



# IBM Linux Strategy, Hotspot desktop

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NorthEast Europe

IPLOC 2007, 27 September 2007



# where do I come from



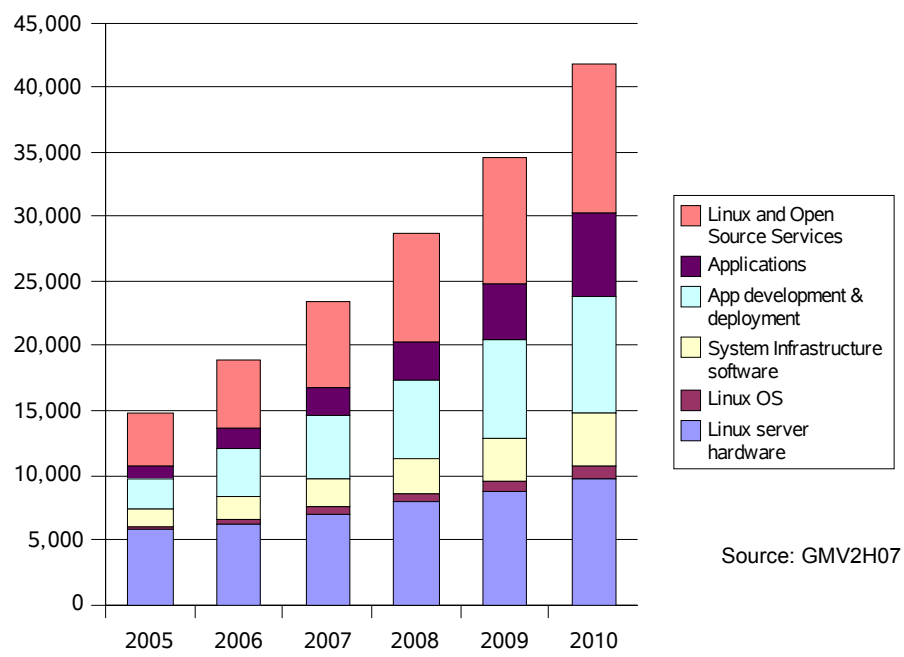
The image shows a screenshot of the Google Maps website. At the top left is the Google Maps logo. A search bar contains the text "10 market st, san francisco" or "Hotels in der Nähe von LAX". Below the search bar are buttons for "Karte durchsuchen", "Firmen finden", and "Route berechnen". To the right of the search bar is a "Maps-Suche" button. Below the search bar is a yellow navigation bar with the word "Karten" on the left and "Drucken", "E-Mail", and "URL zu dieser Seite" on the right. The main map area is in satellite view, showing a rural landscape with fields and a small town. A green arrow points to a specific location in the town. On the left side of the map, there is a vertical portrait of a man in a white shirt and blue tie. In the bottom left corner, there is a scale bar showing 2000 ft and 500 m. In the bottom right corner, there is a small inset map showing the current location within a larger geographical context. At the very bottom, there is a copyright notice: "©2007 Google - Grafiken ©2007 DigitalGlobe, GeoContent, Nutzung von GroundSat".



# IBM Linux Strategy

# linux will grow fastest in services and software through 2010 as total Linux opportunity grows 22% YTY in 2008

- Linux is strong, still the fastest growing OS platform and that will continue in 2008
- Linux is being used for more and more mission critical tasks driving greater growth in high end hardware, services and software opportunity.
- The Linux server opportunity has been the largest segment and despite growing 8x the server market (GMV 2H07), IDC predicts the Linux and open source services opportunity will exceed server revenue opportunity in 2008.
- In 2008, middleware on Linux is expected to grow 24% YTY (IBM 2H07 GMV).
- IDC forecasts Applications revenue at 38% growth in 2008 signaling further penetration of Linux into the core of businesses.



Source: GMV2H07

Server Revenue (\$M)	2008	07-08 Growth	05-08 CAGR
Linux	7,742	9.1%	7.16%
Netware	498	-16.4%	-16.47%
Other	8,878	-6.7%	-4.29%
Unix	18,258	-1.8%	-1.64%
Windows	23,940	4.9%	4.22%
Grand Total	59,316	1.2%	0.88%

Source: GMV2H07



It is coming step by step



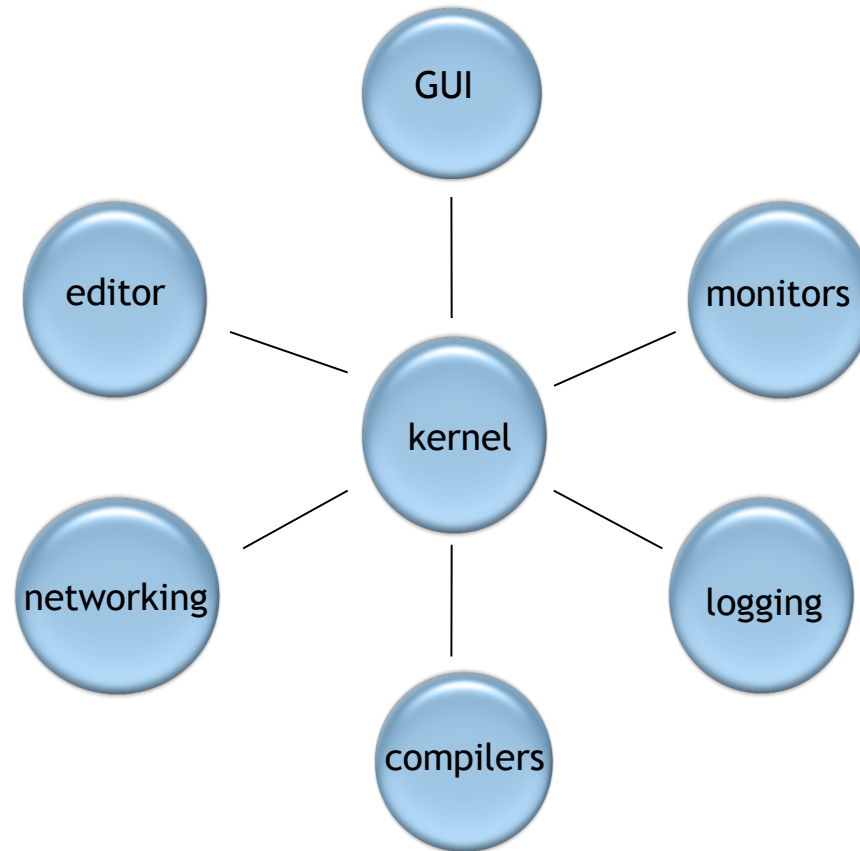


## How Linux meets Customers needs



- Linux is about choice and flexibility
- Linux is secure
- Linux is reliable
- Linux performs and scales
- Linux drives business goals
  - Reduce costs
  - IT Simplification
  - Improve application service levels
  - Promotes innovation
  - Internally change business process and drive contribution to business
- Linux is an excellent path to Open Computing

# the superior linux design



# linux is flexibel, open and well architected



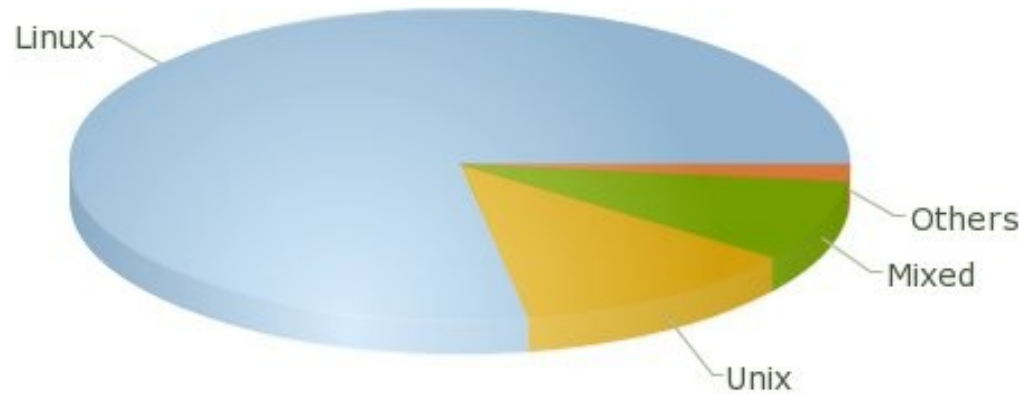


[Home](#) > [Statistics](#) > [List Charts](#)

## Operating system Family share for 06/2007

In addition to the charts below, you can view the the data used to generate this chart in table format using the [statistics](#) page. A direct link to the statistics is also [available](#).

**Operating system Family / Systems  
June 2007**





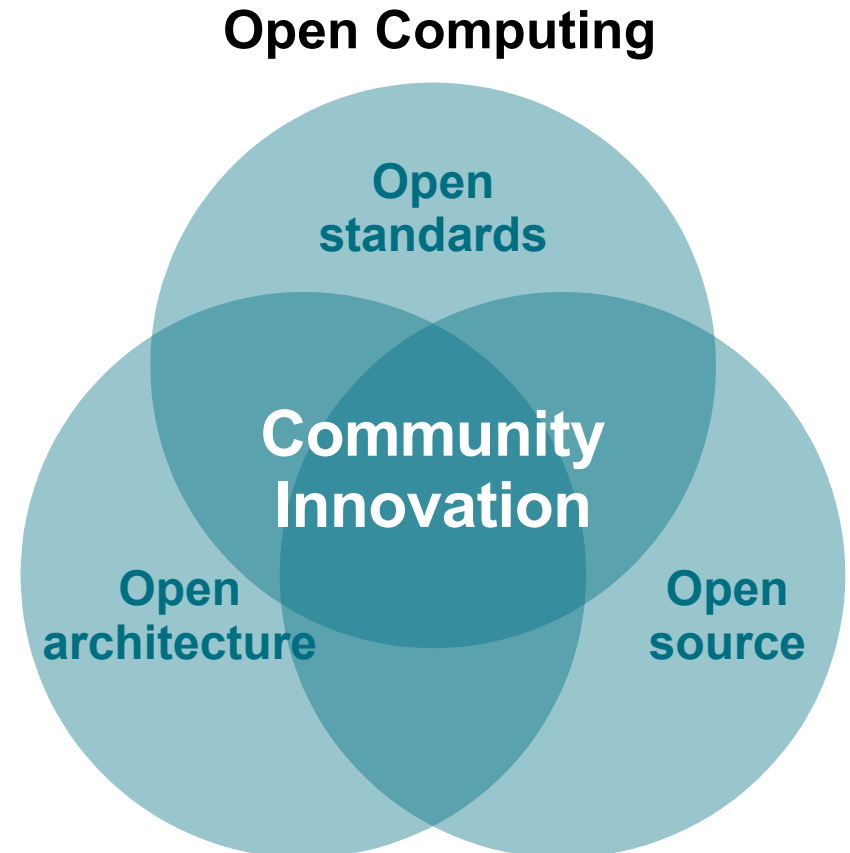
## how linux meets customers needs

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## why linux is important to IBM

- **Open standards**
  - ▶ Improving information sharing by simplifying integration of disparate technologies
  - ▶ Promoting interoperability by using open published specifications
- **Open architecture**
  - ▶ Increasing collaboration by easily extending business processes - eg SOA
  - ▶ Innovating on top of common hardware specifications
- **Open source**
  - ▶ Promoting innovation by leveraging community development
  - ▶ Accelerating open standards adoption





managing change / open computing



**Rapid Business Change**  
**Virtual Enterprises**  
**Globalization**

**ACQUISITION**  
New Management

**Flexibility**

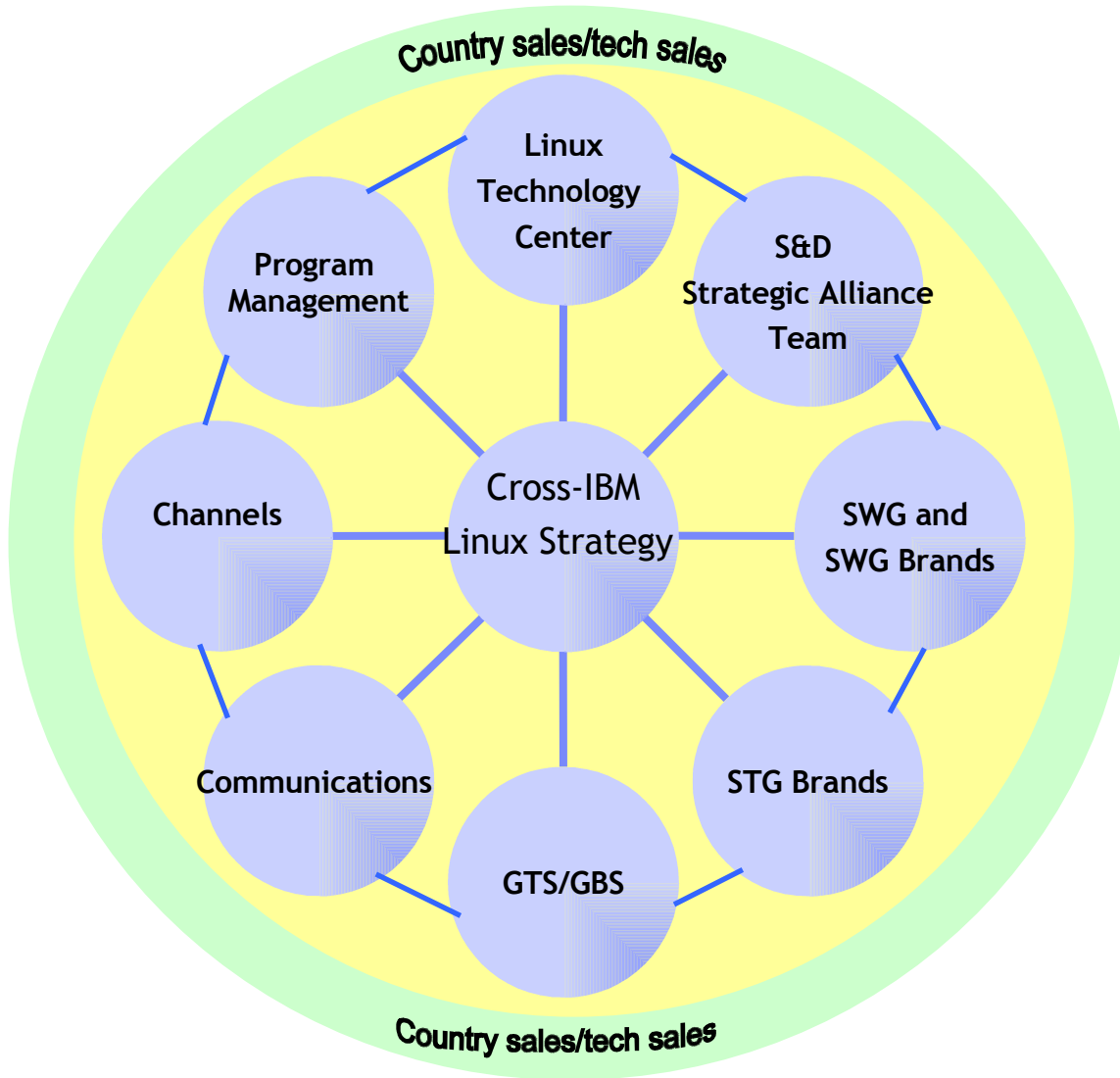
**OPEN COMPUTING**

**Resilience**

**DEPLOYMENT**

**Networked Topologies**  
**Heterogeneous Systems**  
**Complex Infrastructures**

# the Cross-IBM Linux Strategy Team Mission





# key Customer IT Questions and Open Source

**How can IT help our business succeed ?**

- Solve our problems today
- Grow in the future
- Integrate across and outside the company
- Respond quickly to opportunities and threats



**How can we improve our IT infrastructure ?**

- Better – more reliable, more secure
- Faster – better price/performance
- Lower cost – more efficient, lower TCO
- More flexible – easier to integrate



**Should we use Open Source & Linux software ?**

- When / Where / How ?
- Open Source / Commercial / Mixture ?
- Who from / Who supports / Who integrates ?
- How much will it cost / TCO / ROI ?



# HotSpot Desktop



## ibm open client strategy



- IBM's client strategy has been and will continue to be a customer driven strategy. A heterogeneous platform story that is all about flexibility and choice
- Windows, Linux, or the MAC
- Linux is simply now a part of that larger strategy





# reasons why its time for the business desktop



1

the recent linux desktops reached sufficient enduser comforts

2

openoffice is getting strong significant momentum vs office 2007

3

lotus software  
the jewels are available on linux

4

microsoft is launching vista, office2007 and a new file format



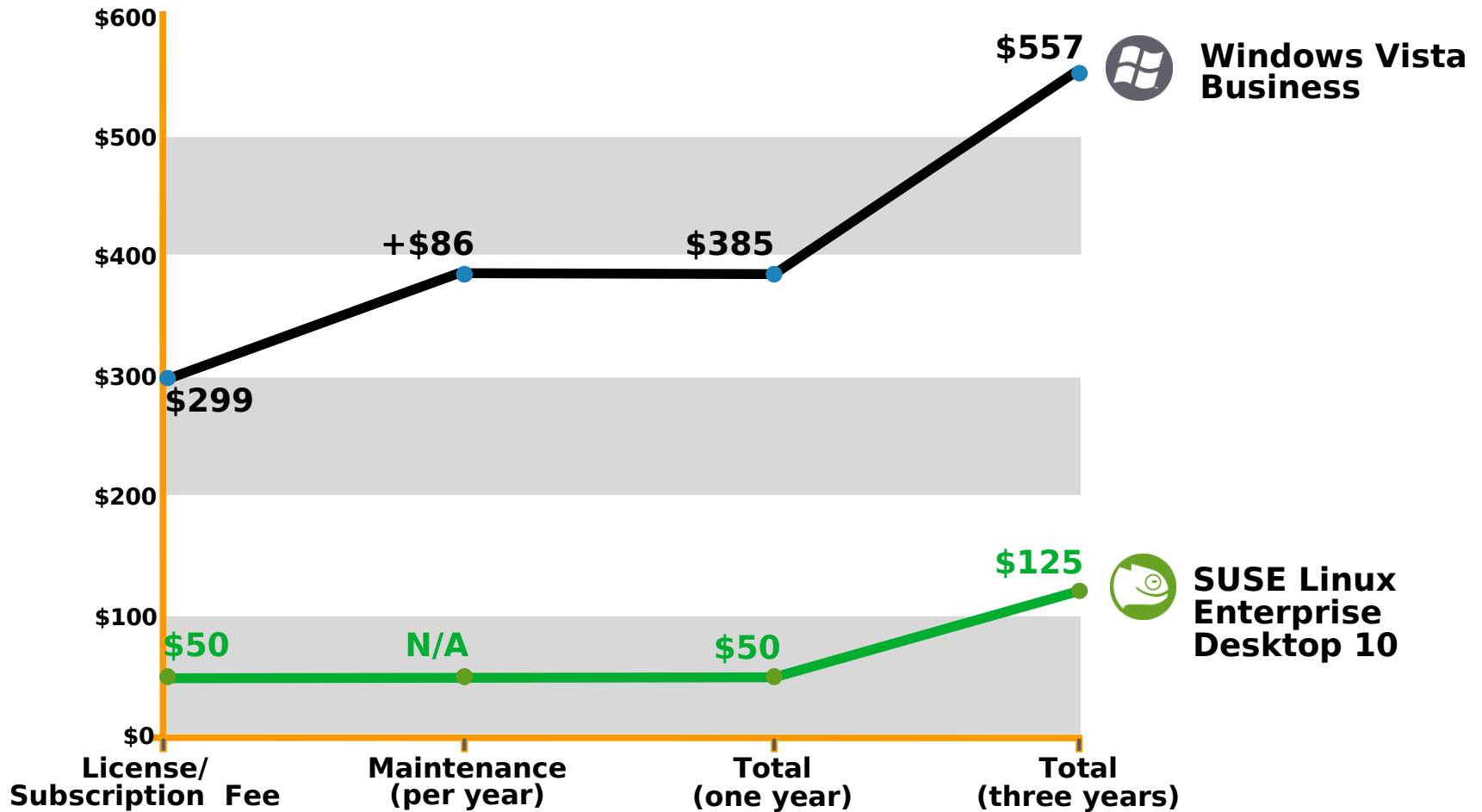
# the customer challenge

budgets



tco

# Windows Vista License is 4 to 7 times More Expensive than a SUSE Enterprise Desktop 10 Subscription



Source: Microsoft, Novell, July 2006

# Desktop Cost Reduction Potential

## MS Desktop Software Costs



**Desktop is Approx  
US \$1069 RRP**



**Enterprise CALS**  
Sharepoint and Exchange

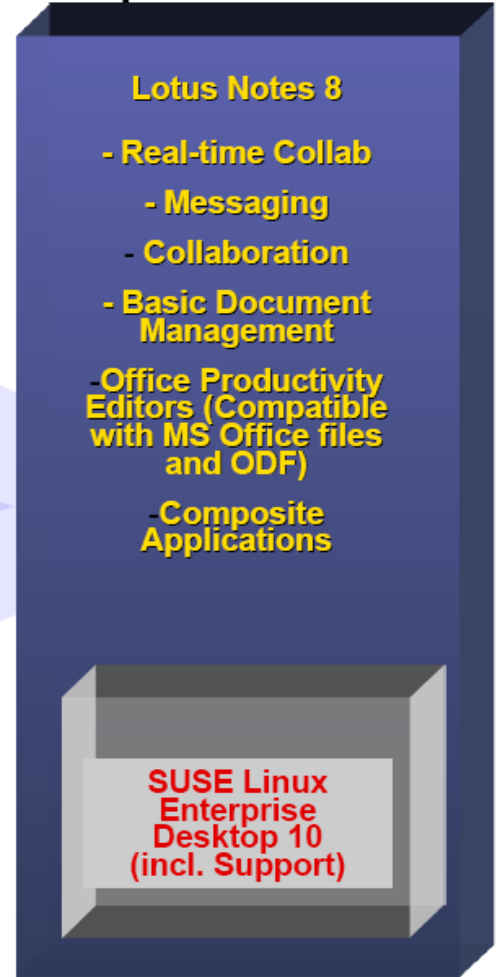
**Potential Desktop  
Cost Reduction**

**\$170**

**\$300-\$800 / unit  
Potential Saving**

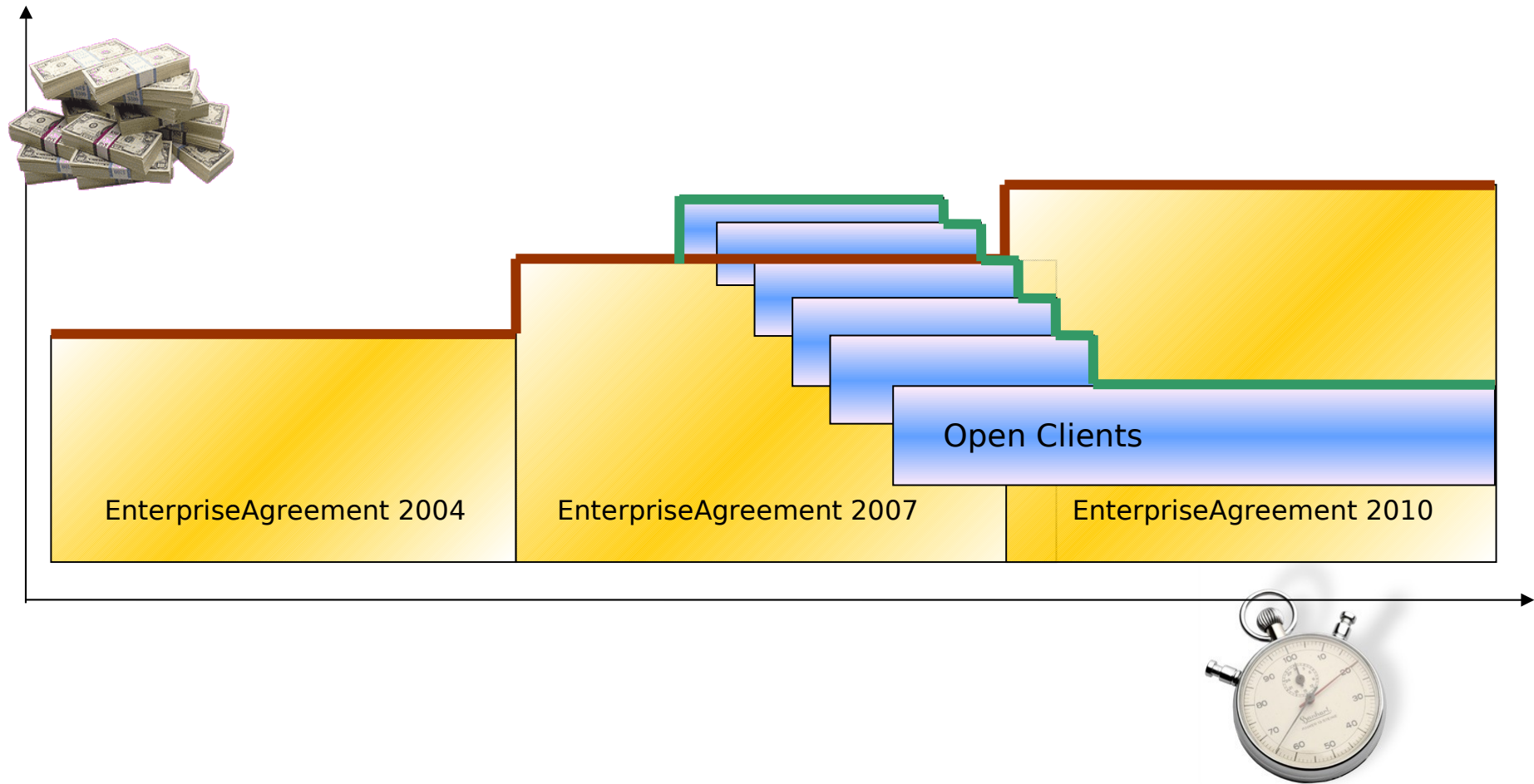
Note: All prices are approximate RRP prices in US\$

## IBM Open Client Solution - Desktop Software Costs



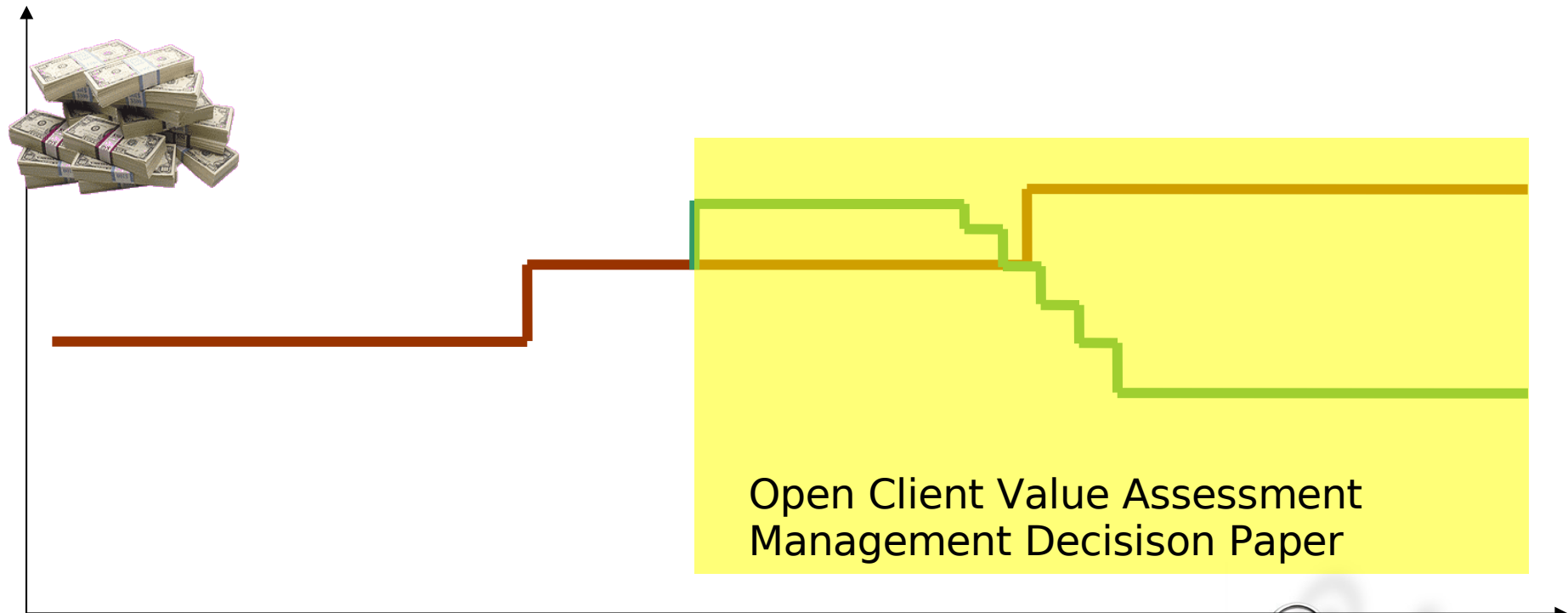
**OCCS is  
US \$255 RRP**

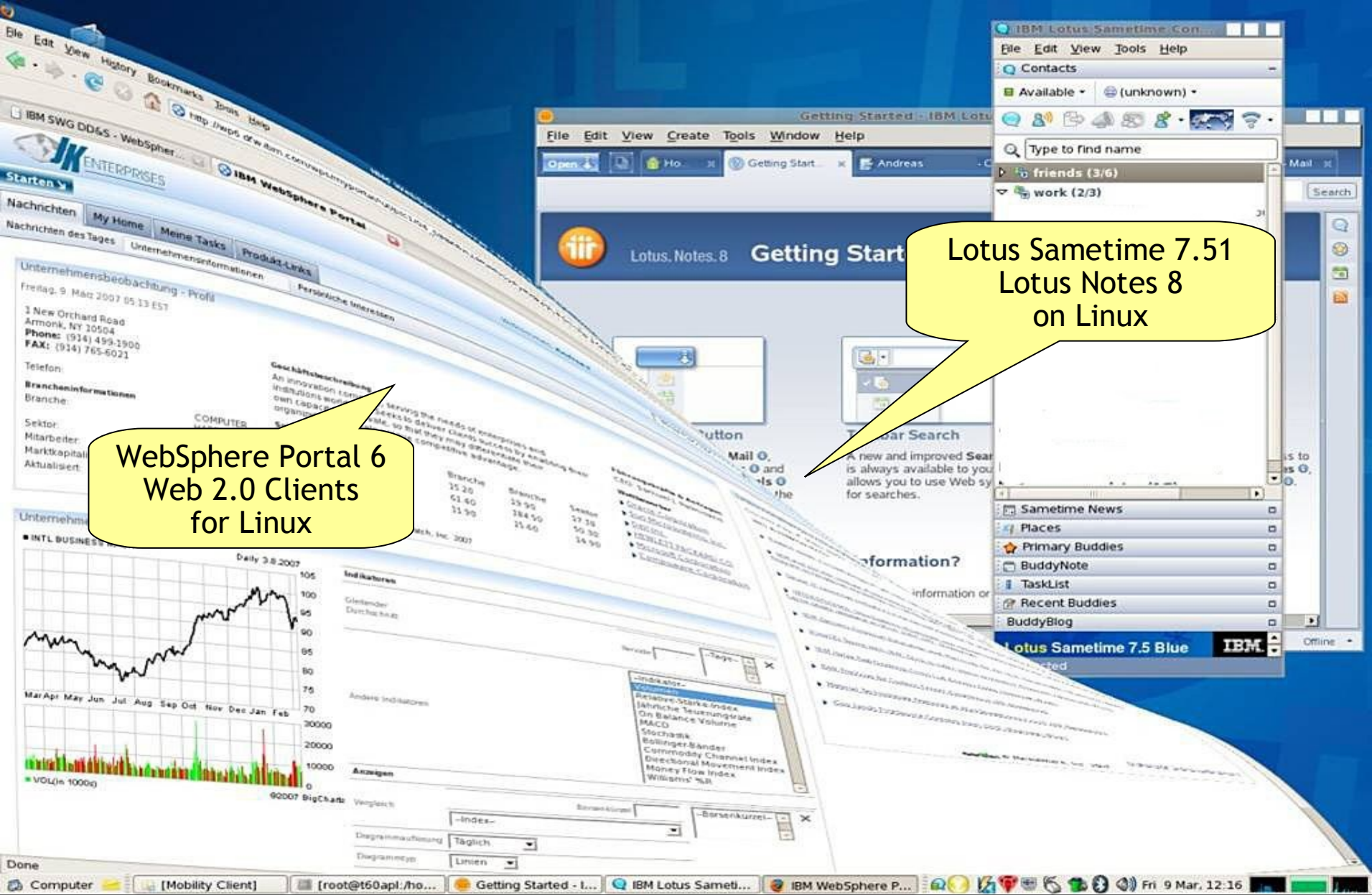
# why implement a 2nd client platform?





# why implement a 2nd client platform?





WebSphere Portal 6  
Web 2.0 Clients  
for Linux

Lotus Sametime 7.5  
Lotus Notes 8  
on Linux



managing change / open computing



**Rapid Business Change**  
**Virtual Enterprises**  
**Globalization**

**ACQUISITION**  
New Management

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**OPEN COMPUTING**

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**Networked Topologies**  
**Heterogeneous Systems**  
**Complex Infrastructures**



# Lotus Software

*Delivering on the promises made at Lotusphere 2007*



**Lotus** Notes.

**Lotus** Quickr.



**Lotus** Sametime.

**Lotus** Connections


# Introducing IBM Lotus Symphony

Be Free. Work Smart.

- No charge with online support
- Fee for full IBM support
- Documents
- Spreadsheets
- Presentations

The screenshot shows the IBM Lotus Symphony website interface. At the top, there's a navigation bar with 'NORMANDY' and links for Home, Products, Gallery, Buzz, Support Forums, and Help. Below this, the main content area features the slogan 'Be Free. Work Smart' and a 'Download' button. A 'Latest Buzz' section contains placeholder text and a 'Read more' link. Three circular icons represent different application types: a document, a presentation, and a spreadsheet. A 'Most Downloaded' list shows three items, each with a '108' count and the name 'John Smith'. Below the website screenshot, a window titled 'IBM Lotus Notes' displays a spreadsheet application. The spreadsheet is titled 'Worldwide Projections for Quarter Sales' and shows data for April, May, and June. A bar chart is visible on the right side of the spreadsheet. The spreadsheet data is as follows:


	April	May	June	
10 Sales	\$156,936	\$95,685	\$115,967	\$368,588
11 Cost Goods Sold (COGS)	76,953	29,568	49,865	156,386
12 Gross Profit	\$79,982	\$66,117	\$66,092	\$212,191
13 Operating Expenses				
14 Salary (Office & Overhead)	\$33,244	\$33,244	\$33,244	\$99,732
15 Advertising	15,925	15,925	12,536	44,386
16 Car, Delivery and Travel	3,986	2,895	6,899	13,780
17 Rent	2,300	2,300	2,300	6,900
18 Telephone	397	397	397	1,191
19 Utilities	479	479	589	1,547
20 Insurance	597	597	597	1,791
21 Total Expenses	\$66,828	\$65,837	\$66,522	\$199,187
22 Net Profit Before Tax	23,054	10,280	9,570	42,904
23 Income Taxes	5,764	2,570	2,393	10,727
24 Net Profit After Tax	17,291	7,710	7,177	32,178
25 Owner Draw/ Dividends	4,323	1,926	1,794	8,043
26 Add. to Retained Earnings	\$12,968	\$5,784	\$5,383	\$24,135



ODF-Compatible  
Editors in Beta Today!

www.ibm.com/software/lotus/symphony

# open collaboration client solution / ibm & novell solution



**IBM® Open Collaboration Client Solution**  
powered by SUSE Linux Enterprise from Novell.

IBM Open Collaboration Client Solution provides you flexibility and choice—and an exciting opportunity to drive innovation on your desktop. Now you can achieve a lower total cost of ownership (TCO) with dramatically stronger security.

**Benefits**

- 1 Provides flexibility and choice with productivity editors, server-managed client middleware and rich/thin client options
- 1 Reduces the TCO for end-user desktops
- 1 Strengthens desktop security and increases end-user uptime

**Core Capabilities**

- 1 Includes Lotus Notes®, Lotus® Sametime® and other collaboration software as well as office productivity applications with OpenDocument Format (ODF) support (and runs add-on social software such as Lotus Connections)
- 1 Integrated with SUSE Linux Enterprise Desktop from Novell
- 1 Works with partner solutions to run Microsoft® .Net applications, migrate from Visual Basic® applications and address diverse business requirements


Learn more today at [www.ibm.com/lotus/opencollabclientwithnovell](http://www.ibm.com/lotus/opencollabclientwithnovell)

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**Novell.**

**IBM Lotus**

Live DVD



**Live DVD**

**IBM® Lotus® Notes® 8 powered by SUSE Linux Enterprise Desktop**

This Live DVD version of Lotus Notes 8 running on SUSE Linux Enterprise Desktop 10 SP1 requires at least:

- > Intel Pentium IV, 2.4 GHz or higher or any AMD64 or Intel® 64 processor
- > 1 GB physical RAM (or higher)
- > 1024 x 768 display resolution (or higher)

**Lotus**  
**Novell.**

GPL and certain other source code is available at [www.novell.com/linux/notes8](http://www.novell.com/linux/notes8) or [open.suse.com](http://open.suse.com).

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- Lotus Domino 8 and SUSE Linux Enterprise Server 10
- Lotus Domino 8, Lotus Sametime 751 nad SUSE Linux Enterprise Server 10



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