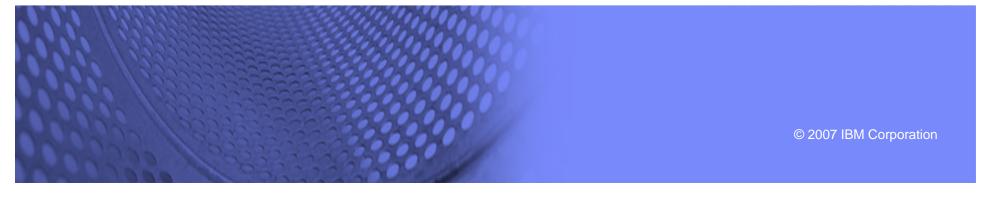




System i Announcement Update

System i Premier User Group June 13th 2007

Nigel Adams IBM System i Product Manager nigel_adams@uk.ibm.com



Today's System i Solutions Portfolio

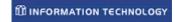




















HARISDATA





Initiative for Innovation delivered over 1,100 new & enhanced i5/OS solutions in last 2 years

- **Innovation Centres**
- Technical review boards
- Porting/migration services



























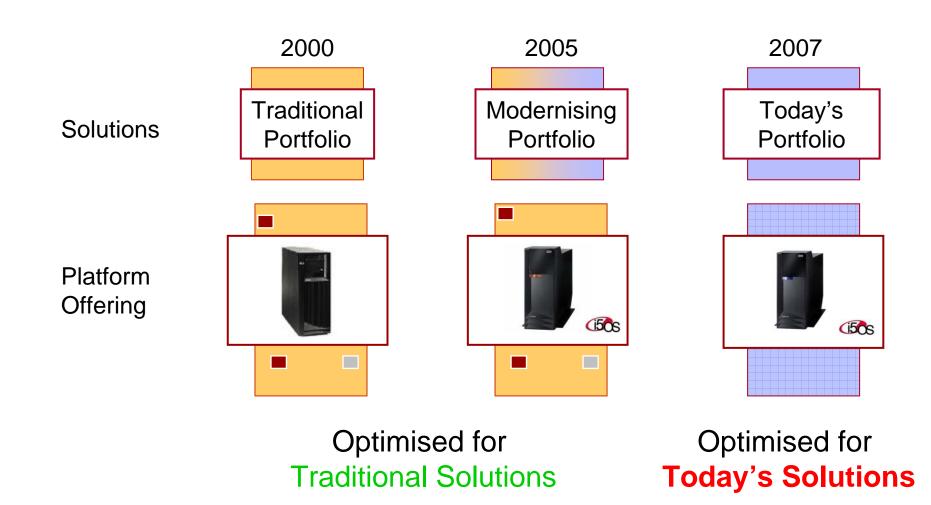








Transforming System i Solutions





New System i Offerings



- √ New 515 Express smaller business offering
- **✓** New 525 Express for mid-sized businesses
- **✓** Powering new solutions with up to 6x performance improvement
- ✓ Dramatic new flexibility in i5/OS licensing
- **✓** Reduced Disk storage price
- New software functions



IBM System i Express: It's Simple



IBM System i5

- At the start of April

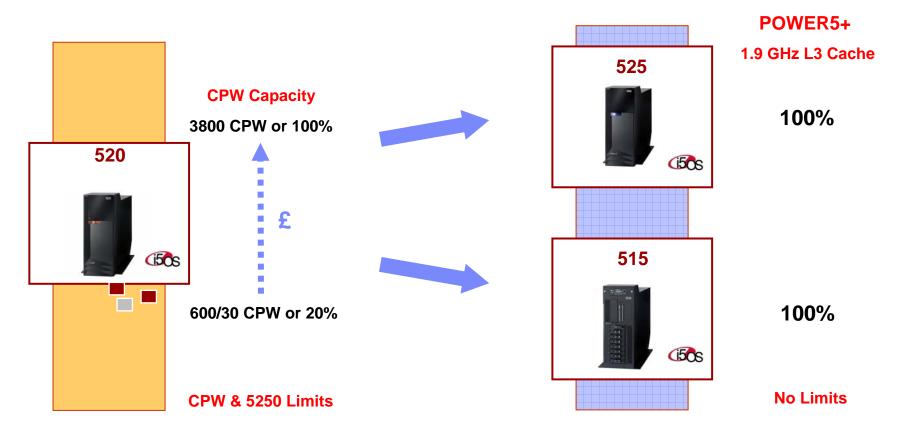




	520	550	570	595
Processor and Max CPW	1, 1/2-way 1.9GHz POWER5+ 7,100	1/4-way 1.9GHz POWER5+ 14,000	2/16-way 2.2GHz POWER5+ 58,500	8/64-way 1.9GHz POWER5 184,000
Key Changes	POWER5+ Performance	POWER5+ Performance	Leading POWER5+ Performance	Leading POWER5 Performance
	Accelerator & CoD New Collaboration Edition	New High Availability Edition New Capacity BackUp Edition	Simpler Structure & Licensing New CBU Editions	Expanded I/O New HA Edition New CBU Editions
i5/OS Release	V5R3 & V5R4	V5R3 & V5R4	V5R3 & V5R4	V5R3 & V5R4



Transforming System i Offerings



Optimized for **Traditional Solutions**



Optimized for **Today's Solutions**

Server price & OS license by user

Offering priced by CPW & 5250 Capacity



IBM System i Express: It's Simple

THE IBM SYSTEM i EXPRESS

IT'S SIMPLE.



- Easy-to-manage, easy-to-secure and highly reliable systems with proven industry solutions that fit the needs of mid-sized business
 - System i 515 Express featured for small businesses with up to 40 users starting at £5,168.
 - System i 525 Express featured for mid-sized businesses with increased expansion options such as Capacity on Demand
- Want a better alternative to Windows-based servers?
 - System i Express helps you get the most out of your IT investments now, <u>and</u> helps you exploit them as you grow.
- Want to run your business not a computer business?
 - System i Express helps you stay focused on your business, not managing server farms, fixes and anti-virus software.
- Want a system that just keeps running?
 - System i Express is known as one of the most reliable and secure business systems in the industry.

System i Value

- The System i Express offers a variety of expansion options to help a company maximize return on its IT investments.
- Unlike Windows-based servers, the System i Express is typically used to run multiple business applications on the same system.
- That helps a company better utilize its IT assets today, while avoiding the costs of deploying a new server every time the business needs another application.



Introducing the System i 515 & 525 Express



515 Express

- 5 40 users
- POWER5+ 1.9 GHz L3 Cache
- 1 or 2-way
- Up to 8 x 70 GB disks
- Up to 16 GB memory
- No HSL or Fibre Channel
- i5/OS V5R4 SW Group P05



525 Express

- 30 unlimited users
- POWER5+ 1.9 GHz L3 Cache
- 1/2—way with CoD
- Up to 39 TB disk
- Up to 32 GB memory
- HSL & Fibre Channel
- i5/OS V5R4 SW Group P10



System i Express

Differentiating Offering Attributes for Small & Mid-sized Businesses

	515 Express	525 Express	
Base software maintenance	3 months	1 year	
Dase software maintenance	Upgrade to 1 or 3 years	Upgrade to 3 years	
Paga hardware warrenty	9x5 NBD		
Base hardware warranty	Upgrade to 24x7	24x7 Same Day	
Microsoft Windows Server Integration	Yes, via iSCSI	Yes, via iSCSI	
Virtualization (LPAR: i5/OS, AIX, Linux)	Yes, Optional	Yes, Included	
Configure to order	Yes, with 20 most popular options	Yes, with full range of options	
Upgrade from previous systems	No	Upgrade from 810 and 520	
Upgrade within system	Upgrade from 1-way to 2-way	Activate 2-way via Capacity on Demand	

(600 CPW)



Deliver Industry Leading Performance - Small Business







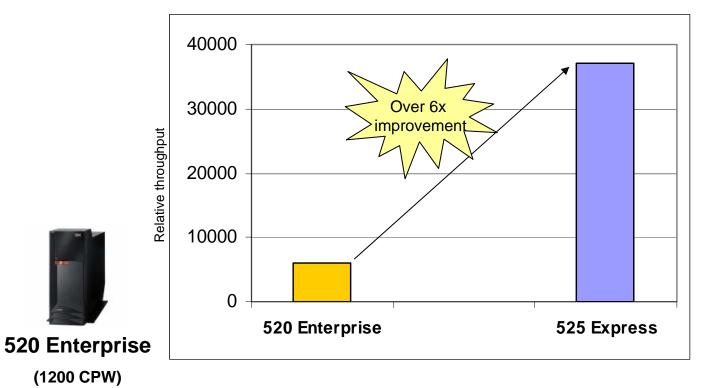


(1200 CPW)



Deliver Industry Leading Performance - Mid-sized Business









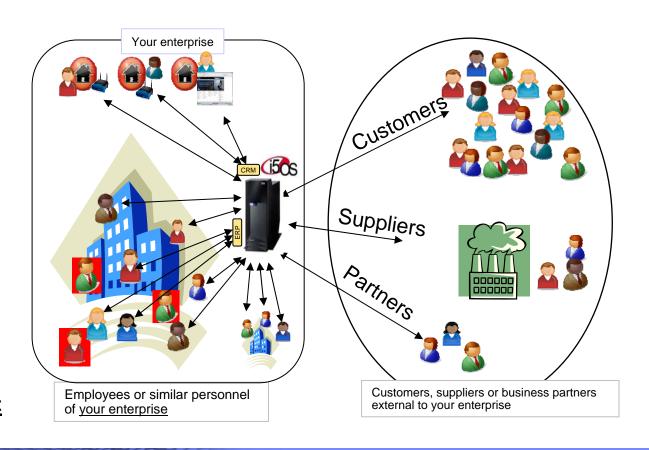


Revolutionise i5/OS Licensing

An **i5/OS user** is a person who accesses i5/OS

- Exchanges credentials (for example, a userid/password)
- Directly with i5/OS or with application on i5/OS
- <u>Every</u> i5/OS user in your enterprise needs an entitlement
- Regardless of:
 - Location
 - Connection type
 - Application accessed
 - User interface
 - How often

Licencing now amended to only be needed for concurrent users





i5/OS Licensing by User

Local Bank Example



✓ One license entitlement for each employee

✓ One price covers all external access users

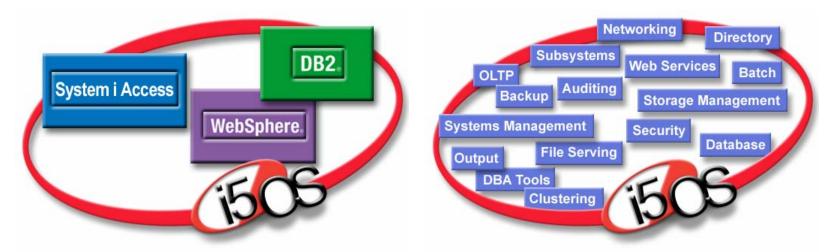
i5/OS External Access Required

Unidentified Internet

Browsers Checking Interest Rates



Integrated Software License



- ✓ IBM's leading integrated operating system
- ✓ IBM's flagship SQL-compliant database
- ✓ IBM's premier Web application server
- ✓ IBM's world class support
- ✓ ... plus <u>all</u> the value of System i Access
- ✓ System i Express: It's Simple



i5/OS Prices







525



i5/OS User entitlements in base offering	5	30, 150 or unlimited
System i Access	Included	Included
Packs of user entitlements	Pack of 5 = £854.56	Pack of 10 = £1,709
i5/OS External Access	£2,892	£2,892
Unlimited i5/OS User Entitlements	N/A	£34,184
i5/OS Processor Entitlement for 2 nd processor	£2,103	£6,244



System i 515 Express





Three simple packages, with configure to order options....



New customer

1-way

1 GB Memory

2 x 70GB Disk

36 GB 4mm tape

3 months SWMA

5 i5/OS user entitlements

Starting at: £5,168

Smaller, current customer

1-way

1 GB Memory

2 x 70GB Disk

QIC tape

1 year SWMA

5 i5/OS user entitlements

£6,543

Query & Query Mgr

Performance intensive apps

2-way

4 GB Memory

4 x 70GB Disk

36 GB 4mm tape

1 year SWMA

5 i5/OS user entitlements

Query & Query Mgr

£15,054



515 Express: Flexible, Configure to Order Options

- Configure the Express package on the initial order to match customer requirements first time
- Add options later to handle future growth
- Keep it simple with the most popular options small businesses need



Options

- Tower or Rack (Selected Racking Features)
- Acoustic Rear Cover, Disk Drive Security Kit
- 2-way Upgrade
- Up to 16 GB Memory
- Up to 8 x 70GB 15K RPM Disks
- 40MB Cache for Imbedded Disk Controller
- Enable 4 Additional Disk Slots & Controller
- Externally Attached Tape/Optical
- QIC 30GB Internal Tape
- 4mm 36GB Internal Tape
- IOP (#2844)
- LAN 1Gb, 10Gb
- WAN 2-port or 4-port
- Twinax Adapter
- iSCSI Adapter
- Advanced Power Virtualization
- Redundant Power Supply
- Power Cords, Communications Cables
- UPS Control Cable
- Language Features



Distributor: Automate Business Processes - 5 user ERP

Wintel

- Windows Server
- Dell 1900

\$5,800

- Want to add another application? Add another server.
- Need more people to manage patch and virus management?

System i 520

- i5/OS
- 600/30 + Accelerator

\$26,000

System i 515

i5/OS





POWER5+ 1.9 GHz

\$ 8,500

- + Want to add another application as your business grows? Go ahead!
- + Want to spend less time on virus / patch management and more time running your business? No problem!

http://www.dell.com/content/products/compare.aspx/tower_med?c=us&cs=04&l=en&s=bsd&~f=lg on March 6th 2007



9406 Model 525

Physically identical to 520 1/2-way system

Same memory, I/O options as 520

Same 24x7 warranty as 9406 & 9405-520

Same Build-to-order philosophy as 9406-520

- Full application flexibility -- ready for your System i workload – Java™, WebSphere, RPG, 5250, etc
- i5/OS processor and user licensing lowers cost for many customers
- P10 Software Tier



- 1/2-way
- 1.9GHz POWER5+
- **3800/7100 CPW**
- Max 32GB memory
- Max 39TB disk
- i5/OS V5R4



System i 525 Express





Fully flexible packages, with configure to order options....

30 User

1/2-way 1.9GHz

Capacity on Demand

30 i5/OS users

1 year SWMA

Starting at: £23,894

150 User

1/2-way 1.9GHz

Capacity on Demand

150 i5/OS users

1 year SWMA

£40,915

Unlimited User

1/2-way 1.9GHz

Capacity on Demand

Unlimited i5/OS users

1 year SWMA

£53,681



The New IBM System i Capacity BackUp Edition

Breakthrough Savings for Business Resiliency Deployment

Versatile:

- Choose the right business resiliency approach for your company
- Supports a broad range of high availability and disaster recovery solution options

Flexible:

- Deploy your assets where and when your business needs them most
- Transfer i5/OS and 5250 Enterprise Enablement between systems

Expandable:

- Buy what you need today and add as your business grows
- Enable Capacity on Demand processors permanently or temporarily

Comprehensive and cost effective:

- Protect all your applications on i5/OS, Linux and AIX 5L
- Expanded i520/i550/i570/i595 CBU Editions, with or without 5250 OLTP applications

Suits many installations

- Existing CBU Editions i570 (2/16w), i595 (4/32w)
- Additional CBU Editions i520, i550 (1/4w), i570 (1/4w, 1/8w), i595 (2/16w)
- CBU Editions to support Standard Edition primary systems
- CBU Editions may now support i810, i825, i870 and i890 production systems
- Upgrades to CBU available from i810, i825, i870, and i890

www.ibm.com/systems/i/hardware/cbu



System i 525 Express Capacity BackUp (CBU)

- Flexible, cost-effective Capacity BackUp offerings offer exception value for a second server deployed for disaster recovery or high availability
- CBU supports a broad range of business resilience solutions including logical replication from multiple ISVs and internal or SAN disk replication (XSM, Metro/Global Mirror)
- Base 525 Express CBU configuration includes one i5/OS processor entitlement & 30 i5/OS user entitlements
- Primary server can be either 520 or 525
- Starting at £20,294









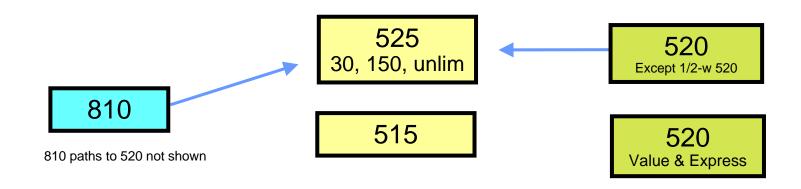








Model 525 Upgrade Paths



- Same upgrade paths as 9406-520 1/2-way.
 - No upgrade from a 1.9GHz 1/2-way 520 to 525 (no performance advantage)
- No upgrades from the 525 to a larger 5xx model (550/570)
- No upgrades from one 525 edition feature to a different 525 edition. (no performance/function advantage)
- Upgrades into the #7790 (30 users), the #7791(150 user) or #7792 (max users) editions.
- Upgrades into the 525 CBU editions from 520 CBU editions are supported
 - From 520 CBU editions (1200 CPW P10, 2800 CPW P10, & 3800/7100 CBU P20) are supported
 - From 520 non-CBU systems and from 8xx machines are NOT supported.



Community Hospital: Financial and Clinical Applications

- 100 users

Wintel

Core Financials

- Windows Server
- Intel Server x 4
 - 3.0GHz Xeon

\$62,000

Clinical Solutions

- Windows Server
- Intel Server x 2
 - 3.0GHz Xeon

\$18,000

- Add a server for each application component
- Server farms mean more complex operations
- Growing virus & security management challenges

System i 520

- i5/OS
- 1200 Enterprise Edition

\$109,000

Standard Edition

\$52,200

System i 525

• i5/OS



POWER5+ 1.9 GHz

\$89,700

- Activate 2nd processor
- Add 30 additional users\$15,600
- + Want to implement highly resilient operations and security to meet hospital service level targets?
- + Want to add clinical applications without disruption with Capacity on Demand?

http://www.dell.com/content/products/compare.aspx/tower_med?c=us&cs=04&l=en&s=bsd&~f=lg on March 6th 2007



Affordable, Resilient Disk Storage

- √ 50% savings on disk prices
- √ Cache/disk packages at excellent prices

System i Disk Prices	Previous	April 2007	Savings
	Price	Price	
70 GB 15K RPM disk	£1,500	£700.82	53%
141 GB 15K RPM disk	£2,251	£1,265	44%
Easy-to-order 515 & 525 Disk & Cache Packages*			
40 MD write each a plus 2 v 70 CD diales	04.040	04.04.4	FF0/
40 MB write cache plus 2 x 70 GB disks	£4,219	£1,914	55%
40 MB write cache plus 6 x 70 GB disks	£10,219	£3,488	66%

^{*} Package savings calculated compared to buying cache and disks separately.

Note that 35GB drives withdrawn 1st May 2007. New disk prices available for all 515/520/525/550/570/595



System i 595 Enhanced with POWER5+ 2.3 GHz

- Available in Standard, Enterprise
 & Capacity BackUp Editions
- Up to 216,000 CPW on 64-way*
- Substantial increase versus 32-way
 - 17% more capacity than 1.9 GHz
 - 27% more 32-way capacity than 1.65 GHz
 - Over 5X the 32-way capacity of 890
- Consistent with i595 1.9GHz
 - Same memory DDR1 or DDR2
 - Same I/O
 - Same upgrades
- Requires i5/OS V5R4





System i 595

	595	595	595
	8/64w	8/64w	8/64-way
Processor	1.65 GHz	1.9GHz	2.3 GHz
	POWER5	POWER5	POWER5+
	(withdrawn)		
i5/OS Release	V5R3 & V5R4	V5R3 & V5R4	V5R4
	CPW		
8/16-way	25,500 - 45,500	26,700 - 50,500	31,500 - 58,800
16/32-way	46,000 - 85,000	51,000 - 92,000	61,000 - 108,000
32/64-way	86,000 - 165,000	92,000 - 184,000	108,000 - 216,000
	Editions		
Standard	Υ	Y	Υ
Enterprise	Υ	Y	Y
НА		Υ	
CBU		Υ	Y



New High Performance Disk Controller

Higher performance due to

- Huge cache
 - 1.5GB write cache 2x #2780 757MB
 - 1.6GB read cache
 1.6x #2780 1GB
- Faster electronics in controller:
 - Uses POWER-PC processor and DDR2 memory
 - Up to 320MB transfer rate between disk & controller (Ultra-4)

Smart IOA

Does not require an IOP on 5xx systems (with i5/OS V5R4)

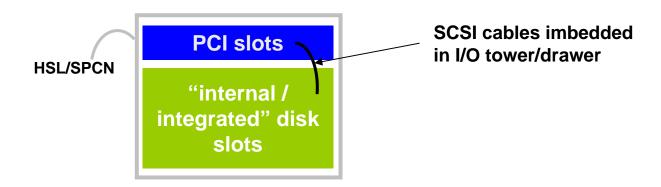
RAID-6

- Supported as well as RAID-5 and mirroring capability
- Up to 2 disk in an array can fail and still keep running
- UK price
- without Auxiliary Write Cache, £4,637 (-8%)
- with Auxiliary Write Cache, £5,103 (-8%)

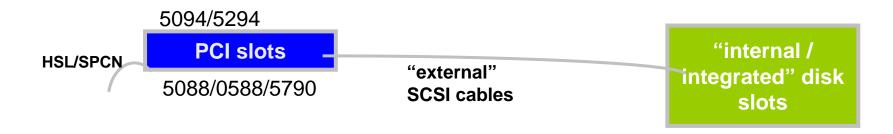


New System i5 Disk Packaging Structure

Previously all "internal/integrated" disk = disk drives located in CEC or I/O tower/drawer



New capability to package internal disk slots separately





New System i5 Disk Packaging Benefits

5094/5294

PCI-X slots

5790/5088/0588

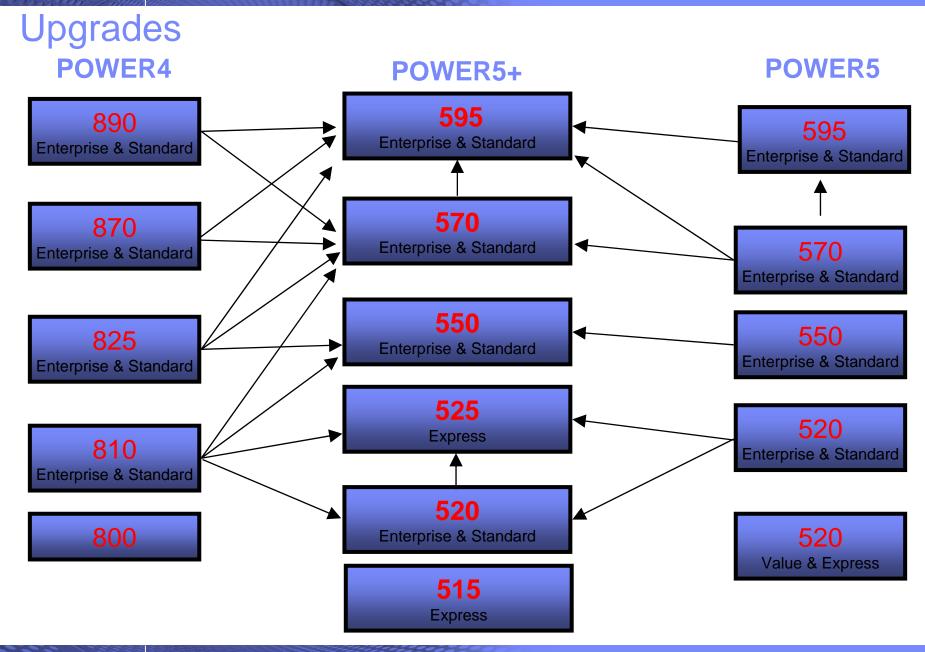
 Helps HSL loop physical planning as slots-only drawers more tightly packed.

Larger max quantity drives per PCI slot "external"
SCSI cable up
to 20 meters
long

disk slots

- Great disk density saves floor space.
 - Up to 240 disk drives in one2m rack. (today max = 90)
- More granularity / flexibility.
 Built on six-pack building blocks per drawer/tower.
- Helps physical planning as disk can be up to 20 meters from PCI slots
- Future PCI slot flexibility







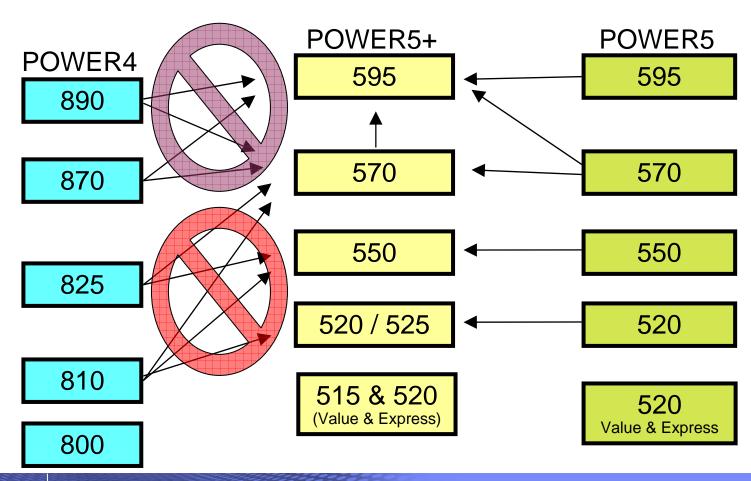
8xx Upgrades Withdrawal

0

810/825 upgrade paths available until 1st December 2007



870/890 upgrade paths available until 1st April 2008





i5/OS Application Server

- New option designed for application serving and infrastructure workloads in partitions
- Offers a reduced i5/OS entitlement charge for additional processors on 550, 570, 595
- Designed for applications that don't require
 DB2 or which access DB2 in other LPARs
- Enables clients to exploit i5/OS reliability, security, scalability and work management features more affordably

Model	i5/OS	i5/OS Application Server
550	£32,583	£9,774
570	£43,699	£13,109
595	£43,699	£13,109



ERP OLTP DB2	WebSphere Application Server	
i5/OS	i5/OS Application Server	
LPAR1	LPAR2	
570		



i5/OS Application Server Example: Domino



Added System i Features

- Processor activations (2)
- 8 GB memory
- Ethernet controller
- 70 GB disk (17)
- RAID controller
- i5/OS entitlements (2)

System i 570

Adding Domino Partition & 1TB Disk

£66,949

i5/OS processor entitlements

£87,398

System i 570

Adding Domino Partition & 1TB Disk

New £53,363

i5/OS Application Server processor entitlements

New! £26,218

£154,347

£79,581

Bottom Line: i5/OS Application Server delivers substantial savings for collaboration solutions



IBM Secure Perspective for System i

- Introducing a revolutionary new tool to help businesses create enforceable security policies
- Enables administrator to create a policy using natural language terms
- Implements your system security settings and helps you demonstrates compliance to your policy
- £1,031 per managed processor



For more information see http://www-03.ibm.com/systems/i/security



System i IP Telephony and Integrated Collaboration

3Com IP Telephony Integration for IBM Lotus® Sametime® 7.5

- Click-to-Dial. Use Sametime contact lists to make calls from your desktop phone by simply using the Call option within Sametime.
- Click-to-Conference. Add colleagues from your Sametime buddy list into an audio conference.
- View Telephony Presence. Through the Sametime client see whether colleagues are logged onto the System i IP telephony system and if they are on a call.
- Directory Integration. Use Domino as your LDAP directory source and automatically synchronize with your telephony directory.

3Com IP Telephony Integration for IBM Lotus Domino®

 Receive voicemails, faxes and email in a singled unified inbox.

3Com IP Telephony Integration SDK for System i

- New APIs to integrate telephony into business and collaboration applications
- Uses open Web Services architecture
- Compatible with XML, SOAP, Java 1.5, .Net and Perl
- Initiate/clear calls without detailed knowledge of phone infrastructure
- Applications can control phone features like transfer, conference and forwarding



Product Preview: Web Based Query and Reporting

 IBM plans to deliver a Web-based query and report writing product that replaces IBM Query for System i

Web based, query and reports

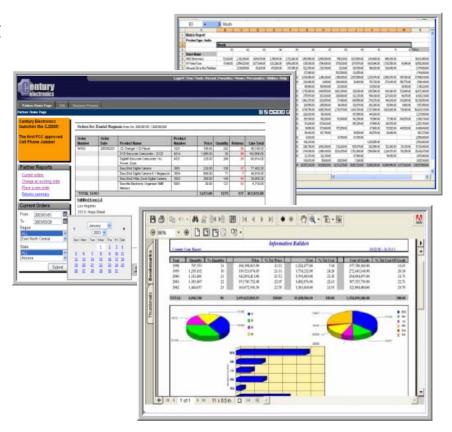
- Report and graphing tools
- Spreadsheet integration
- Web-enable Query/400 reports

Advanced query capability

- Dashboards
- DB2 Federated Queries
- On Line Analytical Processing

Data Integration Options

- ERP System Integration
- Database/Cube/Mining Connectors



For more details, refer to: http://www.ibm.com/systems/i/db2



Support Planning for i5/OS

- i5/OS V5R3 was the final release for the Models 170, 720, 730, 740, and SB1
- i5/OS V5R4 is the final release that will be supported by Models 270, 820, 830, 840, SB2 and SB3.
- The next release after i5/OS V5R4 is planned to be supported on Models 800, 810, 825, 870, 890, 515, 520, 525, 550, 570, and 595.
- SW MA support for V5R2 is available until April 30th 2007
- End of support for V5R3 and V5R4 TBA
- V5R3 withdrawn from sale December 2007





July 2007 planned Software Announcements

- MySQL Enterprise Server
- Temporary software licences
- Java Standard Edition Development Kit 6
- DB2 Web Query
- V5R5 Product Preview





For more information, see

www.ibm.com/systems/i/announce2007







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