

*PartnerWorld for Software
Broadcast VI
2000 Series*

e-Commerce Corporate
Drive Campaign!

September 20, 2000



Remote TV Participants Only

Broadcast VI - e-Commerce Corporate Drive Campaign!

Name: _____ Location: _____ Phone: _____

We value your input!

Please circle your answers to the questions asked on the broadcast and return this form immediately by either Fax or Mail.

FAX

Ann Barnhart, IBM Business Partner Software Program at 972-280-6394

MAIL

IBM Corporation
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5th Floor
1507 LBJ Freeway
Dallas, TX 75234

Thanks for your cooperation.

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|-------------|---|---|---|---|---|-----------------------|---|---|---|---|---|
| Question 1 | A | B | C | D | E | Evaluation Question 1 | A | B | C | D | E |
| Question 2 | A | B | C | D | E | Evaluation Question 2 | A | B | C | D | E |
| Question 3 | A | B | C | D | E | Evaluation Question 3 | A | B | C | D | E |
| Question 4 | A | B | C | D | E | Evaluation Question 4 | A | B | C | D | E |
| Question 5 | A | B | C | D | E | Evaluation Question 5 | A | B | C | D | E |
| Question 6 | A | B | C | D | E | | | | | | |
| Question 7 | A | B | C | D | E | | | | | | |
| Question 8 | A | B | C | D | E | | | | | | |
| Question 9 | A | B | C | D | E | | | | | | |
| Question 10 | A | B | C | D | E | | | | | | |



Broadcast VI - e-Commerce Corporate Drive Campaign!

Name: _____

Company: _____

Program #: _____

Voice #: (Must be included) _____

FAX #: (Must be included) _____

E-mail: _____

Please limit your questions to the subjects discussed in today's broadcast.

Agenda

- 2:00
- **Welcome**
 - Michael Colleary, Vice President Americas Software Channel
 - **PartnerWorld for Software Updates**
 - Sheryl Ball, Manager IBM NA Business Partner Software Program
 - **e-Commerce Campaign Overview**
 - Terease Baker-Bell, NA Software Channel Marketing Manager
 - **e-Infrastructure Campaign Overview**
 - Terease Baker-Bell, NA Software Channel Marketing Manager
 - **Start Now - e-Commerce**
 - Jeff Howard, Program Director, IBM Software SMB Products and Solutions
 - **Start Now Ariba Supplier Live**
 - Nicole Katrana, WebSphere Commerce Suite Channels Marketing
 - **Partner Testimonial - A Business Partner's Experience with Start Now**
 - Michael von Bodungen, CTO, Shared Vision Group
 - **e-Commerce Executive Assessment**
 - Kim Masoner, WebSphere Commerce Suite Channels Marketing
 - **Partner Testimonial: How eCase Has Worked for Me**
 - Terry McCaffrey, Chief Operating Partner, e-Commerce Technology
 - **ISV-ASP Mid Market Solutions**
 - Terease Baker-Bell, NA Software Channel Marketing Manager
 - **Q&A**
 - **Close**
- 4:00



PartnerWorld for Software Updates

Sheryl Ball
Manager, IBM NA Business Partner Software Program



e-Business Solutions Financing Agenda

- Describe Software and Services Financing Trends
- Describe What IBM Global Financing Supports
- Provide IBM Global Financing Overview
- Define Benefits: Customer, IBM/Other Equipment Manufacturer/BP/ISV/Third-Party Service Provider, Reps
- Describe Competitive Advantages
- Provide Examples
- Describe How to Use IBM Global Financing Most Effectively
- Identify Information Required for Financing Proposal

Software and Services Financing Trends

- Software and services financing growing very fast
 - Year 2000 impact on budgets
 - Large \$ value of integrated solutions
 - Software vendor growth requirements
 - Evolving accounting rules
- Estimate is that in 2000, more than 25% of software and services will be financed

Supports All IBM, Other Equipment Manufacturer, Business Partner, Independent Software Vendor and Third-Party Service Provider Products and Services

- Standalone financing of hardware, software and/or services, both IBM and non-IBM
- Specially attractive financing for qualifying e-business solutions
- Rates often below market (below prime in US)

IBM Global Financing -- Overview

- IBM Global Financing is the World's Largest IT Financing Company
- Almost \$18B in Customer Financing Worldwide in '99
 - \$13.2B Hardware
 - \$4.5B Software/services
- Over 500 Customer Financing Advisors Worldwide

e-Business Solutions Financing -- Customer Benefits

- Implement needed e-business solutions now!
- Spread large purchases over time to meet budget
- One low monthly payment for a total solution
- Customized payment structures, e.g. step-up
- One-stop financing of total solutions
- Preserve existing credit for other opportunities
- Potential for off-balance sheet financing
- Evolving accounting ruling "requiring" capitalization of software and related services means financing can help match cash flows to accounting

e-Business Solutions Financing -- IBM / Other Equipment Manufacturer / Business Partner / ISV / Third-Party Service Provider Benefits

- Sales
 - Sell more product up front
 - Close bigger deals faster
 - Close more follow-on business--close it more easily
 - Influence customer behavior via promotions
- Business Operations
 - Improve revenue recognition
 - Improve cash flow management through reduced A/R
 - Minimize credit risk

e-Business Solutions Financing -- Rep Benefits

- Overcome objections, e.g. need for large upfront outlay, affordability
- Those who finance more buy more -- think cars!
- Revenue recognition
- Follow on sales
 - Customers who financed bought 15% --137% more over two years than customers who didn't!
- Improve your productivity, e.g. by prequalifying credit

e-Business Solutions Financing -- Rep Benefits (continued)

- Minimize credit risk
- One packaged price reinforces e-business solution concept
- Your firm can offer discounts to buy down rates
 - Acquisition alternatives
 - "Trial close"
- Soft financing specialists' expertise to sell to customer financial execs

e-Business Solutions Financing -- IBM Global Financing Competitive Advantages

- **Relationship**
 - WW IBM/BP/ISV relationships
 - WW account coverage and relationships in place
 - Existing relationships allow aggressive soft financing
 - One-stop shopping for all IT financing requirements
- **Business Operations**
 - IBM financial strength
 - Breadth and depth of available financing solutions
 - Simple contracts and easy paperwork
 - Flexible terms and conditions
- **Attractive market rates**

e-Business Solutions Financing -- Example 1: Don't Let Budget Get in Your Way

- \$500K deal for Best + customer implementing an ERP solution
- June 1, 2000 install
- Customer has budget constraint and can only pay \$72,000 this year
- Proposal: 36 month term with 6 payments @ \$12,000 and 30 payments @ \$16,865

e-Business Solutions Financing -- Example 2: Offer the Customer a Customized Payment Structure

- \$1.0M deal for Best + customer implementing a BI solution
- June 1, 2000 install
- Customer would like to defer payments for 3 months, then begin a 24 month financing term on 9/1 with quarterly payments in advance
- Proposal: 3 month deferral followed by 8 quarterly payments of \$141,700.

e-Business Solutions Financing -- Example 3: Help a Small or Medium Business Conserve Capital

- \$250K deal for Best customer implementing a Supply Chain solution
- July 1, 2000 install
- Customer would like to match payments with benefits over 36 month period
- Proposal: 36 payments at \$8,098

How to Use e-Business Solutions Financing Most Effectively

- Involve IBM Global Financing early in the sell cycle -- before the price goes out
 - Have us prequalify customer creditworthiness
 - Determine the payment schedule or interest rate needed to close the business
 - Your firm can offer discounts to buy down rates
 - Enables packaging price/discount/payment structure/rate to structure the most attractive, competitive deal
 - Consider leading with one or more financing options!
 - Sell the deal, NOT merely the rates
- For help in contacting IBM Global Financing, click on "References and Links" to go to www.ibm.com/financing

e-Business Solutions Financing -- Information Needed for Financing Proposal

- Customer legal name (and IBM customer number, if known)
- Install date/location/address
- Customer contact name/title/address/phone
- Total hardware/software/services to be financed, as applicable
- Sales tax applicability/treatment
- Financing term/payment frequency
- IBM Global Financing Credit department may require financial data

IBM Global Financing Summary -- Keys to e-Business Success

- Use as a key marketing productivity tool
- Get IGF involved in every appropriate marketing situation as early as possible
- Rely on IGF professionals to provide needed expertise -- they are part of your team!

e-Commerce Campaign Overview

Terease Baker-Bell
NA Software Channel Marketing Manager



e-Commerce Campaign

- Advertising
 - print, TV, radio, web banner, direct mail
 - focus period: Sept. 16- Dec. 31
 - target audience (enterprise, GMB/GSB)
 - ▶ Industries: finance; telecommunications; automotive; electronics; utilities; retail; chemical & petroleum
 - ▶ key influencers: implementors, web developers, industry vertical consultants, systems integrators, ISVs
- Messaging
 - IBM helps get it right the first time
 - ▶ all companies, no matter the size
 - ▶ solutions simple to complex
- Offerings
 - 56 offerings; 11 leadership offerings; 3 channel offerings
 - Channel offerings: IBM Start Now e-Commerce; IBM Start Now Ariba Supplier Live; e-Commerce Executive Assessment



e-commerce Campaign Tactics (NA)

	\$M	Aug	Sep	Oct	Nov	Dec	
TV	21.2	Three new BLB/ "Moments of Truth" e-commerce commercials: "Where's Eric" (e-marketplaces/wireless); "Fountain" (wireless); "No Problem" (e-business infrastructure)					
Print	1.5	Four Page Insert: WSJ, NYT, Business Week, Business 2.0, Forbes, Inc, Industry Standard, Time Business, Fast Company, Red Herring					
Radio	1.1	e-culture Radio: 5 weeks, 6 markets: NY, LA, Chicago, Boston, Phila., SF					
Web Adv	1.4				DR Banners: Phase 1	DR Banners: Phase 2	DR Banners: Phase 3
DM/RM		Goldmine/eCRC Telemarketing: 10,000 accounts					
		e-mail tactics: 9/18					
		6x9 mailer/#10 envelope: 9/25					
Web Site		ibm.com/e-business Solutions finder: 56 e-commerce offerings + CRM, BI, SCM. Text-chat capability, call me, case histories, collateral, events, eBRC					
Co-mktg		PartnerWorld e-design center: Self mailer, Telemarketing script, e-mail, e-blast copy, HTML copy, Web banners					



Solution Finder will be available!



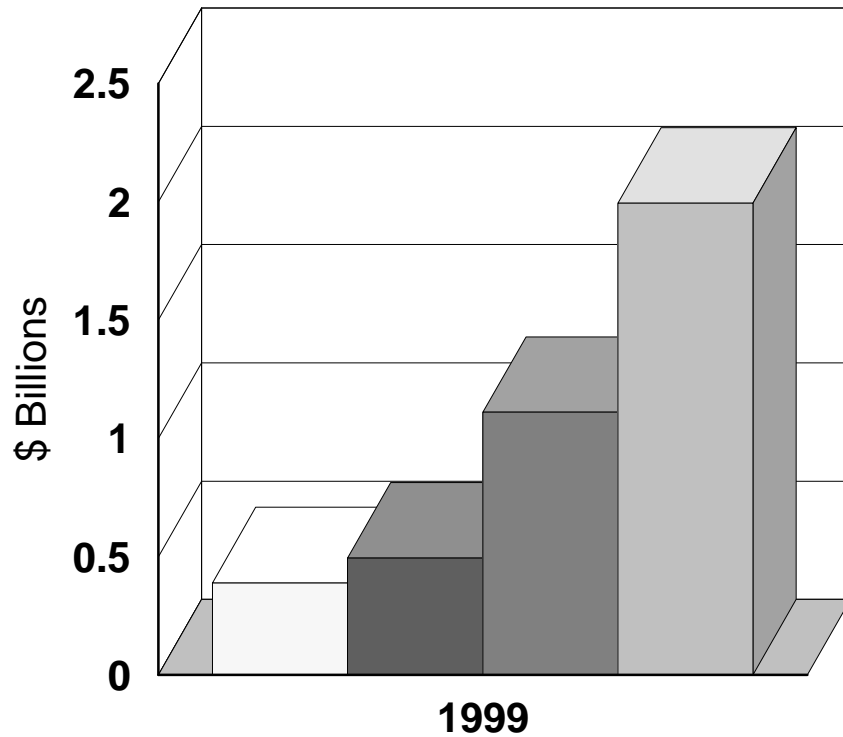
e-Commerce Campaign Tactics

Tactic	Launch date	Call to action	Details
TV	Sept. 16	none	
Print Ads	Sept. 20	visit ibm.com/b2b or call 800.ibm.7080 (ext. b2b)	Boston Globe 9/20; NYT 9/20;Wall Street Journal 9/28; Business 2.0.11 11/13-20 &12/11-18; Business Week 10/23, 11/20, 12/11; Forbes 11/27-12/18; Internet Industry Standard 10/16, 11/6 GROK 10/30-12/25; Time-Business 12/18; Inc. Magazine 11/13-20; Fast Company 11/27-12/25
Radio	Sept. 18	ibm.com/e-business	
Direct Mail	Sept. 25		Targeted co. size 100+ employees
Web Banners	October 1		



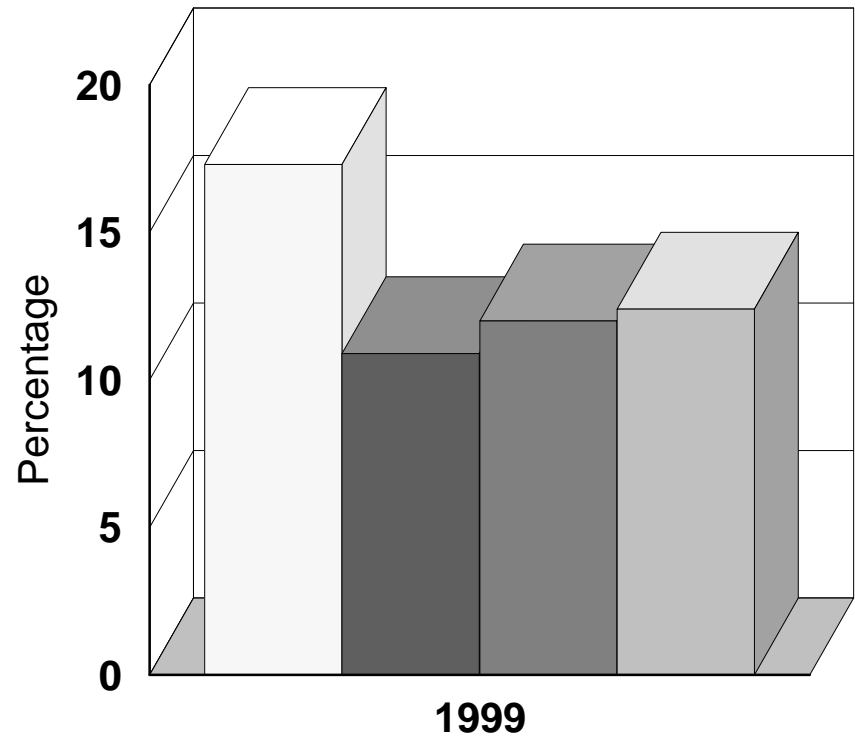
E-commerce Market Share By Geography

Revenue in 1999



AP
 Americas
 EMEA
 Total

Market Share in 1999

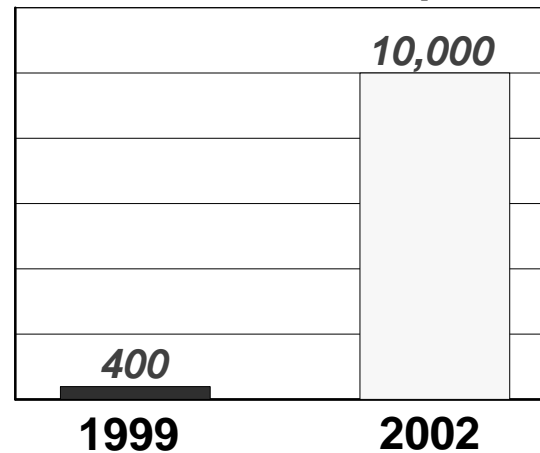


AP
 Americas
 EMEA
 Total



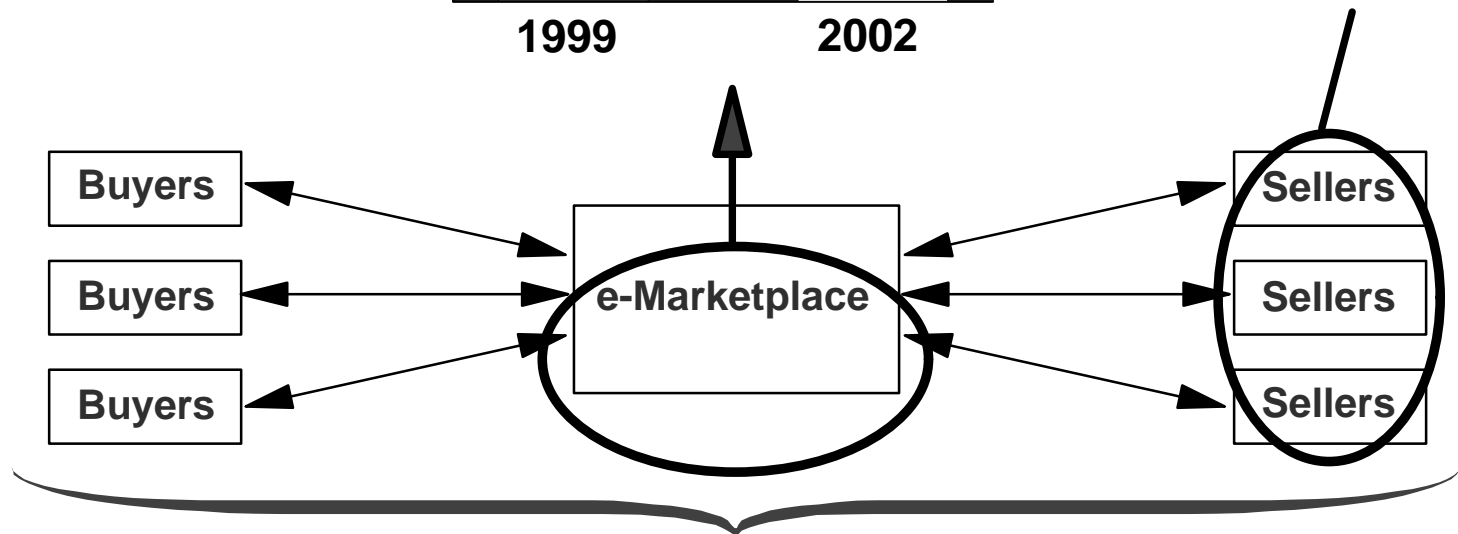
e-Marketplaces Beginning to Emerge as Major Facilitator of B2B Sales

Growth in e-Marketplaces



B2B 5 times B2C market!!

Over 3M sellers participating in e-Marketplaces by 2002



Over 8M participants expected by 2002



Business Partner Co-Marketing Materials

- www.teamplayersprogram.com/rulebook/enroll.com.cfm
- Campaign materials will have same messages and graphics as end-user campaign. Elements include:
 - Self Mailer
 - Telemarketing script (for prospecting)
 - E-mail Blast Copy
 - Web Banners
 - Web Content
- Other services available:
 - TeamPlayer's staff/vendors can assist partners with response handling, lead management, and telemarketing services

Start Now Sales tools for Business Partners

Deliverable	IBM Start Now e-commerce Solutions	Available	IBM Start Now Business Intelligence Solutions	Available
Field Sales Guide	x	today: www.ibm.com/partnerworld/startnow	x	today: www.ibm.com/partnerworld/startnow
Customer Solution Brochure	x	today: www.ibm.com/partnerworld/startnow	x	today: www.ibm.com/partnerworld/startnow
Customizable Customer presentation (scripted)	x	today: www.ibm.com/partnerworld/startnow	x	today: www.ibm.com/partnerworld/startnow
Customer Solution Demo		not applicable	x	today: www.ibm.com/partnerworld/startnow
Elevator Sales Pitch	x	www.ibm.com/partnerworld/startnow	x	today: www.ibm.com/partnerworld/startnow
Executive Assessment tool	x	B-C version: date tbd B-B version; www.ibm.com/partnerworld/startnow	x	tbd
Customer White Paper	x	today: www.ibm.com/partnerworld/startnow	x	today: www.ibm.com/partnerworld/startnow
Co-Marketing: Partner Proposal Mktg.	x	9/25 via web: partnerinfo.software.ibm.com	x	9/25 via web: partnerinfo.software.ibm.com

Qualification for Start Now Sales Tools: WCS certification

Qualification for Start Now Co-Marketing: must be Advanced or Premier level AND have an IBM Start Now e-commerce solution specialty OR an IBM Start Now BI Solution Specialty.



Update BPOPs Account

To update your Business Partner Operational Profile:

- Go to: www.bpops.com
- Sign on using your password and userid
- Select 'Partner Profile'

Global Financing

- Value to the Customer
 - one stop shopping for HW, SW, maintenance, training & services
 - attractive financing that's affordable
 - customized payment structure
- Value to the Business Partner
 - helps close deals quicker
 - helps sell more upfront & incrementally over time
 - sales training resources available

PROMOTIONAL RATES/MONTHLY PMT AMOUNTS THAT MAY BE USED FOR THE e-COMMERCE CAMPAIGN FEATURING THE START NOW SOLUTION:

Netfinity	RATE/K	Purchase Price	Monthly Payment
8664/31Y	\$30.06	\$5,009	\$149
Software	\$32.17	\$6,840	\$221
VAD Services	\$32.17	\$1,200	\$39
BP Services	\$32.17	\$24,000	\$772
TOTAL	NA	\$37,049	\$1,181



e-Infrastructure Campaign Overview

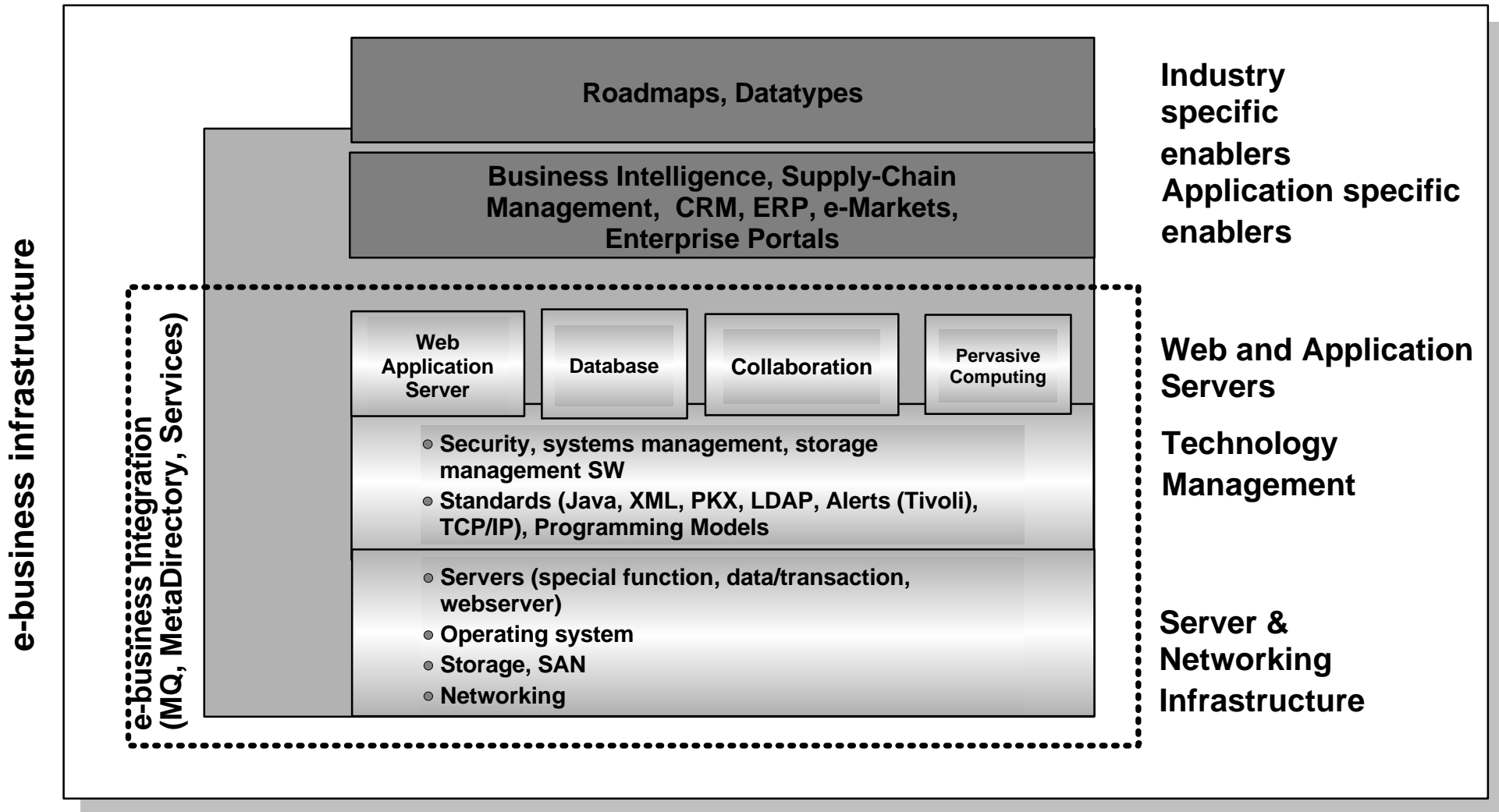
Terease Baker-Bell
NA Software Channel Marketing Manager



What is the e-business infrastructure campaign?

- Hardware, software and services campaign
- Raises the discussion to a more strategic level
- Influences sales of IBM e-business infrastructure products through our Business Partners
- Goal: increase awareness that IBM and its Business Partners are the only partnerships that can sell a complete infrastructure solution that is secure, reliable, integrated and flexible
- Goal: drive sales of hardware, software and Business Partners services

What is e-business infrastructure?



e-business infrastructure: the hardware, software and services needed to build and run e-business applications

Who is the campaign targeting?

- Information Technology Professionals within companies of all sizes
- Segmentation: Building and integrating applications, or running and managing applications

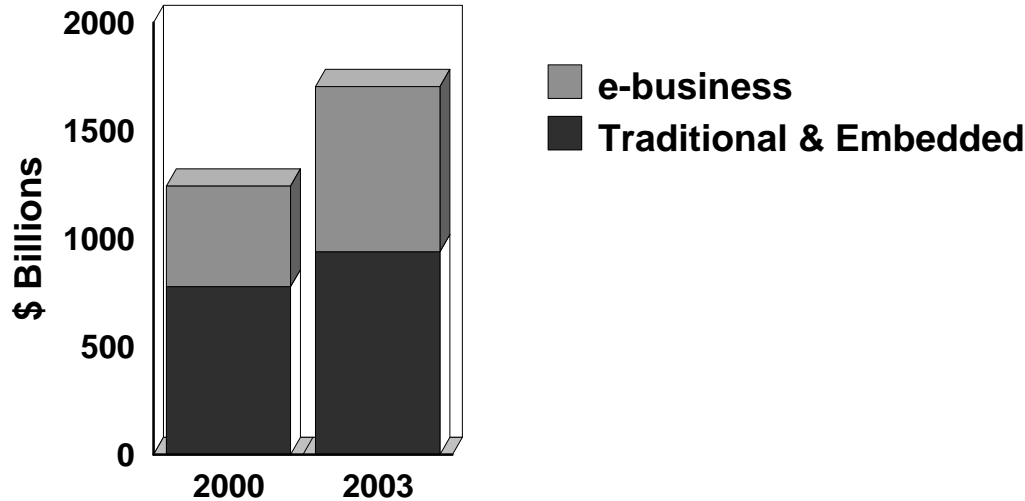
What will the campaign look like?

- A series of web banners, print ads, direct mailings, a web site, and additional collateral have been developed to support this campaign
- All tactics drive to our website:
www.ibm.com/e-business/infrastructure

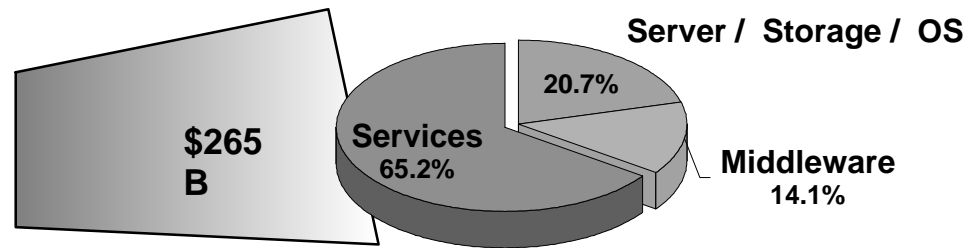
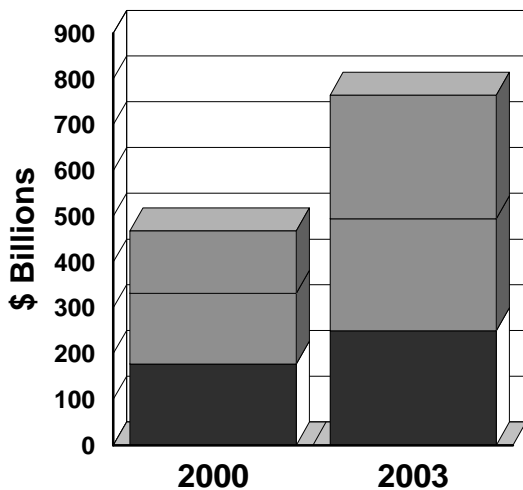


The e-infrastructure Market Opportunity Will Grow to \$265 Billion by 2003

e-business opportunity continues to grow



e-infrastructure is a large component of the opportunity



What's in it for IBM Business Partners?

- Leverage IBM's investment in e-business infrastructure demand generation and awareness tactics
- Our e-business infrastructure message will generate 16,569,860 impressions over the next six months
 - Direct marketing (print and electronic)
 - Web Banners, e-mail, site sponsorships event presence and newsletters
- Leverage IBM's end-to-end flexible e-business infrastructure products and deliver an integrated solution from a single source.
- Campaign tactics are designed to drive over 1,900 qualified leads
- Complete Sales Kit for Business Partners: Sales Guide, End User Presentation and Script, White Papers, Application Briefs, Survivability Test, and more
- Detailed co-marketing tactics and funding will be announced the end of September
- Average e-business infrastructure engagement will be worth about \$42,600, not including partner services, and additional revenue streams and engagement opportunities possible after initial engagement



Qualifications to participate

- Software Plus Hardware Participants
 - Advanced or Premiere Level of IBM Business Partner Software Program
 - Up to date profile in BPOPS
 - Includes Partners enrolled in the Web Integrator Initiative w/in Business Partner Software Program
 - And software partners with the appropriate hardware affiliation (Netfinity, RS6K)
- Software Only Participants
 - Location must have e-business certification (Solution Developer & Designer)
 - AND must have one of the following product certifications: DB2, MQSeries, VA Java, WebSphere, Net.Commerce
- Hardware Only Participants
 - Up to date BPLM profile
 - Netfinity Business Partner with e-business skills and one of the following certifications: DB2, MQSeries, VA Java, WebSphere, Net.Commerce
 - RS6K Business Partner with VAE in e-business



How do I get involved?

- Visit the e-business infrastructure Web site to learn more:
<http://www.ibm.com/e-business/infrastructure>
- Visit Partner Info Sites for additional Business Partner/ campaign information
- Update BPOPS
- Continue to check the e-business infrastructure site and the Software Partner Info site to receive campaign updates and ways to increase your involvement

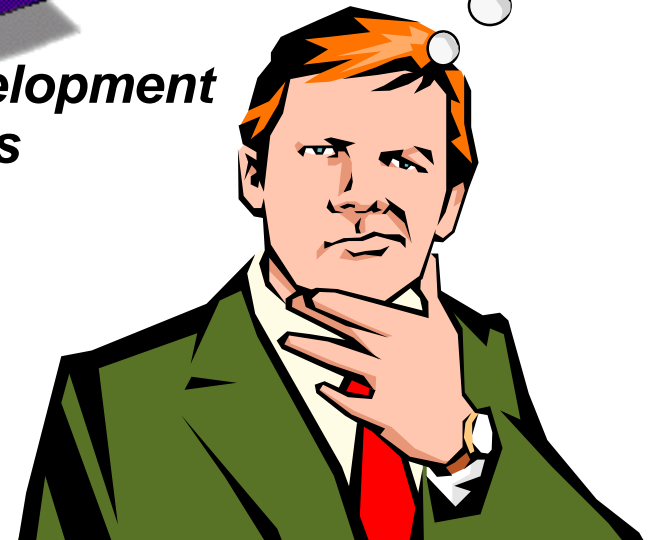
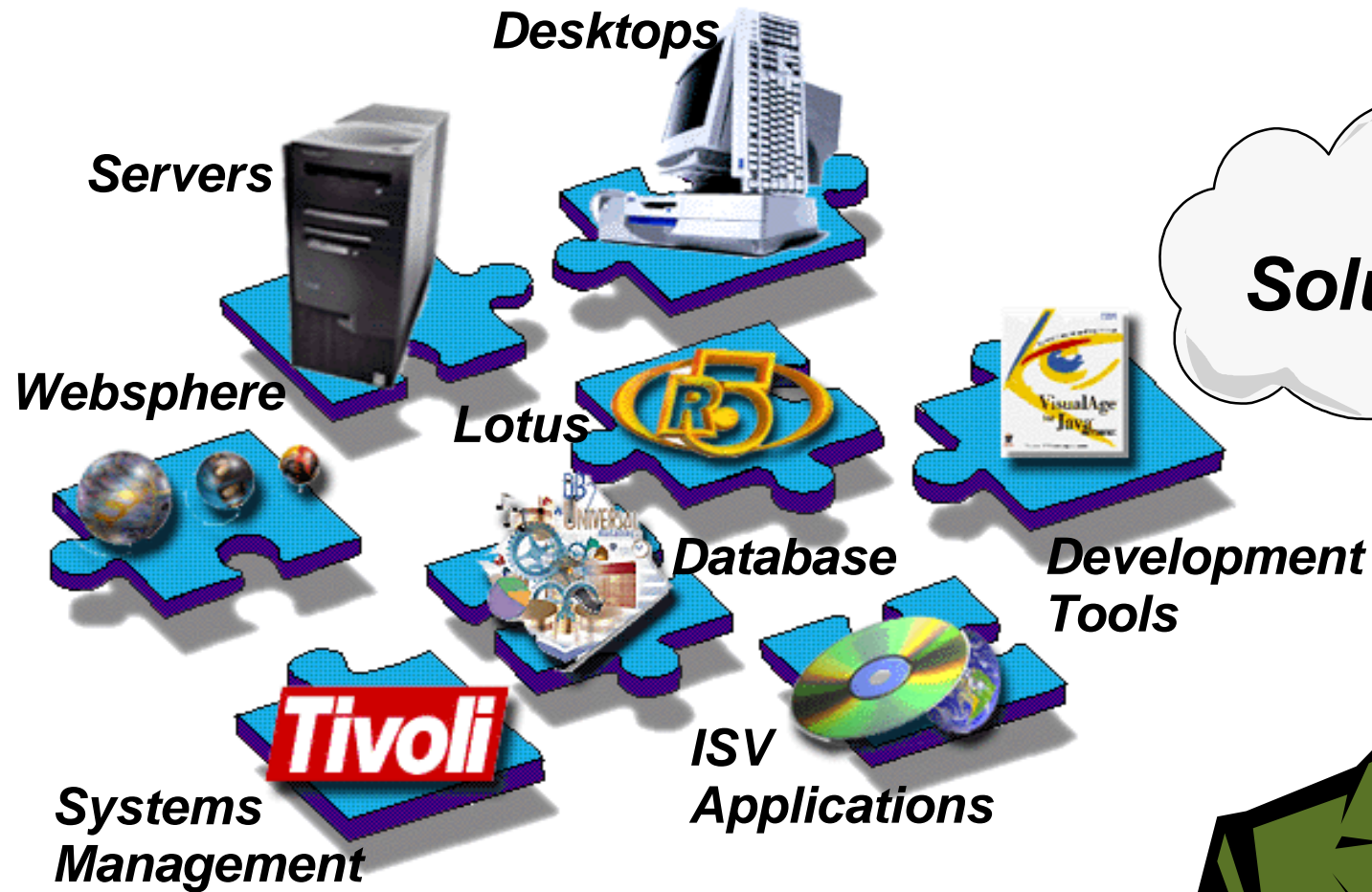
Start Now e-Commerce/Business Intelligence

Jeff Howard

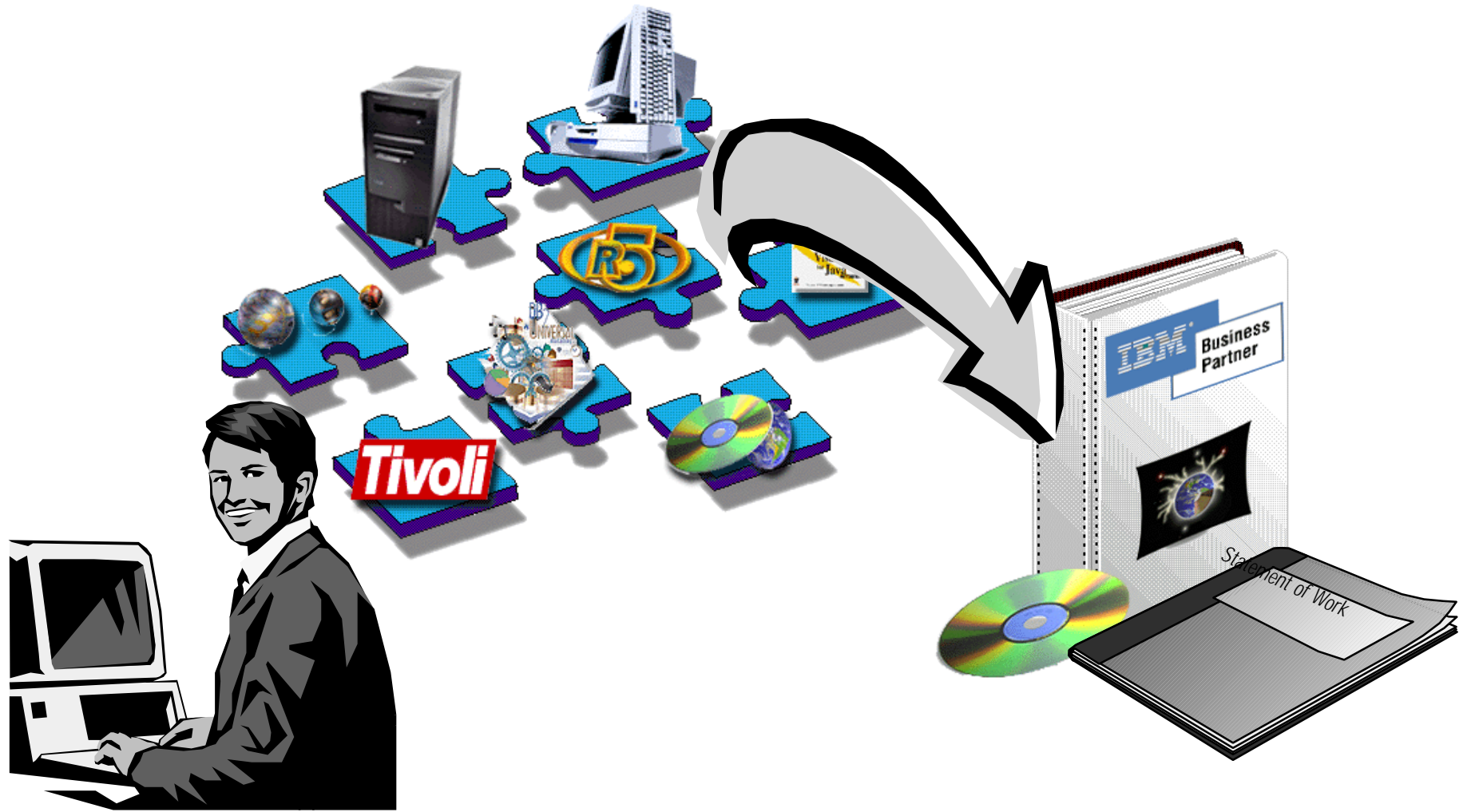
Program Director, IBM Software SMB Products and Solutions



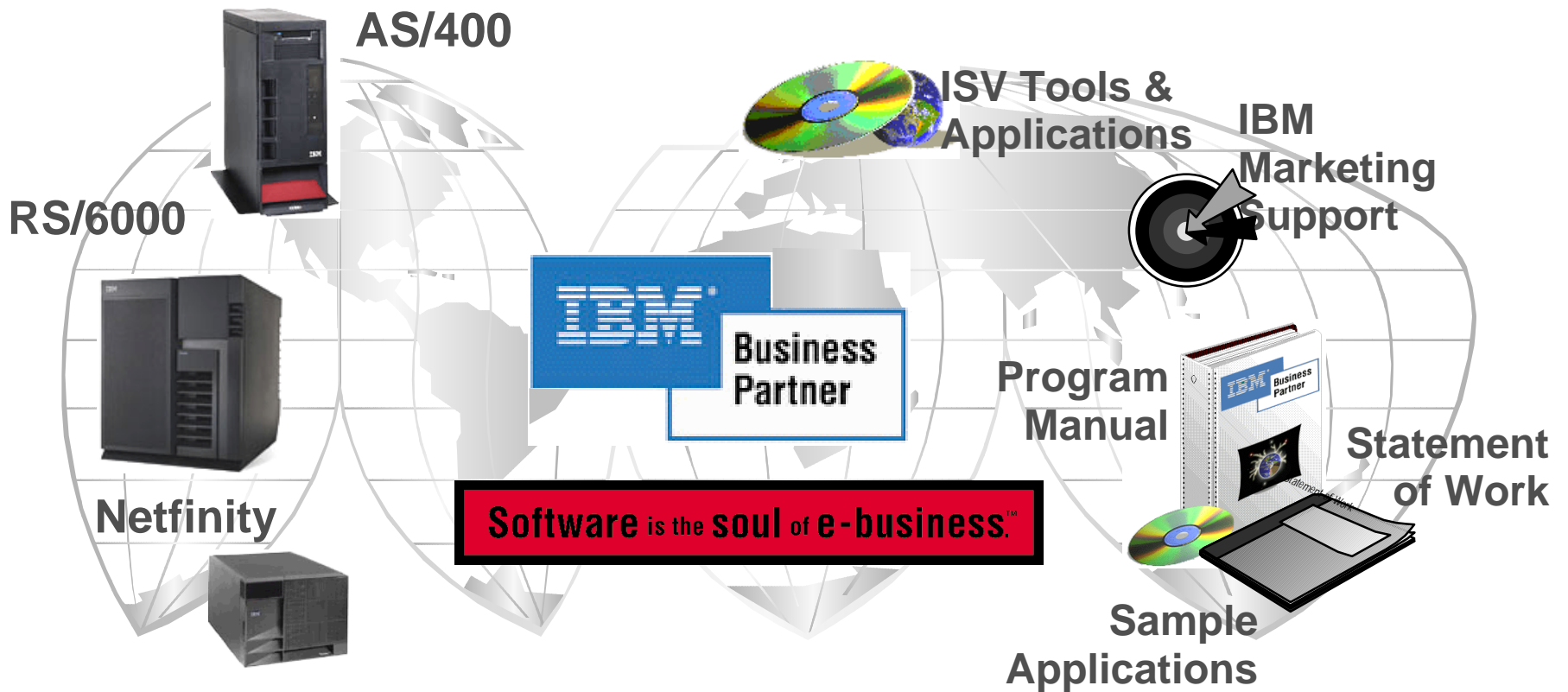
IBM Business Partners are faced with integrating many piece parts



IBM Start Now Solutions for e-business



IBM Start Now Solutions for e-business

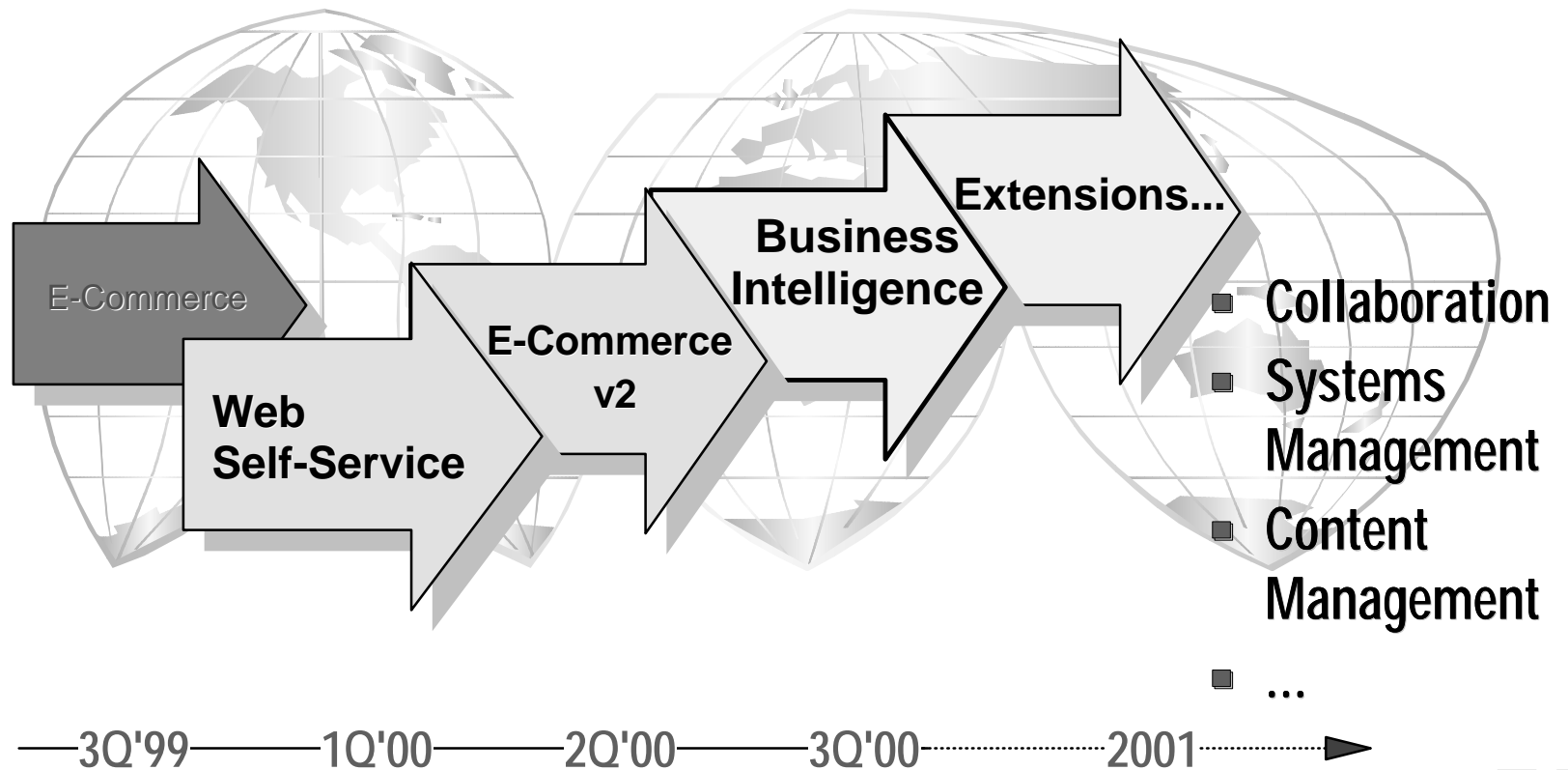


- ...for Small and Midmarket Businesses



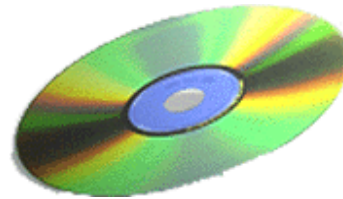
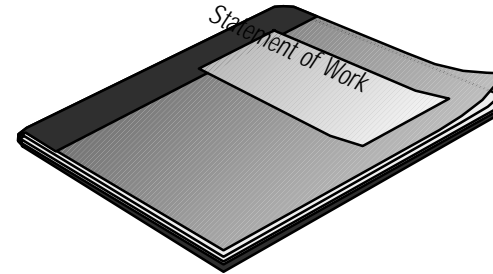
IBM Start Now Solutions for e-business

- Family of e-business solutions



Start Now Enablement Kit

- Program Manual
- Sample Statement of Work
- Sample Applications



Web Self Service Solutions

- IBM Hardware:



- IBM Software:

IBM Suites for e-business

- *WebSphere Standard Edition, Domino, DB2 UDB*
- *SecureWay Directory, Communication Server*
- *Tivoli Agents*
- *IBM Suites e-business demo application tools*

- ISV Tools:

Drumbeat 2000 JSP by Macromedia

- *Drumbeat Quickstart Self-Study Guide*

Drumbeat Starting Points

- *CRM/WSS oriented sample code*



- Service hours:
 - 112 hrs @ \$150/hr
 - Statement of Work
- Starting Price:
 - \$30,000 US
 - recommended minimum
 - Netfinity based



Technical education
 ▪ *Classroom or Web-based*



E-mail technical support

e-Commerce Solutions

- IBM Hardware:



- IBM Software:

IBM WebSphere Commerce Suite V4.1

- Start and Pro Editions (depends on platform)
- Developer and Professional Developer (depends on Level of Customization)

- ISV Tools:

Drumbeat 2000 JSP by Macromedia

- *Drumbeat Quickstart Self-Study Guide*

- Extenders

Ariba Supplier Live

- *e-Marketplace*



- Service hours:
 - 160 hrs @ \$150/hr
 - Statement of Work
- Starting Price:
 - \$40,000 US
 - recommended minimum
 - Netfinity based



Technical education

- *Classroom or Web-based*



E-mail technical support

Business Intelligence Solutions

- IBM Hardware:



- IBM Software:

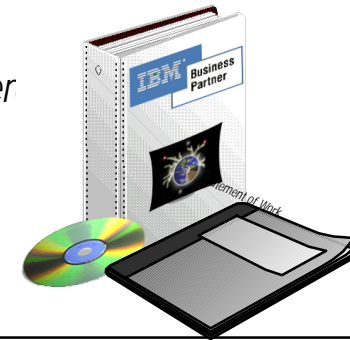
IBM DB2 Universal Database (Enterprise Edition)

IBM DB2 Warehouse Manager

- *Pre-defined Commerce datamart based on Webspher Commerce Suite or Net.Commerce*

BrioQuery v6 - or - BusinessObjects v5

- *Pre-defined Queries/Reports*



- ISV Tools:



Technical education
▪ *Classroom or Web-based*



E-mail technical support

- Service hours:
 - 160 hrs @ \$150/hr
 - Statement of Work
- Starting Price:
 - \$69,000 US
 - recommended minimum
 - Netfinity based

Start Now Value for Customers

- Return on Investment
- Growth Potential
- Rapid Implementation
- Reliability, Availability and Scalability
- Security
- Open Standards

Business Partner Value

- Significant revenue opportunity
 - Large, fast growing market area
 - Important services component
 - Clear, measurable justification
- Integrated offering
 - To build customer solutions with room to grow and maintain the customer relationship
- Up-sell opportunity
 - Starting with the minimum specification of HW, SW, and Services -- this offering provides up-sell for all three components to meet your customer's needs
- Cross-sell
 - Opportunity additional software and hardware components (e.g., RAID)
- Attract new SMB Customers



Participation requirements

- When the Business Partner
 - Joins IBM Business Partner-Software Program
 - Orders Enablement Kit
 - Completes Start Now Sales and Technical Education
 - Completes Start Now Specialty Test
- The Business Partner receives
 - Powerful Sales Tools and Co-marketing materials
 - Free Tools or Sample Applications
 - Exclusive Technical pre- and post-sales support
 - Free 120 days ETS* Application Development Support



Start Now Ariba Supplier Live

Nicole Katrana
WebSphere Commerce Suite Channels Marketing



The Value of a Marketplace

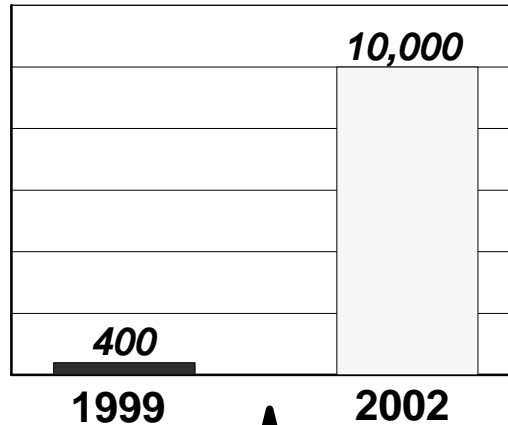
Mutual	Buyers	Sellers
<p>Reduction of transaction costs: aggregation and facilitation can significantly reduce transaction expenses.</p> <p>Collaboration: Increased collaboration reduces cycle times, enhances speed of delivery, and enhances relationships.</p> <p>Improved value chain processes: Increase efficiency of enterprise supply chains.</p> <p>Reduce industry-wide volatility: Real-time connections between a large population of buyers and sellers smooth market shocks.</p> <p>Level the playing field for small businesses. e-Marketplaces do not discriminate by size</p>	<p>Lower selection costs: Aggregating multiple suppliers in a single location facilitates interaction.</p> <p>Faster time to market: e-Marketplaces speed product time to market.</p> <p>Real-time access to market opportunities: Flexible pricing and direct accessibility to buyers to capitalize on sudden market opportunities.</p> <p>Greater negotiation power: Buyers can negotiate with multiple suppliers in real-time to ensure the best deal.</p>	<p>Increased exposure to new sales opportunities: Opportunity to efficiently reach vast market</p> <p>Overcome manufacturing inefficiencies: Suppliers can capture value from externalities.??</p> <p>Elimination of obsolete/excess inventory. e-Marketplaces offer a vehicle to sell unwanted inventory.</p> <p>Market value prices. Aggregation of buyers enables true value of products to be reached.</p> <p>Expanding geographic reach. A safe means for companies to reach international customers.</p>



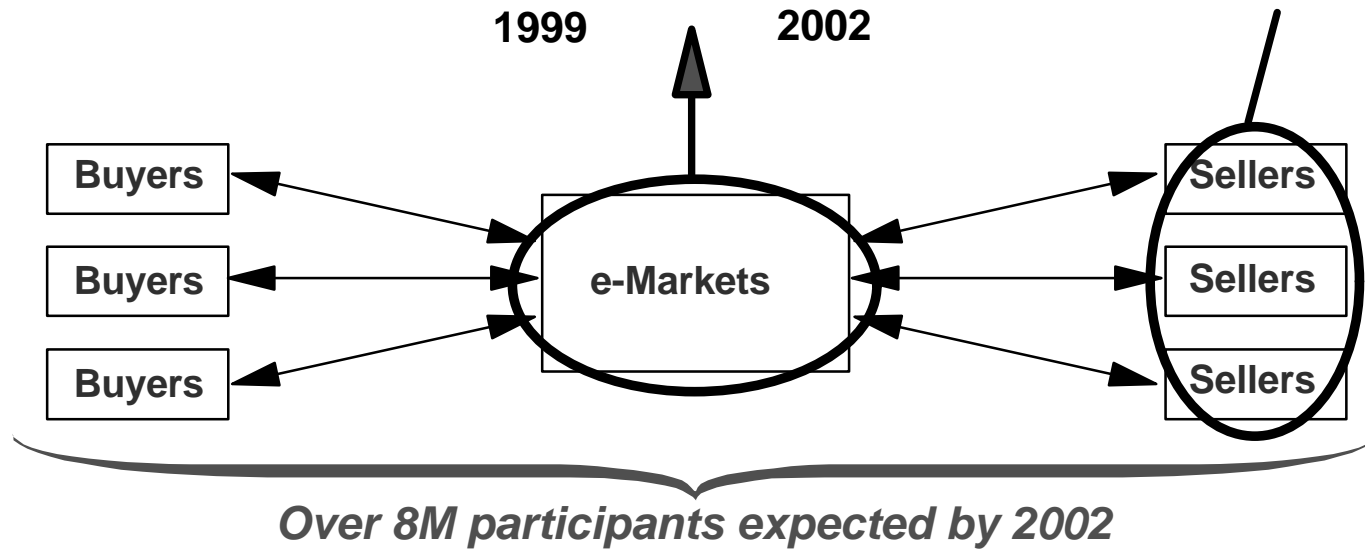
Expected Growth in e-Marketplaces

"Ninety percent of the issues in building exchanges are organizational, not technological," - Erik Brynjolfsson, associate professor at the MIT Sloan School of Management

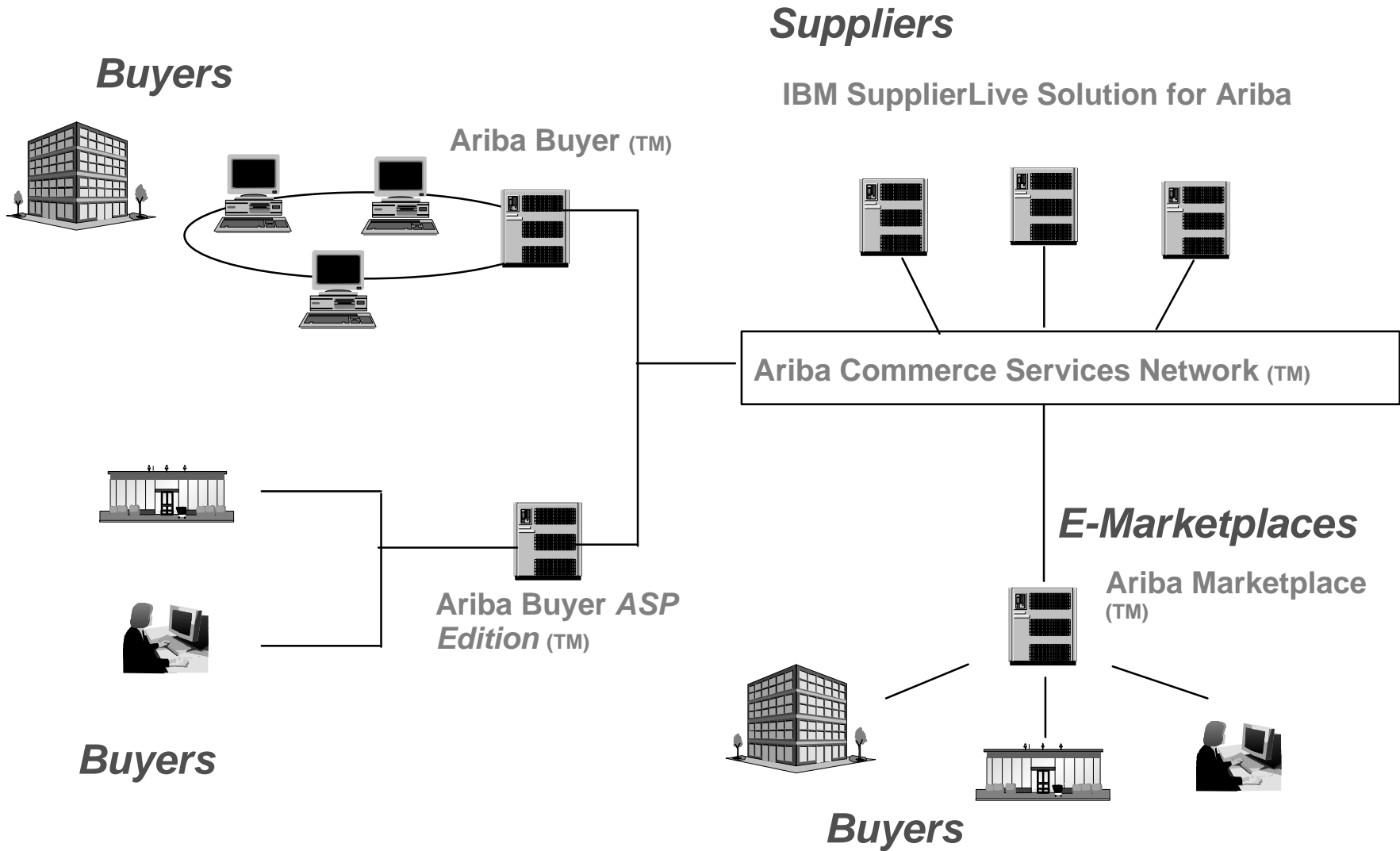
Growth in e-Marketplaces



Over 3M sellers participating in e-Markets by 2002



Ariba Marketplace Overview



What is the Supplier Opportunity?

- Sold over 200 e-Procurement and Marketplaces
- Total Ariba supplier opportunity 100,000 suppliers
- Estimated 25-40% of suppliers do not have an e-catalog

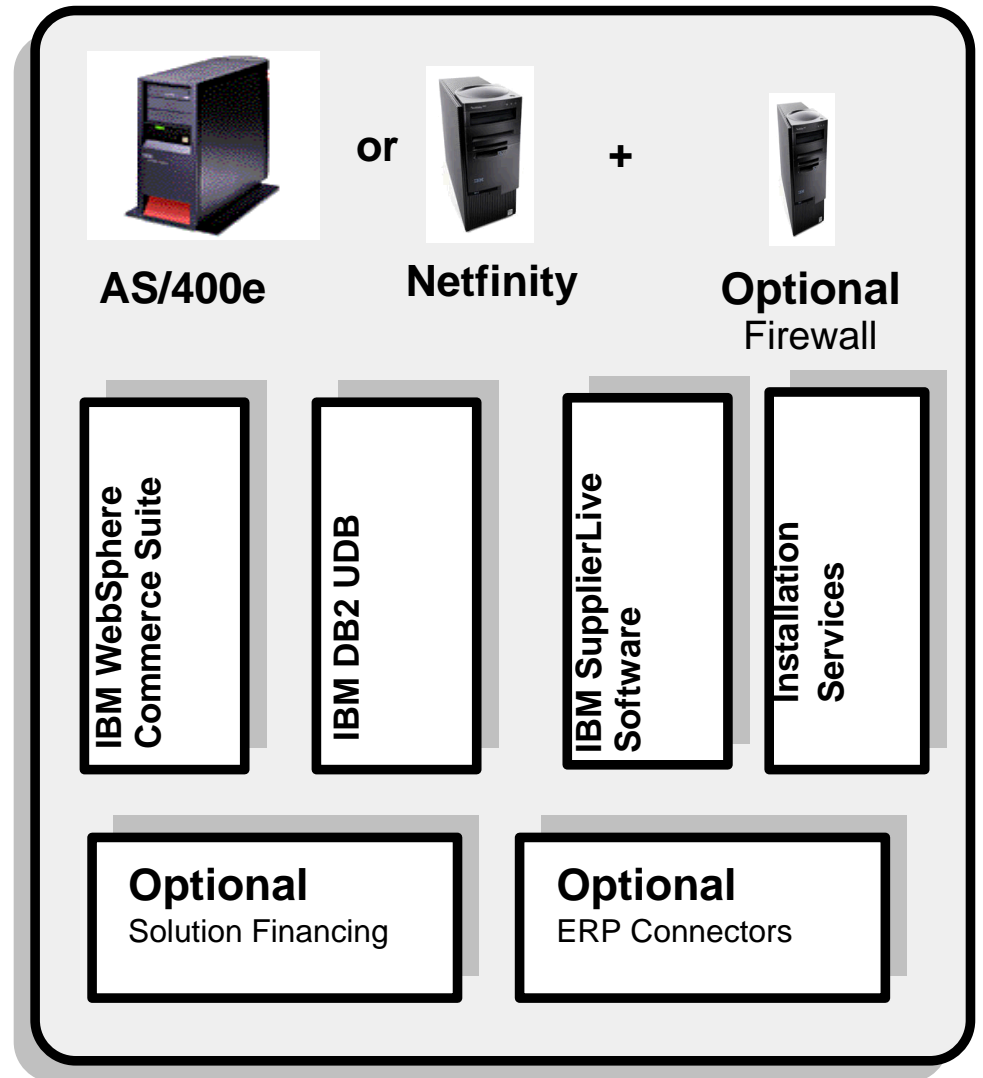
Small	Medium	Large
\$1-\$50M revenue	\$50-\$500M revenue	\$1B revenue
40% of opportunity 40,000 suppliers	35% of opportunity 35,000 suppliers	25% of opportunity 25,000 suppliers
<u>Offering:</u> Hosted solution - hosting partners	<u>Offering:</u> Start Now solution package delivered by BP's	<u>Offering:</u> High End solution delivered by BP and IGS

SupplierLive Solution Goals

- Quickly Enable Suppliers to Link to Ariba Network
- Complete, Turnkey Solution
- Security, Robustness, Scalability
- Low, Predictable Costs
- Predictable Implementation Timeframe
- Readily Available Set of Partners Who Can Deliver the Solution

Total Supplier Enablement - Ariba SupplierLive

- Server Hardware - NT, AS/400
- e-catalog (cXML) with PunchOut
- Database
- Ariba Commerce Network Services Connection
- Installation Services
- Delivered via Start Now Through Business Partners
- Optional Financing
- Optional ERP Connectors
- Optional Firewall
- English Today



Solution Overview

- "Live in 45"
- 1,000 Catalog Items
- Partner Certifies Supplier Site
- PunchOut Enabled
- Local Catalogs (cXML)

Netfinity Solution

\$5,769	IBM Netfinity 5600
\$809	MS Windows NT Server 4.0
\$9,500	IBM WCS Start for NT V4.1, 1 Processor
\$33,750	Business Partner Services
\$49,828	Total Typical Entry Solution Estimate

AS/400 Solution

\$17,477	IBM AS/400e Server 270
inc.	IBM OS/400 V4R5
\$22,500	IBM WCS Pro for AS/400 V4.1, P10 Processor Group
\$33,750	Business Partner Services
\$73,727	Total Typical Entry Solution Estimate



Upsell Opportunity

E-Marketplaces / Hub

Supplier

Back End System

Ariba

WCS

SAP R/3

JDE OneWorld

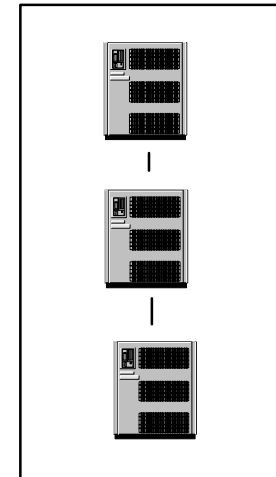
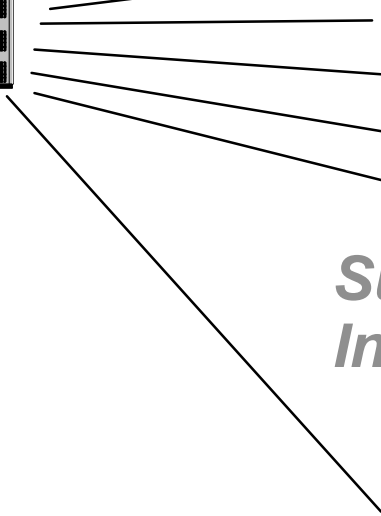
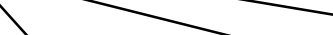
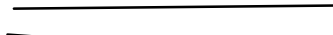
JDE World

Lawson

QAD

*Supply Chain
Integration*

**Connect supplier to their
back end ERP system and
their downstream
suppliers**



How Do I Participate?

- Get Trained and Certified on WebSphere Commerce Suite 4.1
- Complete Web Based Training on Ariba SupplierLive
 - <http://www.ibm.com/partnerworld/startnow>
 - Select North America
 - Select Start Now e-commerce Solution for Ariba Supplier Live
- Update Partner Profile
 - Update Profile at www.bpops.com with Certification Skills
 - Send Names of Trained Personnel to katrana@us.ibm.com, Including Addresses and Partner ID
 - Ensure that Lead Catcher at Your Company Knows Who To Give Ariba SupplierLive Leads

A Business Partner's Experience with Start Now

Michael von Bodungen
CTO, Shared Vision Group



Agenda

- Shared Vision Group Overview
- Our work with IBM
- Value of the StartNow programs
- Customer Success Stories
- Keys to Success with StartNow

Company Overview

- Founded January 1, 1998 with 3 employees
- Initial goal: to provide IT consulting services at the Project Management and Application Architect level
- Today
 - Grown to 43 employees
 - Revenue has increased 50% year-on-year
 - Profitable every month except the first

Company Overview

- Today's Goal: To be a leading Internet Consulting company providing custom Internet Applications and Services
- Offices in:
 - New York, NY - Corporate Headquarters
 - San Francisco, CA
 - Washington D.C.
 - Raleigh, NC
- Development Centers for Application Outsourcing:
 - New York, NY - Corporate Headquarters
 - San Francisco, CA

History of IBM Relationship

- Introduced to IBM's partner program at BPEC in Feb. 1998
- Joined the IBM Software Partner Program in June 1998
- Became a reseller for WebSphere Commerce Suite (Net.Commerce) and Netfinity Hardware in July 1998

History of IBM Relationship

- Sent 3 reasources to training in July/August 1998 for Net.Commerce
- Passed certification exams in October/November 1998
- Began receiving leads in the StartNow program in November 1998
- Closed first lead in December 1998

Value of the StartNow Program

- IBM's Distributors are trained on the offerings
- Templated are in place to aid you with:
 - Proposals
 - Statements of work
 - Code to use for building applications faster
- StartNow projects are short projects the let you get experience quickly

Additional Benefits

- You deal with one vendor
 - StartNow packages are bundled software from IBM
 - With certified resources, Premier Level partners get free live Support
 - Very valuable for first time projects
- NFR code helps you build skills in within your company

The Value of the Partnership

- At the end of the 1998, only 10% of Shared Vision Group's revenue was based on services provided with IBM software and hardware
- Today, over 70% of our revenue comes from services around developing applications based on IBM software like Websphere Commerce Suite
- 24 resources are certified in WebSphere Commerce Suite and WebSphere Application Server

StartNow Engagements

- StartNow Engagements
 - Optical Cable Corporation
 - Lyle-Kearsley Systems
 - National Packaging Solutions Group
 - Forest2Market.com
- Consulting Engagements
 - SciQuest.com

StartNow Engagements

- Optical Cable Corporation
 - Lead came via the StartNow program and our distributor Keylink-Dickens
 - The Contact provided on the lead was the CEO
 - \$60M a year conversation, led to a face to face meeting, followed by a proposal and then a contract signing.
 - 3 week sales cycle

Optical Cable Corporation

- Opportunity
 - \$5K in WebSphere Commerce Suite Software
 - \$5K in Netfinity Server
 - \$45K in services for customization of Website
- The Site
 - B2B private purchasing site which allows their distributors to order fiber optic cable based upon specific negotiated discounts

Optical Cable Corporation

- Why we got the business
 - The IBM brand lent credibility to our offering
 - They trusted us based on the people they met during our initial meeting
 - Our ability to provide hosting
 - Our ability to provide on-going maintenance

- Lead came via IBM e-Business sales specialist
- Dot.com startup looking to build a custom e-business application for the timber industry
- Sales history
 - Conference call to discuss project
 - Customer meeting with IBM Global Services
 - Proposal submitted
 - Q & A session
 - Shared Vision Group selected as the vendor
 - Sales Cycle - 4 weeks

- Opportunity
 - \$14K in WebSphere Commerce Suite Software
 - < \$1M in services to develop the website
 - Recurring monthly hosting and maintenance revenue
- The Site
 - Online Timber price database for access to historical sales of timber across the US

- Why we got the business
 - We were partners with IBM. IBM vouched for our ability to perform the work
 - Our references
 - The quality of the people we brought to the table
 - Our ability to understand our client's business
 - We offered a complete solution including hosting

Keys to Success

- Send your resources to training
 - Get certifications under the You Pass, We Pay program
- Sign up to be a reseller for Software and Hardware
- Leverage the IBM brand and relationship when selling
- Develop your Project Managers, Business Analysts and Web Architects
 - Retain them!

e-Commerce Executive Assessment

Kim Masoner

Worldwide Channel Marketing - Internet Software



e-Commerce Executive Assessment

- Consultative Selling Tool to help you close business
- Billable service to customers: Recommend charging customer \$1500 - \$3000
- Business Case Assessment, not technical

Offers tools that will teach you how to quickly gather the information you need to build a business case, present your proposal, and close the business when selling IBM solutions.

e-Commerce Example:

- A Business Assessment
- A Strategic and Tactical Proposal
- A Competitive Website Analysis
- A Prototype Web site

Available Executive Assessment Tools

- e-Commerce
 - B2B
 - B2C
- CRM (Customer Relationship Management)
- Business Intelligence
- Webshpere/Host Integration
- Solutions to Come:
 - MQ

How do I get the Materials?

www.ibm.com/websphere/partners

Demand Generation

- IBM Customer Seminars
 - "A Practical Approach to e-business"
 - Now - November
- IBM e-Commerce Corporate Campaign
 - Launched in September

ISV-ASP Mid-Market Solutions

Terease Baker-Bell
NA Marketing Manager, ISV Team



Mid-Market Solution Requirements

- Standard Solutions Needing Minimal Customization
- Decisions are Based on Core Functions of Solution
- Measuring Success is Very Important
- Non-working or Unused Solutions Are Biggest Concerns
- Solution Implementation, Training, Web and Marketing Expertise Sought
- Reputation and Reliability of Provider Are Very Important
- Five Step Purchase Process Includes Problem Identification, Solution Formulation, RFP, Selection and Recommendation for Approval

Mid-Market e-commerce Solution Focus

- Industry Based
- Focus on End User Customers
- Start Small, Grow Fast
- Off Premise and On-Premise Solutions
- Leverage Domino Partners
- Leverage Investments with ERP Partners
- Leverage Solutions for New Opportunities
 - Marketplaces
 - Supply Chain Management
 - Fulfillment
- Differentiation

Solution Components

Solution Packaging

- Solution development
 - HW / SW / SVS
 - Porting
 - SW Integration
- Packaging / Logistics
- Pricing / Promotions / Financing
- Contracts /Agreements

Routes to Market

- Workshop
- Direct / Indirect sales
- IBM / BP solution education
- Channel Development Plan
 - BP product education
 - BP support
 - BP recruitment
- Incentives

Integrated Marketing

- ISV/IBM Marketing Plan
 - Target Market
 - Campaign Plan
 - Roles & responsibilities
- Custom & localized collateral
- Communications
 - Press release
 - Consultant briefs
 - Internal education

Operations

- Business case analysis
- Funding approval
- Funding release
- Lead management plan
- Measurements / Results

On or Off Premise Solutions

- Hosted e-commerce Solutions
 - End User Focused Premier Partners
 - Addresses Specific Market Niche
 - Genuity, Interliant, Net Vendor, Billserve.com, Rare Medium
- Domino Providers
 - Leverage Domino e-commerce Engines, IBM Hardware
 - Global Partners
 - B2C and B2B
 - Binary Tree, REAL, Magic
- ERP Extensions
 - Integrated Websphere Commerce Suite
 - Target Industrial, Wholesale and Retail Niches
 - JD Edwards, Geac, JDA, Commercialware, Vormittag, Tecsys, Advanced Food Systems, IBS, Ironside

New Opportunities

- Marketplaces
 - Supplier Enablement
 - Low to Medium Cost Private and Public Exchanges
 - xspeedium, QAD eQ
- Supply Chain Management
 - Hosted - Rare Medium and Net Vendor
 - In House - Synquest
- Outsourced Fulfillment
 - Crucial for Customer Satisfaction
 - PFSWeb

Future Solutions

- Contact IBM Sponsor Regarding Interest
- Complete Solution Template
 - Concentrate on Differentiation
- Submit Template to Carla Crawley
(crawley@ca.ibm.com)
 - Review with GSB, GMB or Sectors
 - Determine Potential Fit

Web Sites Referenced

- IBM Global Financing
 - www.ibm.com/financing
- IBM Certifications
 - www.ibm.com/e-business/certification
- IBM Education Roadmaps
 - www.ibm.com/services/learning/roadmaps
- You Pass/We Pay
 - www.ibm.com/software/partnerweb/na
 - Select Education, then We Pay Offerings
- Lotus Certifications
 - <http://www.lotus.com/home.nsf/welcome/certification>
- IBM e-Commerce Ads
 - <http://www.ibm.com/b2b> (print ads)
 - <http://www.ibm.com/e-business> (radio)
- e-infrastructure Campaign
 - www.ibm.com/e-business/infrastructure
- IBM Business Partner Operational System (BPOPS)
 - <http://www.bpops.com>



Web Sites Referenced cont.

- TeamPlayers
 - <http://www.teamplayersprogram.com/rulebook/enroll.com.cfm>
- Start Now Deliverables
 - <http://www.ibm.com/partnerworld/startnow>
- Ariba SupplierLive
 - <http://www.ibm.com/partnerworld/startnow>
 - Select North America, then Start Now e-commerce Solution for Ariba Supplier Live
- IBM Executive Assessment Tools
 - <http://www.ibm.com/websphere/partners>
- IBM Business Partner Software Program Information
 - <http://www.ibm.com/software/partnerweb/na>
 - Select Program Information
- Calendar of Events
 - <http://www.ibm.com/software/partnerweb/na>
 - Select Education then Events by Date, then month
- Lotus Business Partner Program
 - <http://www.lotus.com/bpzone>

Web Sites Referenced cont.

- *now you*
 - <http://www.nowyou.com>
- e-business Education
 - www.ibm.com/partnerworld
 - Select Education
- PartnerInfo
 - www.ibm.com/partnerinfo
- IBM e-business
 - www.ibm.com/e-business
- IBM Learning Services Network
 - www.ibm.com/services/learning/satellite, or
 - www.etnetworks.com

Remote TV Sites (TEN-TV, PartnerWorld I)

- Input from remote TV sites
 - Fax answer sheets to 972-280-6394

Thank You

- Thank you for your attendance and support of IBM Business Partner Software Program and Lotus Business Partner Program
- We appreciated your input today
 - Additional input
 - ▶ Membership Centre at 1-800-IBM-1822
 - ▶ FAX 1-972-280-6394
 - ▶ E-mail
IBMSWNA@US.IBM.COM

