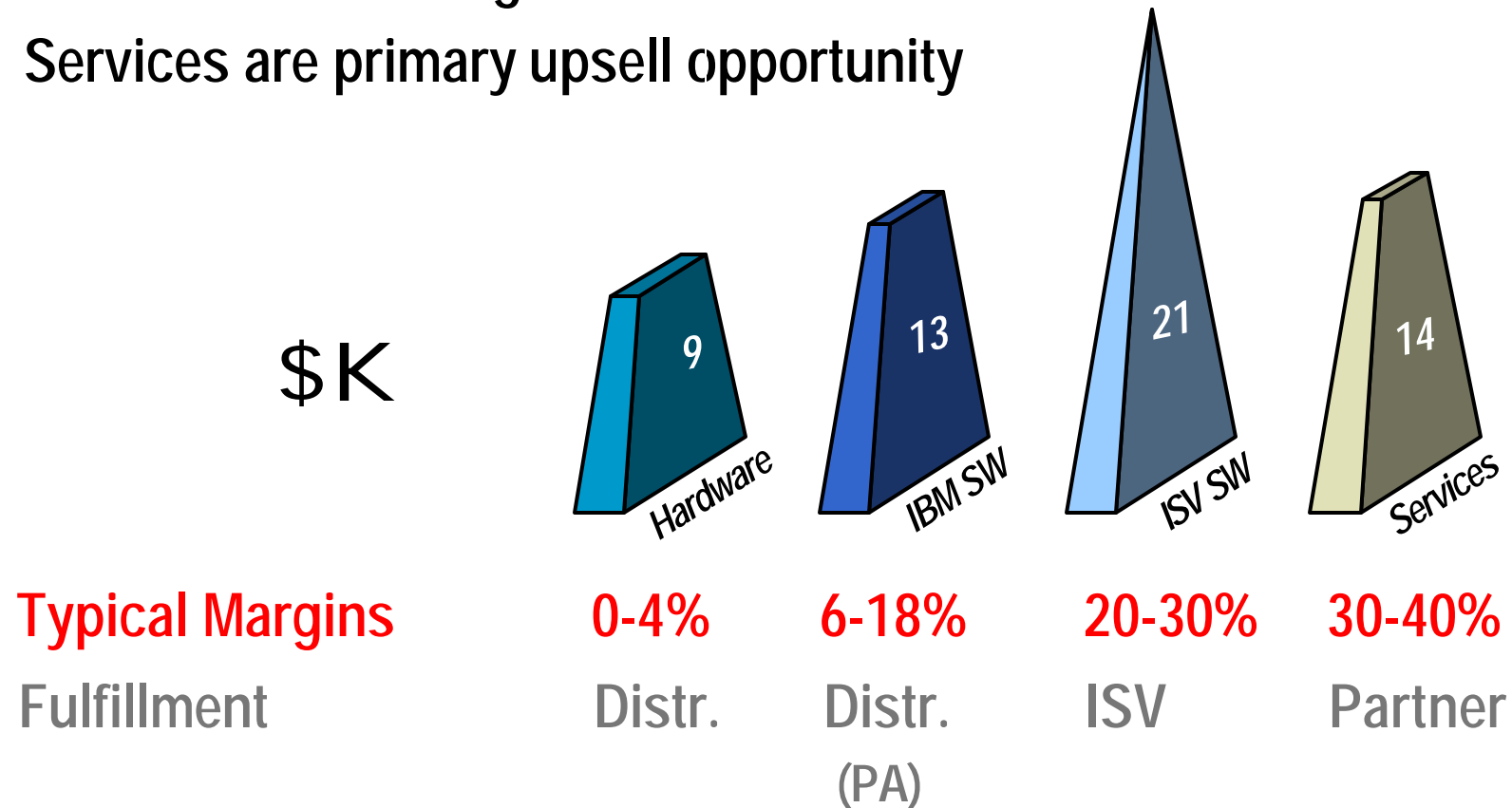
❑ 34 in Development

❑ 15 Applications pending



Solutions Proven Offerings - \$ Profile \$

- ❑ Average **entry-level** deal size = \$57K
- ❑ Actual deal size ranges from x1.5 – x4.0
- ❑ Services are primary upsell opportunity





NA Marketing Activities

- ❑ **IBM Software Web sites**
 - Contact Us!
 - Call me! – with IBM telesales support
 - Featured on IBM.com (Sept.)
- ❑ **IBM Software Catalog – October '02**
 - New Solutions section
 - Features 16 ISV solutions
 - Drive-to-web / 800#
 - Targets 135K customers
- ❑ **Electronic Catalog – September '02**
 - Features 17 ISV solutions
 - Drive-to-web, links to live demo
 - Success stories
 - Targets 100K customers
- ❑ **Ad Hoc campaigns**
 - ISVs participating locally
 - Campaign designer available

<http://www.ibm.com/software/smb>

The collage features several marketing elements:

- Software Catalog:** A large cover for the 'Software' catalog with the headline 'Your complete line of solutions for Windows, Windows NT, UNIX, Linux and OS/2'. It includes the IBM logo and the text 'CATALOG 132 Windows Medium Business Edition SUMMER 2002'.
- SLAM DUNK EXPENSES:** An advertisement showing a person dunking a paper airplane into a trash can. The headline reads 'SLAM DUNK EXPENSES'.
- COGNICASE:** An advertisement for Cognicase with the headline 'Put the full-court press on your bills' and sub-headline 'Reduce measurable expenses in sales, office utility and efficiencies in your back-end and front-end operations'.
- Other Text:** A large headline reads 'NOT ALL VICTORY DANCES TAKE PLACE ON THE FIELD.' and another says 'BUSINESSES ARE PLAYING TO WIN.'

**Qualified leads
to Partners!**



Start Now Solutions Proven Participation

- ❑ **PartnerWorld for Software – BP Zone**
 - Start Now Family of Solutions web pages
 - Detailed solution descriptions
 - “At-a-Glance” features
 - Skills prerequisites identified (including Start Now specialty)
 - Platforms supported (Operating System & IBM Middleware)
 - Sales & technical training overview
 - Linked to ISV Start Now site for application to resell solution
- ❑ **ISV Start Now Partner Portal**
 - Detailed solution information
 - Partnering program information
 - Sales and technical training
 - Sales tools and marketing materials – campaign-ready!
- ❑ **Authorized resellers flagged in IBM Partner database**



<http://www.ibm.com/partnerworld/startnow>



Partner Recruitment



Start Now Solutions Proven Benefits

❑ IBM Software Business Partners

- Broader portfolio of industrial-strength, line-of-business, proven solutions
- Additional revenue stream from ISV software and services
- Greater ability to respond to opportunities and extend existing relationships
- More effective driver of IBM software sales to the SMB customer set
- Maximize enhanced IBM rebate potential from SMB
- Lower cost of enablement and reduced risk
- Faster return on investment

❑ SMB Customers

- Real, low-risk solutions to business problems
- Improved, faster return on IT investment
- Delivered by the experts in e-business – IBM Software Partners



*...ready when
you are!*



Relavis Corporation

- Cynthia Mathis – Director, Business Development

Relavis Start Now Solutions Proven

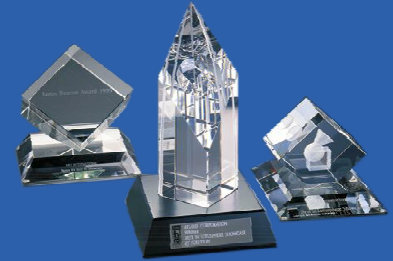


Cynthia Mathis
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www.relavis.com

Relavis Profile

October 25, 2002

- Relavis overview
 - Proven CRM solutions since 1993
 - Manufacturing and Financial Services focus



Relavis eBusinessStreams CRM Suite

- eBusiness Streams for Domino: eSales, eService, eMarketing
 - Collaborative CRM leveraging Domino/Notes infrastructure
 - Serving more than 100,000 people across six continents
 - 600+ implementations
 - From single countries to global rollouts, single divisions to entire enterprises
- eBusinessStreams for WebSphere: eService
 - Built ground up for SMB customers
 - Based on J2EE standards to easily integrate with and extend existing eBusiness environment



Why SNSP for Relavis?

October 25, 2002

- Benefits to Partners
 - CRM opportunity in Mid Market est @ \$15B-2004, \$26B-2006
 - 23-35% annual growth rates which includes software and services
 - Minimal up front investment - Earn while you learn
- Most SNSP partners move into Premier or Strategic levels
 - Resell full portfolio of Relavis products
 - Higher margins on all Relavis products
 - Higher services and related technology revenues
 - Focused channel Marketing and Sales resource from Relavis
- Benefits to Relavis
 - Link with IBM's BPs worldwide
 - Identify, partner, and support IBM partners who have built strong local or regional business around IBM software/hardware

Get started with CRM one step at a time!

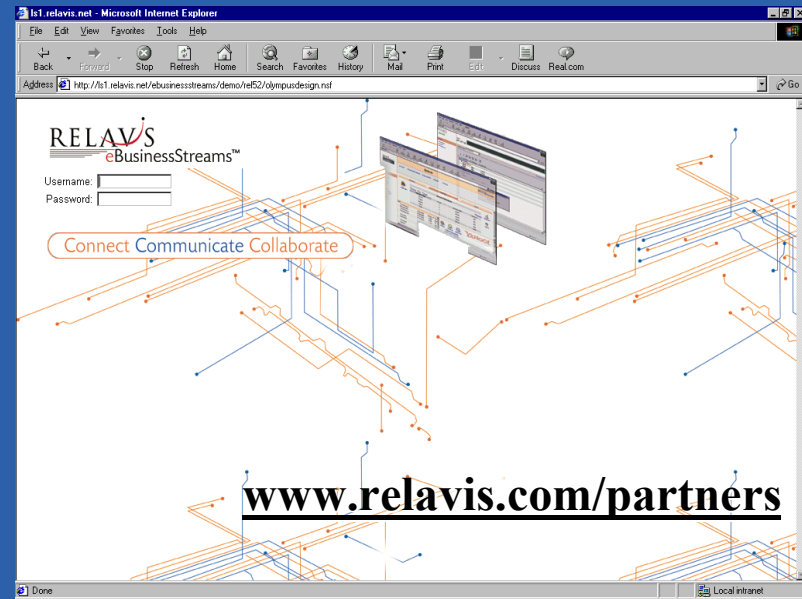


Getting Started with Relavis SNSP

October 25, 2002

- Our expectations?
 - Attend 3 day class - System Admin and Sales training
 - Develop business opportunity within your territory
 - Register leads to receive Pre-Sales and Sales support

- What should Relavis partners expect?
 - Minimal start up costs
 - Award winning CRM products
 - No Channel conflict with direct sales
 - Sales assistance on qualified opportunities
 - Implementation & technical support
 - Business planning assistance
 - Aggressive margins on Relavis products and maintenance
 - Growth in your own eBusiness Solutions and Services business



How are Relavis Partners doing?

October 25, 2002

- Relavis Worldwide Channel
 - 13 North American partners are SNSP certified and active
- Rapidly Growing pipeline!
 - Through demand generation, focused sales efforts, and developing existing customer base
 - Significant Add-On revenue opportunity for Partner
 - New Relavis CRM modules and/or expanding user base
 - Services
 - IBM Software
 - Hardware

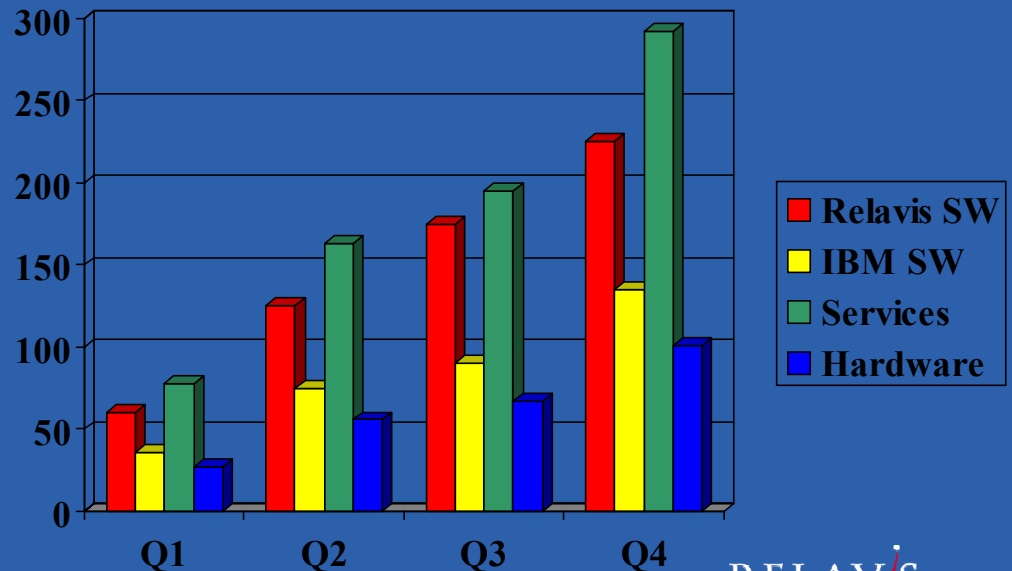


Chart represents average partner revenue opportunity with average sale @\$75K including Relavis software, IBM software, Partner Services and Hardware

How are Relavis Partners doing?

October 25, 2002

- Real Partner Success Stories...
 - Black Oak Technology Solutions, West Chester, PA
 - 2 new eSales customers in first 3 months of partnership
 - Sky Solutions, Saddle Brook, NJ
 - 3 new eSales deals closed within their existing customer base within first 6 months
 - Computech Resources, Green Bay, WI
 - Bob Verheyen, Director eBusiness Solutions



Cynthia Mathis * cmathis@relavis.com * 330-483-0402 * www.relavis.com



Computech Resources, Inc.

Bob Verheyen
bverheyen@compures.com
920-336-1387
www.compures.com

CompuTech Resources, Inc - Company Overview

- Founded in 1993 – Management Owned
- Over 60 Dedicated Professionals
- Locations in Green Bay, Milwaukee & Minneapolis
 - Focused Geographic Presence in WI, MN and IL
- Business Concentrations:
 - IBM Server & Storage Solutions
 - Infrastructure Integration Services
 - IBM Software Products
 - Web Based Application and Development Consulting
 - Complementary 3rd Party Solutions
 - Extended Service Offerings

CompuTech Resources, Inc- IBM Relationship

- Premier status for past seven years
 - Recognized go-to partner in Central area
 - One of 25 Total Storage Solution Centers in US
 - Member of IBM Top Contributor Software Partner
- Presence on IBM advisory boards and councils
- Certified e-Business Partner
- Premier Software Partner
- Start Now Solution Partner
- Certified Web Integrator

CompuTech Resources, Inc - eBusiness Focus

- e-Operation
 - Focus
 - Collaborative Applications
 - Information Access Portals
 - Wireless
 - Start Now Offerings
 - Start Now for Collaboration
 - Start Now for Wireless
 - Start Now for Infrastructure

CompuTech Resources-Start Now Solutions Proven

- Why Start Now?
 - Proven Methodologies
 - Provide Quick Win Solutions for our SMB Customers
 - Leads/Opportunities from IBM and Relavis
- How has Start Now helped CompuTech's Business?
 - Provided us proven step by step instructions and tools to provide our customer integrated solutions.
 - Provided us sample solution scenerios to map to customers business problems
 - Provided us sample task and timeline to be used in proposal generation
 - Strengthened our relationship with Relavis as one of IBM's Alliance partners, increasing our territory
- Success Story
 - Closed \$200k CRM deal with Norlight Communications
 - Pipeline for CRM opportunities has grow from 0 in 1st quarter of 2002 to 40 in 4th quarter of 2002