



Gérald Karsenti

Meet Gérald Karsenti

He's a published author, he likes doing sports, and he ran his own business before joining IBM. Gérald Karsenti recently took over the reins of IBM Software Group's Distribution Channels Management. He met with SW Business Partner e-News to share his views on current market conditions, the "ideal" Business Partner, and the future of e-business.

Q: How good is the Small and Mid-market opportunity this year?

It's better than good. In fact, it's bigger than the enterprise space. Our research shows that the Mid-market opportunity is \$46B, with a double-digit year-to-year growth rate, while the enterprise opportunity is \$43B, growing at 5% year to year.

Q: Is the Mid-market going to remain the key target for IBM Software Business Partners?

We need Business Partners to cover all customer segments, but we are investing heavily to get them to play in the Mid-market. That's where we need them most.

Q: List your top three priorities this year.

One, increase revenues from our existing customer base. Two, acquire new Small and Mid-market customers through Business Partners. Three, team with software developers, systems integrators and solution providers to create industry-tailored Small and Medium customer solutions.

Q: 2001 was a tough year for IT. What's the biggest challenge for Business Partners this year?

It is understanding how customer buying behavior has changed, and adapting themselves in response. Let me give you a few examples. According to research,

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Top Contributor Initiative Builds on Success for 2002

The Top Contributor Initiative (TCI) for Resellers was one of the most successful IBM Software Business Partner incentive programs in 2001. This year TCI will continue to provide financially rewarding benefits to Tier 2 resellers selling IBM software to Mid-market customer accounts through Passport Advantage. If you joined the initiative in 2001, you were automatically enrolled in January in the TCI for Software Resellers for 2002.

IBM is offering the same three financially rewarding offerings this year: the Market Growth Fee, Co-marketing, and the popular Now You! Sales contest. We are also increasing the Co-marketing fee to further enable joint marketing activities and help you get off to a fast start. Market Growth Fees earned by resellers will continue at the 2001 levels.

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TCI Hits the Books

In 2001 we laid the foundation for Business Partners to take advantage of TCI education classes and certification tests. And you passed with flying colors. You overachieved the worldwide WebSphere® certification target, at 398% of our goal. You more than tripled the full year worldwide Lotus® certification target, at 306%. The total worldwide technical and sales certifications were 281% of the full-year plan. Keep up the momentum this year — make sure you work with your BPSM on your Partner Marketing Plan and get certified.

According to the 2001 Software Group Market Intelligence Buying Behavior study conducted by IBM, there's a direct correlation between Business Partner skills and revenue contribution. Seventy percent of Business Partner revenue is generated by Business Partners with certifications in multiple brands.

It's a link that Business Partners have already discovered. Jim Pickins, president and CEO of Convergent Solutions, King-of-Prussia, PA says, "The certification and education programs help us do

two things. One, they help us shorten the sales cycle because we're able to bring certified people to the table that have industry and technical knowledge. They can talk specifically about the customer's problem, assess the situation and quickly reach a conclusion. The second thing that certifications do is help us close more business, because we appear to be the right solution to a customer's particular problem. We have the vertical expertise and the technology expertise — that's a home run."

Another Business Partner, Joseph LoLordo, Vice President of Chicago's Kanbay International, echoed the relationship between education and profitability. "There is definitely a correlation between the number of people we have certified and the amount of IBM solution revenue or new business opportunities we get. Over the last year, our revenues have increased at least 10-15% for the Web-based solutions that we've offered using IBM technology. Many of our clients are asking us to demonstrate that we have strong capabilities in IBM software.

The certifications are a baseline that shows the clients we are premier partners with IBM and know how to implement their solutions."

The list of eligible certifications and classes has grown to include new software and certifications, such as Informix and Visual Age for Java. The popular Signature Selling Method (SSM) and the Business Partner Executive Institute (BPEI) will continue to be available. Look out for Content Management certifications added in February.

Business Partner Levels Requalifying in 2Q

All Business Partner levels (Advanced and Premier), including TCI, will be requalified in 2Q under the new PartnerWorld® for Software criteria. Some Business Partners may forfeit their current level status if they have not completed the sufficient certification requirements. Please get in touch with your local IBM contacts and make sure you have an education/enablement plan in place for 2002.

New: TCI for Influencers

Based on the design of the Top Contributor Initiative for Resellers, IBM has announced the Top Contributor Initiative for Influencers. This initiative recognizes the important role that Influencer Business Partners — such as System Integrators and Web Integrators — play in our success as a software business. It will align with our current account coverage and Business Partner

incentive strategy. Influencers can choose to participate in enterprise, SMB or both.

Resellers and Influencers must have an approved business and marketing plan and both must be either an Advanced or Premier Business Partner, based on PartnerWorld for Software criteria. The Influencers program enables qualifying Business Partners to earn fees for driving the sale of IBM software. Qualifying Business Partners who influence Mid-

market sales can participate in the same type of financially rewarding incentive offerings as the TCI for Resellers Business Partners currently enjoy, with some slight modifications.

TCI for Influencers program details, including qualification criteria, will be posted on the PartnerWorld for Software web site soon.

Tackling the Skills Challenge

Did you know that almost 80% of the time, there's some combination of middleware acquired to support either a software or IT architecture which illustrates the revenue opportunity for Business Partners and IBM in selling more than one brand?

Or that more than 70% of the revenue generated by Business Partners is from those with certifications in multiple brands?

To drive more revenue in 2002, it is important to increase the total number of certifications across all of our Business Partner firms. Here are the steps we're taking to tackle the skills challenge. We're asking that all TCI partners complete their skills enablement plans as soon as possible. The enablement plan is a component of the overall Business Plan that each TCI Business Partner must complete as part of the 2002 business criteria. These skills objectives will help us to better plan and serve the needs for skills growth in each geography.

To provide ongoing sales education, new offerings will be available in 2002 in a consistent, proven format pioneered by our WebSphere team. This enablement format, which offers

'101' and '201' sales education, will be available for all four power brands in 2002.

Building on that university concept, we are organizing our education for Top Contributors into the Top Contributor University (TCU). The Entry, Upper Classman and Graduate levels simplify and streamline many offerings so they are coordinated and easily understood. The course levels address all facets of training from certification to specialized programs such as the Accelerator and Executive Assessment. For more information on this exciting new program, visit:

www-100.ibm.com/partnerworld/software/pswswzone.nsf/top?readform

We're also providing a link to sales roadshows and skills roadmaps that are available in the PartnerWorld for Software Business Partner Zone at: (available to partners who have purchased a 2002 value package) www-100.ibm.com/partnerworld/software/pswswzone.nsf/subcat?readform&cat=e&subcat=tcieducationprogram

Mid-Market News

Ten New Start Now Offerings in 2002

2001 saw the launch of nine new offerings for Start Now, IBM's family of easy-to-implement e-business solutions designed specifically for your small and medium-sized business customers. Start Now can be included with other solutions or easily customized to keep pace with a customer's growth, expansion and acquisition needs. Last year more than 1,000 individual Business Partners passed more than 2,200 Start Now specialty tests, and press coverage has been extensive and extremely positive.

Mark Halwa, president of Sandbox Systems in Calgary, Canada, offered this perspective on the business advantage of using Start Now: "We've taken advantage of Start Now for collaboration and Start Now for e-commerce and we're now working with our face-to-face IBM rep to develop a Start Now for e-learning. We'd like to be the first ones in North America to actually use this. We ran a pilot event late last year where we brought in twenty chief knowledge officers and showed them IBM technologies. They were really impressed — in fact, we closed three sales that day. Our hopper for e-learning engagement is already full for 2002. I'm sure it's going to be a very good year for us."



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82% of middleware sales involve a combination of products. Packaged applications, not custom development, are used in two-thirds of customer projects. And Solution Providers are involved in 66% of middleware projects. Many Business Partners are not prepared for these shifts.

Q: How is IBM helping Business Partners get prepared?

First, we're making sure they're profitable, since they need to make money to stay in business with us. The Top Contributor Initiative is the best example of this. It awards partners to get up to 20% in the enterprise space and 40% in Small and Midsize Business accounts. Some competitors aren't offering any incentives for enterprise sales. We are. And we are obviously the most competitive in the SMB space. Second, we are offering the e-business infrastructure that Business Partners need to build their solutions and services.

Q: Is IBM still focusing on Business Partner skills?

More than ever. We have studies showing that Business Partners with deep skills win more business. It also speaks to the buying behavior data I mentioned. Customers tend to use Solution Providers in the majority of middleware projects, and they need support for more than one product. Top Contributors University, the Practical Approach to e-business Roadshow, and the free education vouchers are all PartnerWorld for Software offerings that make it easy and affordable to get skilled in DB2, WebSphere, Lotus and Tivoli.

Q: What other PartnerWorld for Software offerings are critical this year?

The Start Now family for e-business will continue to expand, and will include new selling scenarios based on Brand Leadership offerings. Start Now solutions are a great example of offerings that reward Business Partners with skills in multiple IBM brands and a desire to grow their Mid-market revenues. Business Partners also tell us they like the Signature Selling Method sales training and our Signature Sales Resource tools. Like all PartnerWorld offerings, the greater the Business Partner's commitment and investment, the greater the benefits our partners can achieve.

Q: Why is teaming with ISVs and systems integrators so important to your Mid-market strategy?

Because the Mid-market needs solutions tailored to the size of their companies and the industry they are in. With the trend toward purchase of packaged applications, we need to offer ready-made solutions that our Business Partners can deliver. In effect, we need a perfect ecosystem that combines the right middleware, applications and services.

Q: What would your ideal ecosystem look like?

Let me give you an example from the CRM environment. A customer wants a complete, integrated solution — they don't want to worry about all the piece parts. That solution will use IBM middleware, an application written by an ISV, and it will be implemented by a

Business Partner who is highly skilled in IBM technology. In a perfect world, our Business Partners would be skilled in two or more of our brands, since customers rarely require only one middleware product.

Q: What are you doing to team with ISVs and systems integrators?

We are introducing a Top Contributors Initiative where we will team with a select group of ISVs, based on predefined criteria, to incorporate their applications into our Mid-market offerings for e-business. We will execute teleweb campaigns to create leads, which will be given to the Top Contributor Partners — they will team with systems integrators, consulting firms and Web integrators — to bring the right solution to market. And remember the size of this market — just the middleware part of it is \$46B. We are very excited about this program.

Q: What do you think the Software industry will look like in another five years?

I think the move to e-business was too fast and too big. Now we're swinging back too far in the opposite direction. During the next five years, companies — especially in the Mid-market — will really embrace e-business on demand, and XSPs will play a big part in IBM's business in the Small and Medium customer segment. IBM will continue to be the only company to offer an end-to-end e-business architecture. Additionally, I think the new generation of development tools and the adoption of open standards will result in infrastructures that are more flexible than today.

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Benefits Enhanced for 2002

To ensure that PartnerWorld for Software Advanced and Premier Business Partners are well equipped to win against the competition, IBM has greatly enhanced the benefits associated with these levels. Advanced members will have a single point of contact in IBM, technical mentoring for significant sales opportunities, and enablement reimbursement through the We Pay offerings. Premier members will have the same benefits plus a face to face IBM sales contact, sales mentoring, \$50K in We Pay offering reimbursements, PR Support, Critical Situation support, more opportunities for Technical Mentoring, and PR Support for joint announcements centering on customer success stories or win backs.

This year, PartnerWorld for Software Advanced members are required to have three skilled individuals: two technical certifications and one sales skill or certification. Premier members must have eight skilled individuals: five technical certifications in at least two different brands, and three sales skills or certifications. Influencers must have six technical certifications in at least two brands, and two sales skills or certifications.

Both Advanced and Premier members must have the capability to demonstrate at least one Power Brand.

There was a significant increase in certifications through 2001, but not all Top Contributor Business Partners have reached the requisite skill levels. Therefore, during the first quarter of this year we continued the Sales Roadshow, which could be covered by free coupons. Business Partners now need to use the You Pass We Pay program, so don't forget to buy the Value Package and take advantage of its tremendous benefits for you and your organization. You can visit the PartnerWorld web site for more information at www.ibm.com/partnerworld/software. Click on "membership basics."

In the meantime, get off to a fast start for 2002:

- Work with your IBM sales contact to build your Partner Marketing Plan and achieve the certifications you need
- Top Contributors, complete your Partner Marketing Plans as soon as possible
- Sign up for Now You!
- Take the Start Now specialty tests

PartnerWorld 2002 Draws Over 2,900 Business Partners

If you didn't attend PartnerWorld 2002, you missed a great conference! This year's event was held at the Moscone Convention Center in San Francisco from February 17-20, and drew over 2,900 IBM Business Partners from all parts of the globe. IBM Software Group was well represented at the event with over 80 pedestals in the Solutions Center and 13 Exchange Sessions. There were main tent sessions, one-on-one meetings, a pavilion where both IBM and Business Partners demonstrated their solutions and/or services, and plenty of social activities each evening. Business Partners can view keynote presentations from the conference by visiting www.ibm.com/partnerworld.

IBM Software Group kicked off the PartnerWorld 2002 event with an exclusive dinner cruise for its Top Contributor Business Partners on Sunday evening. Over 400 participants boarded the San Francisco Spirit and enjoyed a three-hour tour of the bay area and surrounding sights. This event was specifically designed to thank those Business Partners who have invested in their partnership with IBM, and give them an opportunity to meet with key IBM executives in a social atmosphere.

Meet Gérald Karsenti

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Q: You came to IBM after running your own company. Can you apply any "lessons learned" to your new position?

Well, it wasn't a technology company, but it was a Small to Midsize Business, so I do understand what keeps our Mid-market customers — and our Business Partners — awake at night. One is profit, because if you don't make money you're out of business. The other is the need to react quickly to change.

Q: You're a native of France, you've lived in Japan, the Soviet Union, and now the U.S. Do you find e-business very different in all those places?

It's actually more the same than different. What surprised me, in Russia especially, was how sophisticated their technology was and how fast they had adapted to the Internet. Speed is the basic driver everywhere. And IBM knows we need to keep pace.

Q: What do you think is the biggest revolution ahead?

Life sciences. The advances we are making in this area are incredible. Of course, we need to establish ethical boundaries, but the ability to cure a terminally ill child or reattach a limb is so powerful. What a great application of technology. By the way, IBM is deeply involved in this area, with some of the best specialists in the world and of course our technology.

Q: What is the last thing you bought on-line?

Books. At amazon.com.

PWSW Satellite Broadcast/Webcast May 2

Please join our IBM Worldwide and North America executives for a PWSW simultaneous satellite broadcast/internet webcast entitled "The Winning Formula: IBM and Business Partner Profitability" on Thursday, May 2, from 1:00 - 2:45 PM Eastern Time.

This is a great opportunity for you to learn more about:

- factors that are assisting IBM Business Partners in building their businesses and improving profitability
- the impact of IBM's software relative to your bottom line
- new Power Brand and Cross Brand education offerings
- tailored Start Now Solutions Proven Program that will help drive Midmarket sales and revenue
- creative demand generation tactics and "air cover" that IBM Software Group will use to support your marketing efforts
- how some IBM Business Partners have dramatically increased their revenue and profits

To register for the broadcast and a list of viewing sites, go to <http://www.ibm.com/partnerworld/software/broadcast>.



The IBM Beacon Awards were presented in February at a gala evening event during PartnerWorld. The awards recognize the true leaders of the e-business revolution — the IBM Software Business Partners worldwide who have excelled in providing outstanding e-business solutions and services to customers based on IBM, Lotus, and/or Tivoli software technologies.

This year's winners were:

Best WebSphere e-business Solution
NetSetGo

Excellence in Partnering
Emerging Technology Solutions
Key Information Systems, Inc
Tech Frameworks Inc.

Best Leveraging Information for Competitive Advantage Solution
Andersen

Greatest Innovation in e-business
Digital Union UK Ltd.

Best Managing Technology Solution
Datatrend Technologies

Greatest Mid-market Success

Sysinct Distinguished Achievement Awards
Asia-Pacific—Mesiniaga Berhad
Latin America — Grupo PISSA
North America — Silicon Plains Technologies
EMEA — Tectrade

For details, visit www.ibm.com/partnerworld/software and click on the IBM Beacon Awards link.

The 2002 Lotus Beacon Awards were announced January 27 during Lotusphere. The awards were presented to Software Business Partners in the IBM PartnerWorld program who have left their mark on a dynamic industry. Their achievements are proof positive of their ability to provide expert and quality products, solutions and services to customers — solutions and services built on Lotus and IBM technologies.

The winners are:

Best Knowledge Management Solution
iCore Solutions

Best e-Learning Solution
Transition Associates Ltd

Best Collaborative Solution
Groupware Innovations Inc.

Best Mobile/Wireless Solution
Brookstone Technologies Pty Ltd

Best e-business Solution
KMP Internet Solutions

Best Industry Solution
Workgroup Connections, Inc.

Best Messaging Migration Solution
BinaryTree.com

Best Philanthropic Solution
Connectria

Best Tool/Utility Solution
Wolcott Systems Group

Excellence in Partnering
CONET USA, Inc. & ePartners, Inc.

Rising Star Award
SNAPPS, Inc.

Distinguished Achievement Award
Asia Pacific — Presence Online Pty Ltd EMEA — INOPI Aps
Latin America — Actio Interactive Solutions
North America — Symatrix Technology

Best in Lotusphere Showcase
COGNICA

For details, visit www.lotus.com/home.nsf/welcome/beacon

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IBM Business Partners Selected as Leading Women Entrepreneurs of the World

The STAR Group, a leading PR and marketing firm based in Los Angeles, recently announced that eight women-owned IBM Software Business Partners have been selected for The Leading Women Entrepreneurs of the World for 2002, and will join 32 other recipients for the fifth anniversary Gala in Paris, France. The Gala and celebratory events are produced by The STAR Group, with underwriters IBM and JP Morgan Private Bank, and sponsored by The International Herald Tribune, American Airlines, Starwood Hotels & Resorts Worldwide, Paspaley Pearls, Ruinart Champagne, Baccarat, Sonia Rykiel, and Christian Dior.

The outreach for honorees extends to over 700 sources worldwide, including over 75 global business organizations and women's associations, as well as U.S. and world governmental agencies spanning six continents and 68 countries. Collectively, the companies owned by The Leading Women Entrepreneurs of

the World™ represent over \$100 billion (USD) in annual sales.

As a sponsor of The Leading Women Entrepreneurs of the World since 1996, IBM has long recognized the important contributions of women business owners and business leaders to economic growth and prosperity around the world.

Cherie Piebes, IBM Software Group Business Unit Executive, Communications, expresses IBM's commitment to women business owners: "Over the past several years, IBM has become increasingly aware of the global growth of women entrepreneurs. We are proud to be an underwriter of this event for the sixth consecutive year. We have been helping women business owners better understand and capitalize on the tremendous opportunities the Internet and IBM software and technologies bring to our global community. Without a doubt, women are now enjoying the benefits of these technologies: global communication, relationship building, and improved management of their day-to-day work/family responsibilities."

WINNERS:

Mrs. Ursula Flade-Ruf
MLP Management
Munich, Germany

Mrs. Lina Micheli
Spirit 21 AG
Ehningen, Germany

Gabriela Hansen
Geminis Computer S.A.
Buenos Aires, Argentina

Maria di Nicco
EOS Group
Bologna, Italy

Paloma Hernandez Arrizabalaga
Primeur Espana, S.A.
Madrid, Spain

Ms. Robin J. Highstone
Matrix Information Systems, Inc.
Merritt Island, Florida, USA

Ms. Julie Palen
Internoded
Cambridge, Massachusetts, USA

Ms. Joanne Culver
PROVISTA Software International, Inc.
Fremont, California, USA

IBM Named Channel Champion By CRN

IBM received several CRN Channel Champion awards at the publisher's inaugural awards ceremony in March. IBM's ThinkPad notebooks and WebSphere Internet infrastructure software swept the

Notebooks and Java Application Server categories, respectively, which included technical, channel and overall Channel Champion awards. DB2 database software earned the top award in the Channel Program sub-category of the

Databases category. The Channel Champion award program, now in its eleventh year, is based on the largest and broadest-based solution provider market study in the industry.

Riva Consulting Helps Micrometer Manufacturer Measure Up

When Micrometer manufacturer wanted a new system that combined an online product catalog, real-time stock availability, and online order processing, they chose Riva Consulting. Riva Consulting is a West Sussex, UK based e-business consultancy and Premier member of IBM PartnerWorld for Software. Dubbed "edge," the solution is based on IBM WebSphere and Lotus Domino®, with a back-end sales order processing system running IBM DB2 on an AS/400® server.

Since edge was implemented, Mitutoyo has gained nearly 1,500 registered users, including a number of Fortune 500 manufacturers, and is processing an estimated 15% of all orders electronically. The solution has enabled Mitutoyo to increase sales without increasing costs, reach a broader customer base, extend

operating hours to 24 x 7 availability, and decrease customer phone support time.

"Riva Consulting has given us an e-commerce solution that serves our distributors and our end-user customers, placing our company well ahead of our competitors. This is a first in our industry and clearly places the UK operation as a leading example of utilizing e-commerce to improve customer satisfaction," says David Thomson, Managing Director, Mitutoyo UK Ltd. "Riva Consulting's services and IBM's e-business software have enabled us to keep pace with change and meet the continual advancement of new business opportunities."

For the complete story, visit www.ibm.com/software/success and search for "Riva Consulting".

Todd Herman & Associates, PA Automates Workflow Development

From hinges to drawer slides, Liberty Hardware designs and provides hardware for homes and offices nationwide. Liberty's rapidly growing business has accelerated the introduction of new products, nearly tripling from 800 per year in 1999 to 2,000 per year in 2001. This increase in new products, along with Liberty's growing employee base, spurred the company to improve communication and collaboration among departments and better enforce product development policies and procedures. To achieve these goals, Liberty Hardware turned to IBM Business Partner Todd Herman & Associates (THA).

THA implemented a Notes/Domino®-based solution, called FlexFlow, to provide structured online workflow for the company's intricate product development

process. The solution enables Liberty Hardware to better track the progress of each project and help staff immediately identify product development bottlenecks and act quickly to resolve them.

"Our product development time shrank by 40% with the implementation of FlexFlow. New products account for almost \$8 million of our sales, so the quicker we get products to market, the better our revenue stream. We can now better track the progress of new projects, allowing us to immediately identify bottlenecks and react quickly," reports Jason Gauci, Product Development Manager, Liberty Hardware.

For the complete story, visit www.ibm.com/software/success and search for "Todd Herman".

Mid-Market News

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This year, IBM plans to support WebSphere, DB2®, Lotus and Tivoli® offerings with ten new Start Now Enablement Kits specifically updated to support additional brand offerings. The Enablement Kits will have supporting marketing programs designed to provide you with step-by-step instructions and the necessary tools to sell integrated e-business solutions geared to the SMB space. These new Kits will start to roll out in April and will address the hot portal area, integration of customers' e-business solutions, advanced collaboration and more.

Top Contributors are eligible for unique Start Now incentives in 2002, especially in Co-marketing funding. In some cases, each unique Start Now specialty your location obtains nets you Now You! non-sales points. Visit the Start Now web site for more information and specific directions on how you can become Start Now authorized and start to take advantage of the tremendous opportunities available as an authorized Start Now Business Partner.

For more information on the IBM Start Now Program, visit www.ibm.com/partnerworld/startnow

Co-Marketing in Six Easy Steps

IBM's brand awareness can be a powerful marketing tool with your customers. Co-marketing is a rich set of offerings for IBM PartnerWorld for Software Business Partners that lets you take advantage of our brand equity to generate awareness and demand for your IBM-based solutions, resulting in leads and ultimately, sales.

Two years ago there were approximately

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120 Co-marketing proposals from Business Partners. Last year that number jumped to over 1,000, demonstrating the popularity of this program. Follow the steps outlined below to join the growing number of Business Partners profiting from IBM's Co-marketing offerings.

As a reminder, PartnerWorld for Software Business Partners who are approved in the Top Contributor Initiative are eligible for co-funding of marketing activities. These Business Partners must have an approved business/marketing plan. TCI Resellers are eligible for up to 5% of their agreed-to Mid-market revenue commitment. TCI Influencers are eligible for up to 3% of their agreed-to Mid-market revenue commitment. Additionally, a limited number of brand (DB2, Lotus, Tivoli, WebSphere) sponsored Business Partners who are either Advanced or Premier in PartnerWorld for Software might be eligible for co-funding of marketing activities.

Here's how it works:

1. Your Business/Marketing plan, including the Mid-market revenue target, must be approved.
2. You complete an application form for each co-marketing offering outlined in the plan.
3. You gain approval for each co-marketing tactic. Once a marketing activity is approved, you'll receive an e-mail which includes the assigned control number and your ID and password to access the Harte-Hanks Lead Management System.
4. You pay for and execute the tactic(s).
5. You submit proof of execution along with the leads and results to Harte-Hanks.
6. You submit a claim for reimbursement.



Now You! winners will enjoy an African photo safari

Now You! Winners Off to Africa

The Now You! Sales incentive was a big hit with Business Partners in 2002, with more than 1,000 TCI Business Partners and 750 Sales Professionals enrolled in the contest worldwide. TCI Business Partners competed for a "trip of a lifetime," an African safari departing May 17 that includes a tour of Cape Town, a safari at Chobe Game Park in Botswana, and a private tour of Victoria Falls in Zimbabwe. The Business Partners and a guest will be hosted by Software Sales executives from the Americas, Asia-Pacific and EMEA.

Business Partners are seeing the effect of the Now You! contest on increasing their sales reps' focus on closing deals. According to David Cohen, general manager of Inge.com in France, "The Now You program allows our sales department to really compete with each other. To make more sales, to spend more time with prospects and to focus more on clients. Before, when they had an opportunity, they would call the client every two weeks or so after the first contact. Now, they go on site or call the client every few days. Because of this incentive, and the SSM methodology, everything is completely optimized here. We are very, very happy with this program."

Now You! has been a great success and one that will continue in 2002.

Direct mail, telemarketing, and seminar activities outlined in an approved business/marketing plan will be considered "pre-approved," which expedites the approval process. Claims must be submitted within 60 days after the tactic has been completed. Leads and results are tracked in a secure third-party Lead Management system owned by Harte-Hanks. A reimbursement claim form is available on the Co-marketing Web site.

Additional marketing activities not outlined in your business/marketing plan

may be submitted via the Co-marketing web site (listed below). These marketing activities along with non-Seminar events and Custom Marketing Proposals are not pre-approved in advance, and require the IBM regional manager's approval. The approval cycle for these marketing activities is about ten business days.

Co-marketing has a wide array of offerings, including Direct Marketing, Campaign Designer, Telemarketing, Telemarketing Scripts, Seminars/Events, and Custom Marketing Proposals. For

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detailed descriptions of each of these offerings visit www.ibm.com/partner-world/software/zone. Choose Marketing and Sales Support, then choose Co-marketing Program.

Teleweb + Business Partners Drive \$250M in Software Sales

IBM's Teleweb strategy was a big success in 2001, generating 23,000 leads at 15 Teleweb Centers worldwide. Eight thousand of those leads were passed directly to Business Partners, who turned them into \$250 Million in revenue. Teleweb was responsible for 7,000 net-new Passport Advantage contracts and over \$300 Million in Passport Advantage contract renewals. These results are a significant step forward, and we will carry this momentum throughout 2002 and straight to our bottom lines.

Partner Marketing Plan for TCI Members

In 2002, Top Contributor Partners will be required to have a business/marketing plan for TCI Program acceptance. To facilitate and support this, a Software Group global planning process and planning tool will be used to ensure that this planning activity results in maximized profits for you and IBM. The planning strategy being used is based on maximizing your success, taking into account your specific business model and marketplace realities, by creating effective, executable initiatives and go-to-market dynamics around your core business propositions and strengths. The validity of this approach has been proven by years of marketplace experience.

Many of you are already working with IBM and are creating a 2002 plan that clearly identifies the activities, owners,

time frames, investments and demand generation that will be needed for successful execution of your business and revenue targets. For optimal leveraging, this process and tool will also allow IBM to align within this plan the various integrated marketing activities, execution tactics and campaigns that IBM Software Group has developed in 2002.

For more information about PartnerPlan, visit www1.ibm.com/partnerworld/pwhome.nsf/mktgsale/partnerplan.html

Three SMB Campaigns for 2002

The Software Group Market Intelligence Buying Behavior study clearly points out ways to position IBM middleware in combination across the brands with key, packaged applications that can be delivered readily through skilled solution providers. Business Partners can add attractive applications coupled with the services and skills our customers seek. In 2002 we will take advantage of our unique position and abilities in this space and aggressively seek to generate demand in the Mid-market.

This year we are consolidating multiple small campaigns into a set of three hard-hitting and focused campaigns which feature multi-brand software solutions. The three campaigns are:

- Retain and Grow Campaign
- New e-business Acquisition Campaign
- ISV/Packaged Application Campaign.

Below is a brief outline of each campaign. Please note that these campaigns are still in development and subject to change. Campaigns may vary by geography, so stay in close contact with your Business Partner Sales Managers to stay

up-to-date and take full advantage of these initiatives.

Retain & Grow Campaign

The Retain and Grow Campaign spotlights our existing customers in companies with 500-5000 employees. This campaign leverages customers' existing relationships with IBM and the knowledge we have about them. The campaign offers up-to-date, functionally-enhanced versions of their installed software or offers them new infrastructure software that, with their existing IBM software, provides a more effective handle on their business problems. Planned tactics center primarily around outbound telesales efforts designed to generate leads for IBM Top Contributor Business Partners, complemented by supporting web sites, newsletters to Passport Advantage customers and promotions to encourage customers to take action now.

New e-business Acquisition Campaign

The New e-business Acquisition Campaign is designed to reach line-of-business and IT managers in businesses with 100-5000 employees. This campaign is targeted at the exciting opportunity space of customers who do not currently have IBM software installed. Again, tele-tactics will play a major role in uncovering opportunities, and regional seminars featuring local IBM Top Contributor Business Partners will help customers see the benefits of e-business software solutions from IBM.

ISV/Packages Application Campaign

The ISV/Packages Application Campaign is designed to reach IT and line-of-business decision makers in SMB

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companies. The objective of this campaign is to offer the reliability, scalability, and extendability of IBM middleware already linked and tested with ISV applications that meet a large range of line of business requirements. This campaign will include both IBM-led joint marketing tactics with key local ISVs, and co-marketing tactics driven by IBM Business Partners as part of the Start Now Solutions Proven Program.

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