

IBM CORPORATION

**Moderator: John Gordon
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Operator: Good day everyone and welcome to this IBM SOA fall launch business partner conference call. Today's call is being recorded.

For opening remarks and introductions, I would like to turn the conference over to John Gordon. Please go ahead, sir.

John Gordon: Great. Thanks Stefan and welcome everybody to today's conference call. We're very excited to be sharing with you, our IBM business partners, all the latest innovations and announcements that we have around this SOA space and are really excited about the leadership that you've helped us bring into this, solving customer problems and really creating a lot of value into the industry.

Before we get started, I want to make sure everyone has found the chart for today's presentation. All of you should have received an e-mail (to) describe where you can go and get those charts.

If you need to go get them directly, you can go to the WebSphere Knowledge Center. That is ibm.com/software/websphere/knowledgecenter and there'll be a big logo right there. And everyone who is registered for the call should have an e-mail directing you to those.

OK. So with that, let's move on to chart two on those slides. Our objectives for today's call are to make sure that you can all understand the announcements that we have (that it'd) take you through some of the key messages, the key announcements that IBM is doing.

And how we're trying to help take the SOA initiatives to the next level and provide even more value and more agility for our customers.

So we'll take you through those announcements so that you can be among the very first around the world to understand those. Then we're going to turn over and talk to you about how can you as IBM business partners leverage this through successfully with your account and with your business in driving initiatives into the industry today.

So we are going to take you through both of those areas. And hopefully give you some ideas on how you can help drive this with your customers.

So on page three, I'll tell you who I have joining me today. I'm very excited to have two distinguished speakers, Sandy Carter is the Vice President of SOA and WebSphere marketing strategy and channels and she will take you through the overview of this fall SOA launch.

And then we have Jim Corgel, the general manager of IBM's ISV and developer relations (team), who will talk about the PartnerWorld and (IDR) program highlight and how you get can involved with those as well.

And then I'll close off our call by giving you a couple of points where you can get started and really take advantage of this launch and become a part of it by getting the word out to the customers in the marketplace today.

So without further ado, let me move on to page four and turn the call over to Sandy Carter, vice president of SOA and WebSphere marketing strategy and channel. Sandy?

Sandy Carter: Thanks, John. And thanks to all of our valued partners who are joining us today. I just want to kick off the call and say, thank you for your business. Thanks for all of your support of IBM. Nothing that we do here could be accomplished or could be done without you.

And I know several of you participated in some of our focus groups on what we are we are producing for this launch. And I wanted to in particular call out those partners who also helped us and craft our story and to give us requirements for our announcements.

So what I would like to do is start us off on page five. On page five, I wanted to share with you our four-prong SOA strategy that we've just shared with the chairman of IBM.

Four major tenets here. The first is to ensure that we are focused on the business side of SOA with a particular focus on the industry twist or the industry story to make sure that we're addressing specific challenges by, you know, SSS or by health care. Very specific. And you'll see our announcements today help us to further our efforts on that (space).

Great place for partners to join us because of the great depth of industry knowledge and expertise that you bring to your local markets.

Second is to continue to deliver an integrated and consumable technology portfolio. So, I know, talking to many of you, you've talked to us about simplicity and the need for more (considerability) and even more integration among the products.

And we've listened. We've been on this, on this hunt for a while now and you'll see this come to fruition in this particular set of announcements.

And you'll also see us also put a focus organizationally. So, for instance, for the WebSphere brand, we recently named a VP that's in charge of product (consumability).

Point number four around SOA is to help us really grow the skills around SOA. We're still seeing a number one inhibitor for lack of SOA skills. So again, another great place for our partners to play a role. The skill levels that you have, the training that you provide, and the expertise that you bring to customers is a critical part of our strategy.

And then finally, we want to make sure that as we go to market, that we go to market as a single face to the customer around SOA and involve all the components of what we're doing here.

So you'll see us talk about all five of the software group brands that we're bringing to market through our offerings. You are also part of our unified go to market approach.

So we want to make sure that ourselves and our SOA partner community are all going to market together.

So let's go on to page number six. Now John, let me just pause here for one second. I am getting some (some) instant messaging on how to get to the site to get to the charts. Could you just go through that one more time for folks, just to make sure that they are receiving the charts and are ready to go on this call.

John Gordon: Sure, absolutely. So the charts are posted on the WebSphere Knowledge Center. The URL for that is ibm.com/software/websphere/knowledgecenter, one word. And everyone who is registered for this call in advance should have received a confirmation e-mail with a link directly to it as well as an FTP download for the charts themselves directly.

Sandy Carter: OK. Great. Thank you. So I wanted to make sure since I know people are instant messaging me on this strategy.

Strategy is so important that we set our contacts around. And of course I want you guys as our partners to join with us in this approach to the marketplace. So thanks John for doing that.

OK. So get that strategy in place and you'll see us – have that come to life in some of the launch excitement that we're going to generate this launch.

If you go to page six, you'll see that we've got over 520 events around the world where we'll be sharing the message that I'm going to share with you today out to our customers.

We'll do this in a role based approach and what does that mean? Well, obviously for an architect, we'll go deeper on that technology. For a set of executives, we might not go as deep as we can go today with you.

We also have a set of line of business or industry focus shows. And again, the message will be tweaked for them. The content will be the same but again told in a lens that those particular roles want to hear the story in.

So watch that space, as you can also use a lot of our role based materials.

Now moving on to page seven, I want to just walk you briefly through the five takeaways before we get started on the overall deck.

So the first is you'll see come out loud and strong is our (continuing) investment in our strategy. And that of course includes upfront and in the center, our commitment to you, our partner community, our SOA partner community.

We're investing over \$1 billion a year in this strategy and of course the ecosystem is a critical part of that.

Second, we had such a huge success at Impact which is our SOA event in Orlando in May of this year, with over 104 customers telling their SOA stories. We want to continue to do that.

So as you guys had great references, we now have an (e-book), an electronic book of references. Let's make sure that we get your stories included there.

And we have customer speakers that are requested in all 500 of those events. So if you have recommendations, please let us know.

Our third takeaway in addition to our commitment and dollars behind the strategy and having customers share their (story), is looking at the trends in the market place. Looking at what IBM is calling customer to – can master those trends, a globally integrated enterprise.

We've now connected the concept that IBM is marching on with globally integrated enterprise, with service oriented architecture.

You'll see we'll talk a lot about agility that's needed and how you manage that.

Four, another area that we've been on for a while that we'll continue to focus on is business process management. Again, industry flavors of that with pre-billed assets and content that we've been talking about with this (PBSes). But really geared for our customers to help create and innovate end to end processes.

And then finally, number five. A concept called Smart SOA, and Smart SOA is a defining set of principles that we're using to take that smart that we've learned from our customers, with our customers, and embed that into a continuum, and embed that into our offerings and our services.

So those are our top five takeaways from this particular launch. So now what I'd like to do is, I have an abbreviated version of our overall presentation on the announcements. Now, we're going to tell you at the end of my part about a widget, so you're going to get a full version of this.

You'll get a 30 minute version, a 45 minute version, and an hour version with detailed speaker points behind us. So what I wanted to do is just to give you a little taste of what's coming and some of the largest announcements that we'll have.

So if you move with me to page eight, you'll see the first announcement that we'll have is around trends that (we'll see) in the market place from the CEO study.

And you guys know that the CEO study is the world's largest study. It comes to us by the Institute of Business Value and this year, we have over 1,000 CEOs so up from about 700 last year.

The sneak peak into this, of the trends in the market place are first around the new and changing customer. Over a billion new consumers coming in from India and China, changes in how customers are buying with Generation (Xers) and (Yers), and the way that you have to market and sell to them.

I'll tell you this weekend, I was with some of my cousins. And it was a two story house, one of my little cousins was sitting downstairs. She's 16 years old. And I was on the upstairs level and she text messaged from downstairs.

Interesting concept of how this next generation is going to use technology.

Next trend, global integration. How are companies, small companies, medium companies, large companies, taking advantage of the flat world?

(But just with a) customer in Germany, 50 employees in the entire company, has leveraged their global assets on Amazon's marketplace, has leveraged it throughout India and China to really become a global company, a global business by leveraging their global assets.

Next on the list is business model innovation. And this has been on the list for the last three years running. It continues to increase importance year after year.

So what does this mean? Well business models had meant in the past that CEOs are looking to change their industry. But this year, there's two new attributes that they've added.

One, how do they change how they charge their customers and two, how they collaborate on new ideas not just internally but also externally. And then of course, you see new technology (models).

Number one is the concept of service-oriented architecture, not because it's popular or a buzzword, but more than that, because it provides a value of agility into the marketplace.

So if you think through this, a globally integrated enterprise takes advantage of all these trends. And in fact, they'd do that by creating, (differentiating) value through new business models.

They'd do that by looking at components of their business. I'm really focusing on the differentiating one. And they also do that by ensuring that they have modular business processes.

And so if you take a look at companies in the marketplace who are starting to become globally integrated businesses, on page nine, you see some of the ("Powered by") that goes behind those companies on this chart.

So sustainable agility, what do you need? Well first, you need the power of service orientation. Now, we're talking from a business perspective. How does your business approach going to market? Are you broken apart into set of components? Can you reuse those components?

A component here is just a service, a service being a business task like checking someone's credit or opening a new account or checking out inventory levels.

So this whole concept of service orientation gets you into global markets by allowing you to have global assets. If you're into (componetization) because it allows you to (componetize) your services.

A case in point, (Fuhrer Wurst) which is a shipping company in Germany, has broken apart how they do bill to order. And they now have one of the most successful processes that is (componetized) and they leveraged that (componetization) all over the world.

Now, globally integrated enterprises as we have defined them also have underneath them an architectural style called service-oriented architecture. It is an enabler of the agility that a business needs.

So as you can see, the business side and the IT side go hand in hand. In fact, one of the most impactful meetings that I had with a (CIO) was where a (CIO) told me that his (past) company, large company had been attacked by a competitor.

They knew the business model changes they needed to make. They knew the processes they needed to enhance. But it took them two years to put the right flexible IT infrastructure behind it.

And that is why now, in his new company, he said he won't do anything without service-oriented architecture and the agility that it brings to the table.

So it's not just about the business, not just about IT, it's about that continuous alignment of business and IT.

And that's where we really come in with a lot of leveraging of our leadership along with you in the marketplace with our 5,700 engagements.

If we go to page ten, you'll see that we have defined in the marketplace something called Smart SOA. And in fact, while we're talking, the press is going live in many places. Information World just published an article called IBM addressing beginning and advanced SOA needs through Smart SOA.

And also Internet News, moving forward with an article on Smart SOA with IBM says no to monolithic, unchangeable environment.

So the news is already hitting about us embedding our expertise into the marketplace. So listen a couple of minutes on this concept because I think this is one of the most important concepts in the announcement.

So what is Smart SOA? And how do we leverage the 5,700 customers that we have to date of deployment?

Well, first you see that Smart SOA is a set of guiding principles. They've been developed by IBM. And they're used to help customers extend their business value of their deployment.

It is based on our experience, so it's not guesswork. It's based on our experience. And it defines an SOA continuum. And here you see that it goes from basic to advanced. It has concepts of the business and IT. And it has simplicity and robustness throughout.

So for instance, I'm working with a large U.S. airline, they've a very simple deployment. Most technologies would say simple deployment of SOA. But it actually works at the very mission critical business application, figuring out how to charge the different people (come) into the internet for flights.

So very simple, very simplistic application but one that has a lot of need for robustness.

On the other side of the spectrum, on the advance side, you see customers like large banks who actually come to IBM because of our scalability, and reliability, all the things that make up robustness but also need simplicity and (concealability) in the way they roll this out.

So you see Smart SOA really does help to define a set of criteria. And if you move with me to page 11, you'll see a sneak peak of the white paper we'll publish on October 7th.

We've defined each of this style, from the business perspective and the IT perspective. Here you see foundational, very focused on a departmental area, I think, in three points, end to end. Extending end to end with your processes.

Very focused now on taking those processes either internally or externally across multiple (divisions), transformational now being more at an enterprise-wide level and then adapting dynamically.

Aspirational for most customers but we do have offerings to assist our customers in the space today.

And part of the white paper will be to articulate and show customers along this spectrum like (Staples) who is transforming their business or (Standard Life) who is extending their business end to end.

On the foundational side, customers like Harley-Davidson or (OEG) in England who looks after commercial aviation are on the foundational area.

So we've got a lot of work to define the criteria here. And again, even looking at things like, how many of your services should be reusable, and what percentage of the function in your process should be a service?

So with that set of the backdrop, that is the backdrop for all of our announcements today. We're making enhancements along this continuum to help customers who are just starting out in the foundational area make great progress. Or customers who are extending or transforming really take advantage of some of the more advanced capabilities so they continue to get value out of their deployment.

So move with me to page 12, and let's start the next set of announcements that we have in this space. And this is on understanding where you're going.

So whether you're starting in the foundational area or whether you're progressing along, one of things you need to do is you need to see where your industry is going. So you're making sure that your projects are hitting the (sweet) spots in your market or your industry.

Our announcements here include the (CEO) report that I gave you a sneak peak of, that will be coming in May 2008. Our CSI report that will come out at the end of this month talking about best practices and performance management and then available today, off of our web site, the industry report in 35 industries allowing you to see processes that are relevant today as well as tomorrow in each of those industries.

So we view these as really helping (your), being the foundational announcement, that you should look at before you even start your deployment of service oriented architecture.

If you move on with me to page 13, you'll see another area of foundational, and its one that (probably) all of you are familiar with, and that's the SOA entry points.

Now, these entry points of people, process, information, reuse and connectivity will remain as firm foundation for all that we do. And in fact we'll have announcements (packets) (for the next stage) about products that have been enhanced around this.

But also note on here, we're now releasing publicly the SOA scenarios. Now, this goes in deeper. So for instance under reuse, there is a use case on how do you create a reusable service?

So this takes you deeper and gives you more insight into taking each of this entry points into the market.

Now continuing on with our (set of) announcements, on page 14, you'll see that I'm just highlighting a couple, because obviously we have a lot of new news here.

But I want to make sure that you see some of the enhancements that we're making around these entry points. So on portal, we've got new acceleration for collaboration, enterprise suites, and dashboards.

So collaboration accelerator for instance has instant messaging and web meetings and some of the web (tool) social networking now all offered in a single offering that can be used with an (AJAX) client in an SOA deployment.

On the process entry points, two new enhancements in process server, one on usability, so again that's focused on (consumability). So you have even greater flexibility and deployment choice including (i-series) platforms as well as (z-series) platforms and enhancements to the functions as well including (ESD) mediation.

In our WebSphere integration developer, if you take a look there, we're making usability enhancements and its linkage to the portal with portlet creation wizards and as well, enhancements to the technology itself with now more better and more interoperability with adapters.

And then finally, IBM (Optum) which is an enhancement to the information entry point which has come to us from the recent Princeton Softech acquisition. And this helps to support data governance that's obviously a fundamental requirement in SOA. And what it does is that helps you capture and manage data at the business record level.

Now, in addition to the product enhancements. We also are introducing on page 16 – I'm sorry 15, page 15, some new packaging that can help you get going faster. And I know many of you have sent me notes on this.

So first on the left hand side, our SOA sand box. Now, this is a mix of full version software trials or try online (hosted) environment. It's targeted at architects and developers, you guys can use it as well to play around with some of our new, our new portfolio.

It has, inside of it, not just a free code that's available for download also at ibm.com/soa. And I should say, this will go live on Monday. Just so everybody knows.

But it also has in it, solution cookbooks, demos, decision guides like how granular do I want my service, architectural guidance, technical white papers, it's a complete hands-on path to helping customers get a first try with our technology.

Now, in addition, we've also made some announcements around other configurations. The entry points are now available with configuration guides on the (p-series) box.

And as well, we have a configuration for security and management targeted at operational and security leaders and companies and again, containing a configuration guide (end of use cases).

Now, one area I did want to highlight is on page 16, and that's extending the value of legacy and package applications.

As many of you have experienced, our initial deployment of SOA have been around service enabling packages like (SAT), like Oracle and allowing those service enabled functions to be used anew in more productive ways.

This configuration makes it easier to extract the value; it's based on our best practices. In fact we include documentation on those and also expert guidance, to walk you through how to help clients in this particular scenario.

So this I think will be a very hot topic and in fact has already gotten a lot of interest from the press going forward.

So all of these, as you're seeing are still on the foundational. And why is that? Well, most of our customers, as you and I know, still exist in that foundational area. They're still trying to leverage SOA in the market place.

So if you even compel more new customers, if you move with me to page 17, you'll see some more of our announcements.

Now, these announcements really combine, really combine together the power of Web 2.0 especially around its (consumability) with SOA. And you can see what we're doing is we are leveraging two parts of Web 2.0 that we think can really add value to this deployment.

And that's on making SOA simpler to use and simpler to access. So if you think about simple to use or (consumability), this is about getting the enterprise content through SOA into the hands of the business user. And the business user can then mash up what they need when they need it.

AJAX is one of the key elements here and it provides a unique rich user experience of the application. So it's really core to the value of how people can remix the content independent of the source or the form that it has.

So if you think here we're going to show you (enhancement chart) portfolio of the portal, again the WebSphere portal of our WebSphere business monitor. Allowing you to use Web 2.0 that have business users create their own key performance indicators.

We'll talk some more about that in a minute. And as well some of the AJAX capabilities in the WebSphere application server feature (packs) for Web2.0. It has AJAX messaging in it, an AJAX tool kit, and allows AJAX clients and (J2EE) or SOA services to be linked together.

On the simple-to-access side, we're going to be focused on (restful) access to SOA. So if you read the (blogs), you probably see a lot debate on (restful) based services or (soap) based services.

And our view is, you know what, you don't have to chose, you need to use both to provide access to both enterprise services and content.

So you here you'll see enhancements to the (MQ) portfolio, data power, WebSphere Message Broker, that can help users of those technologies to get better reusability of their IT assets in better ways.

So, if you go with me to page 18, you'll see here the portfolio of products that have been infused with a Web 2.0 technology. Now, very important point, is that there is one platform, there's an SOA platform – same product (plus tech portal) has Web 2.0 technology and SOA in it.

Message Broker allows you to do (restful) development or (soap) based development. So there's one platform offering you the choice of what and how you want to exploit the technology. And to me, one of the powerful things is combining that choice together.

So now let's go to 19, and we've really spent a lot of time focused on the entry points and getting started because that's where the majority of the market is today – getting started.

We've had the (bleeding) edge customers and (bop off) to be the leading edge customers, really go after us away and really start some powerful projects. And there, they're now progressing.

And so what I want to do is introduce some new announcements that can help us in the maturity of SOA. And some of those customers who are now starting to think through some of the advanced capabilities.

And again on 19, I just want to make a very important point, which is the same software that you use in foundational (plus take) Message Broker is the same piece of software, the same product that can now extend you throughout this continuum. So it's not separate products.

(So let's) first on page 20, take a look at some of the announcements that we have around business process management. And again, this fits in because as you see the movement forward customers are now looking at extending their process end to end.

Not just looking at functional processes but end to end processes. And how do you manage an end to end process? So here you see a number of announcements that we're making. And we'll start first with the methodology or the process expertise because, in the end, you have to start with the methodology and then you apply tools to that methodology.

So we do have, out on our web site what we consider best practice with (BPM) methodology. It now includes process governance organization and a framework and it also lays out all the components that we believe a successful deployment of (BPM) with SOA has in it.

If you move with me to the upper left hand corner of page 20, you'll see one of the first components that you need software for is business modeling.

And we've added enhancements to our WebSphere business modeler, with traceability of models and very exciting, better interoperability.

And that includes the modeler now being connected or being able to (interoperate) with (file net), with (latest E form) so you can have consistency in your human interaction. The rational data architect, so the data now, the data modeling now is tightly capable of the process modeling.

And Microsoft Office including design collaboration with Microsoft Word.

Moving down now from modeling to how you deploy that out, we're today announcing a set of industry accelerators. And these industry accelerators help your deployment because they're (pre-bill) assets based on both IBM and our partners.

So today, we are announcing five new (CBSes) in insurance, in health care, in government social services and four new industry content (packs) – insurance, banking, telecommunications, and health care.

And as you guys know, this helps you as a business partner. They're pre built templates and dictionaries that can accelerate your time to market (in) your deployment out.

You can also see that we've added now enhanced support for (z) and new support for the (i series) in our (BPM) portfolio. And you can see, it's not just my excitement here around this area, it's (Forester) who's made us leader in integration-centric (BPMS wave).

And part of that, is because of the announcement at the right hand corner. And that's around monitoring. This to me is probably the most exciting part of the announcement. It combine into WebSphere business monitor Web 2.0 technologies. So now a business user can customize his or her own dashboard and their own key performance indicators.

So that's a more advance function, BPM, moving you to extending end to end. Let's now move on to another concept, that we believe is not only needed in the marketplace today, but also is a place that IBM business partners and IBM can differentiate themselves in the market.

And this is a concept on page 21 called process integrity. Now process integrity is all about synchronizing your end to end processes so that they provide the right amount of integrity.

(It's in) particularly important because SOA is now a loosely coupled system. But you need the (energies), the scalability, reliability of a closed system.

And so what I'm talking about here is interaction, integrity. Think about this as, how do you get the right access to information and content? How do you provide an easy way that the user interface displays the information that's specific to that particular user name?

On that transaction side, think about this in terms of both short term and long term transactions or long running and short running transactions.

Short running, how do you have the ability to roll back a transaction if some aspect of it fails in an end-to-end process?

And in long running, how do you give compensation in an end to end or a horizontal process.

And then finally, information, how do you make sure that information sources are synchronized so that there's one view of the truth of customers or partners or a product.

We believe that this particular area is a big differentiation for us. And is one that will be critical to all advanced SOA projects. One of the ways we started focusing here was because we started doing rescue missions for some of our customers who have chosen non-IBM technology.

When they went from foundational to one of the more advanced areas, they weren't able to scale, they weren't able to recover at a (bus) level, they weren't able to have compensation done in the right way.

And so a number of (CIOs), about seven of us, got together to talk about, well, what would you wish that you had known then, that you know now to help customers who're going to go through this advanced stage.

And that's how we came up with the concept of process integrity.

I will tell you there are already competitors out there starting to market process integrity. And we will be providing a set of materials to help you differentiate with them. Kind of a consumer report style on what features and functions really go into process integrity in each of the stages of the continuum to help you in (sale) situations.

Now page 22 goes through the portfolio. And I won't spend time on this but you can see the products that had been enhanced in order to provide the right degree of integrity again for all your processes. Again, making sure that there's loosely coupled open system to deliver the same reliability, consistency, predictability of a tightly coupled system.

So, we're almost through the announcements on 23, governance. And, as you know, governance continues to be a critical area of success. In fact, probably the most important area of success.

And we've made a number of enhancements here as well. The WebSphere service register repository now interoperates with the rational portfolio as well as WebSphere business services fabric.

So you can have business services and IT services together. And then we've also made some announcements around the proof of technology that's done jointly with our own SOA sales team that you may want to leverage as well.

So on 24, you can see this is a lot of news. This is one reason why we broke the announcement up into separate dates. But I believe it emphasizes what's a value to our customers.

First, it helps you to grow from basic to advance as a customer's needs evolve. We didn't get on to a lot about agility, but we also pioneered a set of agility matrix, that allows companies to (manage) their agility

And there's a great supply chain white paper out on our web site that you probably want to look (free) through on how to manage your agility in the market place.

(To) focus on end to end processes especially based on industry best standard, best practices; again becoming increasingly important to our customers as well.

As (IDC) reported out yesterday, the combination of people, process, and information is growing and we are only vendor who can go across all three of those entry points.

We do offer this investment protection through open standards, so that configuration we talked about with legacy is becoming important, more important in fact a couple of reporters said, "Wow. You guys are the only one who really want to have an open view of what you need to connect in the marketplace with SOA."

And then finally this whole thought of simplicity and robustness throughout so that our customers have (consumability) and confidence throughout.

And I would have to say that, you know, the (why) IBM here and each and every one of these includes our partner and our partner community. None of these is really possible without you and your support and you guys telling the story on the ground in your local region.

So as a summary, I've included in here page 25 and 26 that list out the announcements that I just, you know, fast forwarded through for you. Just so you have it in one place.

And if you want more information on one or more of those, please make sure you contact either myself or John because we would love to walk you through them.

On 26 you see the highlights of the products that has been enhanced. And again, if there's something here that really piques your interest, at the end of the show, you'll see our e-mail addresses. Make sure that you get to us and make sure that you're leveraging these new enhancements for value to your customers. It gives you a reason to go out and call again.

Now, the other thing that we heard loud and clear from you guys, if you go with me to page 27 was, you know, how do we get access to this information? How do we make sure that we have the latest presentation and that we can leverage them?

Well we heard you loud and clear and we've created your own personal SOA assistant. It's called the Smart SOA widget. Many of you have probably played with widgets from Google or MySpace.

This is one we developed specifically for our Smart SOA content. You can see, it also leverages SOA and Web 2.0. It has RSS feeds that come in and alert you to changes and of course the information is wrapped as a service.

So it's a great extension of SOA using Web 2.0 technology. It is customizable by your location to your geography or your industry.

And this will be coming out on October 9th and a customer version. And John and I will work together to ensure that for you guys you can see the widget here has a competitive section that we wouldn't provide to our customers.

But we want to make sure that we can provide a set of competitive information for you to also use in the marketplace.

Now, on 28, I hope that you feel this excitement. The press, we've already over 125 articles on the news. Customers that we've talked to, we did a user group meeting this morning and we had almost four times the number of customers on that call than we normally have.

So this Smart SOA word is going to get out around the world. On 28, you see the many places that we are going to take the word including, you know, Smart SOA partner camps in Germany, Smart SOA days for customers in Asia, and as well events like the (Gartner) IT expo here in the United States including (IMPACT) and John will talk through those.

What I hope is that you felt the energy, the excitement, and the passion that I've been feeling and hearing from customers and from you. And that you now take this on the road that you share with your customers.

And that you provide feedback to us on what else do you need to be successful, to really drive business? And grow your business in the market place.

So with that I want to close. I do want to thank you again for your time. And most importantly for your business, for your support, and for all that you've done.

And I would now like to pass the baton over to a great friend and colleague, Jim Corgel. Jim, I think most of you know now, is the general manager ISV and developer relations here in software group.

It's great to have Jim and his energy over in software group. And I'm so thankful that he's following me and not coming before me because he was just telling me he used to be on the radio. And so he's got this magnificent voice and a great story to tell.

So without further ado, I'd like to turn it over to Jim Corgel.

Jim Corgel: Sandy, thanks very much. And nobody really likes to follow you in any presentation. So, good job, and thanks for everything that you're doing as well to lead this effort.

One thing that you and I always agree on when we talk about our partners is the goal is to make their companies more profitable tomorrow than they are today.

So our partners are telling us loud and clear that they want specific kinds of help. And my job in this presentation is to walk you through a few slides, to give you an idea specifically where you can come to my organization in ISV and developer relations and you can get real work done toward that goal of profitability.

So if you turn to chart 30, this should give you a quick glimpse of what we're talking about. We're calling it an innovation ecosystem and there are four major parts to this.

So think of these four areas as where I and my IBM colleagues are investing and we're listening to you as you take advantage of this ecosystem and as you feedback what you like and what you don't like. What you're using and what you're not using. This will evolve over time.

So if we go to chart 31, let's just talk about this ability to build capabilities, capabilities that you can leverage in the future. And when we talk about building anything, we're talking primarily about two areas.

Building the SOA skills of your development teams so (what if) people that work for you know tomorrow better than they do today.

And then building your SOA application solutions on our favorite IBM technology. So let's look at the build slide on chart 31. Skills, we know, is everything. You know it's the lifeblood of the industry that we work in. You are what you know.

So there are a number of avenues for you and your teams that you can use to build your on IBM technologies. Now there's a lot of tradition here because I'm a believer in workshops, in traditional classroom settings where they make sense.

But of course you can't take advantage of every single thing face to face the old fashioned way. So there are a number of virtual offerings throughout our course catalogs that we make available to you.

And you can get there through our popular developer work site. Or in what we call the virtual innovation center or the VIC for short.

So you've got a choice, there are 34 IBM innovation centers in key market cities around the world. Or there's the 24 by seven virtual innovation center that you can take advantage of. That's for your skills.

Now, let's talk about building your solutions. We think we have a wide range of support in this area as well that you can take advantage of. In the development area where you think you have a shortfall. And in the need to test your application, your intellectual property on our technology.

So we help you design your solution. We can assist you with any problems you might run into in working with IBM products.

Now, as I said, we love to have you walk in the front door, we got plenty of parking at our innovation centers. But we've found out that so many of you if you start there, the more you want to do, the more you are going to want to do it remotely in the virtual innovation center.

On the 20th of September, we just opened up our brand new physical location in Dallas; lot more hardware, software, services and skill because the virtual innovation center demands it. And it's just really taking off.

You're also telling us that you need hardware, and you need products. So we have a virtual loaner program and facilities to help you do that. So it gives you full access to a secured development and test environment, whether you're doing it in your office or elsewhere.

So the innovation centers whether they're physical or virtual are where you get started. Not only with the build process but we think they're a natural point of entry into IBM and to all the other IBM capabilities around marketing and sales.

We sort of put those two together into slide 32 and we call it collaboration.

Now, everyone of our clients, yours and ours, and the ones we shared together will tell us everyday that, linking with IBM and other particular partners is a necessary, its just necessary to get anything done.

So collaboration in our minds and yours is extremely important. And we've got a number of ways our partner can work together to expand that reach, eventually drive revenue. And while we have resources to help you resources to help you collaborate technical or marketing or sales experts, you're telling us it's equally important if not more important, for you to have easy ways to collaborate with one with another.

So collaborating with IBM is something we're working with you on; but collaborating with all of you together where it makes sense in front of a client.

And we know for a fact that you're feeding back to us, that this form of investment helps you speed your time to market and I think, more importantly, reaches new markers that together we've never reached before.

We have communities where partners can line with IBM and each other around some really strong areas of growth like the (SOA) community.

In over 4,000 partners have identified (SOA) as an area of interest. So everyday, somebody new walks virtually into the community and says, "I'm here. Here's what I have to offer. Who else is here? And how can we all take advantage of one another?"

In developer work spaces, developers and companies can build communities around a broad range of technology topics and business (trends) again like (SOA) and others.

It works much the way MySpace does, companies set up a dynamic profile page describing their business and solutions, developers can participate in online forums and hold virtual discussions. Developers can work together to develop applications collaboratively.

So if you build your skills and you found out the right and necessary (IBMers) to work with and the partners that are interested in the same thing.

It probably makes sense, at least you told us so, that when you got this solution ready, you got to find a way to take it to market.

And slide 33 would tell you how to do that with us. Because we think there are a number a number of resources within our partner world industry networks to help you not only generate awareness where necessary and demand for that solution.

But depending on your level of partnership, we have a number of resources ready to help you do all these demand generation that you feel is necessary.

And it's part of the (SOA) specialty. You can work with our marketing experts to expand your reach to brand new customers, brand new industries, that you may not be relevant in today.

And markets whether they be countries large or small around the world where your brand and your capability may not be as visible today as you'd like it.

So look at chart 33, a virtual marketing department with resource managers, real (IBMers) who will work hand in hand with you create, help you execute or evaluate some sort of end to end marketing campaign.

And all the resources you're going to need to execute a campaign like that – very traditional things like customized e-mail and telemarketing. And a lot of other techniques that we use to build the kind of pipeline, generate the results, that we're all looking for together.

So we use the advance skills, that (are not only) from IBM but a number of professional agencies, that we would bring together to help you nurture your highest potential prospects.

There are other ways to build interest and awareness to build interest and awareness. People tell us they us they really love the new search engine optimization, where our consultant will lead you into the optimal place on your web site and others where you get the most hits.

And simple advice from time to time in things like event management because, again, there is no substitute for you and IBM together in front of a number of client briefings. Or whether that be trade shows or other places where you're convinced we'd be more relevant.

So right now, 40 of our business partners have taken advantaged of this. We've got over a million leads in the pipeline.

And once we build the awareness, if you look at chart 34, you know, now we get down to where we all want to be, poised to sell what we have together.

And we think, there's a number of ways you can get there. One of those if sales connections, it's an easy way to link with IBM sales teams, or all the other business partners who can help you close your deal faster.

You can receive assistance from the IBM (SOA) software server and services sales reps, once you join the (SOA) specialty.

We have (SOA) business value assessment tool kits, where you can you can identify the customer business problems, deliver solutions for a return on the investment that you're making.

You get a set of interview questions, which deliver return on investment business cases, indicates some key process models that are favorable to most clients, and a (SOA) solution proposal kit.

And last but not least, when we're making a lot of music together, we hope you'll feedback to us that the way we published our success stories makes a difference in your future results.

Showcasing your clients successes to prospective customers and a number of IBM sales teams with all of the IBM brand that produced marketing brochures and other collateral, you know, once you join (SOA) specialty, these can all come together to (sport) some results in the marketplace.

So if we go to chart 35, let me just try to sum up. ISV and developer relations, a place in IBM where I hope you'll agree is the place you can all come together to get some work done.

So whether or not you're in the business already and you're selling (SOA) solutions or you're thinking it's an opportunity you need to tap in to grow your business, we're convinced that we can help you.

We can help you build, we get a number of educational resources you can take advantage of, technical experts along with our educational folks who can provide consulting help to get you started.

And once you're ready to build, we all know we can all take guidance from one another and help best to put your intellectual property with our capability together in the market.

I emphasize again the need for collaboration, whether its through your (SOA) community in PartnerWorld or with your favorite IBM selling teams. Or merely the time you spend on the (SOA) web services space on the most popular web site destination in the world, developer works.

And then marketing, if you chose to join our (SOA specialty), you'll have access to a dedicated (SOA) marketing consultant, someone who could help you create and customize a marketing campaign.

You'll have access of course to all the (p win) and PartnerWorld industry network. Forgive me, (p win) awareness and demand generation resources that so many of you are taking advantage of today.

When you're ready to sell, we're going to tell your prospects where you've been successful before. We're going to help you build a sales place that will drive more revenue and help you utilize in front of your clients, the kind of tools you would need so that your return on investment, the message that's most wanted by our client, that message you deliver plays loud and clear.

So you have told us, these were the areas to invest, we are trying to do what you want. We're trying to bring all these together. There's a lot of guidance we want to give you in the process of working not only with IBM but throughout the tremendous number of IBM technologies that are available together.

So I want to thank you again. As Sandy said, you are the difference maker in our success in the market place.

Take advantage of what we want to do together and I think there's just so much more we're going to be able to get done.

Let me say thanks. And John Gordon, our host for today, why don't I turn it back to you?

John Gordon: Great. Jim, thank you very much. And Sandy, thank you as well for taking us through all those great new announcements that we have.

And our (power) business partners can work with us to take advantage of those. And really help customers (build) across that entire continuum to bring Smart SOA into their account.

We've just touched the surface today on some of these announcements, to make sure that you understood the basic story line in what we are doing to try and make a difference in the market place today.

And there's a lot more details, I'm sure you expect them, than what you're seeing here today.

I'm going to actually bring you back to page 27, real quickly. And at the bottom of page 27, there's a URL for our SOA launch site.

This is the site that you can get to and you'll be able to get not only the new widget that we have for you but will also give you more information about all the products that you've seen here, the programs you've seen here, the enablement information.

It's a great place for you to go to, to figure out how you can take the announcement here and learn just one level deeper. So when you're out executing with your account and with your client, you can bring them the latest information.

And so I'd like to again thank Sandy and Jim for their time today and for sharing their message.

And I've just got a couple of more points to take you through before we wrap up the call, to talk to you about how you can take advantage of this launch with your business right now.

Go with me to page 37, a couple of things to think about as we're trying to get this message out.

We're going to be spending a lot of time getting the message out into the marketplace, reaching a

lot of customers to talk to them about how Smart SOA can really make a difference to their business.

One thing that you can do to show your unity, your support for that strategy, is use our new launch SOA launch (link back kit). And so we have available this logo that you can see on page 37, that we can send to you that you can add and link directly back to our SOA launch site.

You can put that to your web site to show your customers and your account how you're tying out and working with IBM to make that message come to reality.

So if you're interested in that, there's an e-mail address on the chart, you can send that to (Stacey Miller) on my team, and she will help make sure that you get set up to that.

Another thing that you can do here is focus on press opportunities. So we're always interested in working with customers to highlight how their success with our business partners has really helped transform what they're doing and how they're solving business problems.

And so as you have (wins) with IBM that are involved in SOA technologies and SOA solutions, bring those back to us and as Jim mentioned, we can do not just case studies but we can find ways to get the press to interview you, to get press releases out there.

And there are lots opportunities to share that around this timed momentum. We do this launches on a semi-annual to really provide a groundswell with the press and with the analysts and with our customers.

So they're gonna be looking for opportunities now and this is a perfect time for you to work with us, for us to showcase some of the successes that you had. So those are two things you can do right there.

On page 38, I want to get you to another area, and that's these in person events that we have going on. So you can see at the top, a number of the fall launch venues, we're going to be focusing a lot of our announcements around the (Gardener IT expos) that are happening.

We have (Impact Comes to You) events that are going around the world. And we are already starting to think about our (Impact 2008) which will be our biggest SOA event of the year, next year.

I'd encourage you to attend these events with your clients. What works really well for our partners that they tell me is, they show up to these with some of their clients and prospects. They hear the messaging coming from IBM and coming from the analyst and they can turn right to their customer and say, "Hear the great way, you and I together could work to do this for your business."

So there's really a strong opportunity for mentoring with your customers to attend any of these events together. So I'd look into that.

(Impact Comes to You), I'll just get the word out now because I think many of you know that last year, that was our biggest SOA event around the world that we had.

We had a tremendous number of customers and analysts and press that showed up at this event. In fact, I had lots of business partner come and tell me that they've come to IBM events for years and the quality of the customers they saw at (Impact) was unlike any they had ever been to before.

So really try and support, as a number of you know, we ran out of our sponsorship opportunities for business partners really early because of the fact that we had such strong demand and such a good customer base.

So I was going to tell you, mark your calendars now for April 6th through 11th in Las Vegas, Nevada where we'll have Impact 2008. And if you're interested in getting on the early notice list for those sponsorships, go ahead and send me an e-mail about that.

A couple of more things, I would just highlight again at the SOA business catalog on page 39, that we've talked about a number of times.

There's a lot of additional promotional opportunities that we're working on here as we start to continue (outings) of the customer set by industry, talking to people about how they can leverage these services that are in the catalog.

There's a lot of ways that our business partners are taking a really strong leadership opportunity to take these services in their solutions and put those in the business catalog to drive extra visibility and to help customers see how they can integrate their solutions with this SOA foundation and this SOA technology that Sandy discussed earlier in the presentation today.

So if you're there already, go back and make sure you're taking advantage of all of the features, the ratings, and reviews et cetera. And if you don't have your access in here, you can see the link at the bottom on how you get started and you get access into that catalog right now.

And with that, I'm going to close by mentioning how to stay informed and how to keep getting the latest information so that you always know how this is happening. We got this information to you today that was right on the cutting edge of all the announcements we have. And we'll continue to do that for two major areas for you to look at.

One is the SOA update, with the monthly newsletter that we send out with all latest news as it relates to business partners and how business partners can become successful.

Everyone who's signed up in the SOA community should be getting this to their registered member all ready.

If you have questions again, you could send an e-mail (Stacey Miller), the URL was a couple of pages back to get additional people added from your team.

And then you also have the PartnerWorld SOA web site, so ibm.com/partnerworld/soa. That is the main place for our business partners to go who are interested in SOA.

So with that, I'd like to move on to page 41, again thank you for your business. I appreciate all the work that you're doing with us and your leadership and insights that are helping shape how we go to market in this SOA space.

I'm sure you have questions after this, areas that you need to follow up on. Definitely feel free to e-mail me, John Gordon. You can see my e-mail address on page 41. And if you have questions for Jim or Sandy, you can e-mail them directly as well. But we look forward to working with all of you to go help transform the industry and show how Smart SOA is really helping all of our joint customers become more successful.

Thanks again and have a great season. Bye.

Operator: And this concludes today's teleconference. We thank you for your participation. Have a wonderful day.

END