A business relationship for the next millennium— you and IBM Global Services
More than US$500 billion—that’s how much organizations spent in 1999 on information technology (IT) services with external providers. Services constitutes the largest and fastest growing segment of the IT industry, representing nearly 50 percent of total IT spending—and growing by more than 12 percent a year. The services sector offers a significant revenue opportunity for us throughout 2000 and beyond.

Positioning IBM Global Services in the market
While the services marketplace is huge, IBM focuses on areas that match our strengths. These areas include: strategic outsourcing, consulting, systems integration, product support services, learning services and e-business services. Large and medium-sized customers are engaged by the IBM direct sales force and by IBM Global Services professionals. Smaller companies are generally contacted by telephone and Web marketing. IBM Global Services collaborates with our Business Partners across customers of all sizes for both the sale and delivery of services.

Working with Business Partners in services engagements
Recognizing your expertise in services sales and delivery, we are committed to working with you to achieve mutual success. The following principles reflect how we wish to work with our Business Partners in services engagements.

* The availability and scope of IBM services offerings may vary from country to country.

“In 1999, we have seen our relationship with IBM Global Services expand both in scope and in depth. IBM and Camelot have jointly invested in developing solutions and services offerings using our complementary strengths. This allows us not only to reduce costs but also to gain a broader customer base.”

—Simon Ma, chairman, Camelot Information Systems Limited (China)
• It is our intent that we work together wherever possible to provide services jointly as part of a total solution.

• The customer will always define the opportunity and determine which individual services will be acquired through either a Business Partner, IBM or both. The customer may choose to add IBM services to an existing IBM contract or choose to purchase them from a Business Partner.

• IBM encourages Business Partners to sell IBM services at the time of the solution sale. However, Business Partners are always free to sell their own branded services. It is our intention to pursue independently the sale of IBM core services, such as maintenance and remote system software support, if they are not sold by the Business Partner at the time of the original solution sale.

• IBM addresses opportunities in the marketplace in response to customer requirements. When appropriate, we pass qualified leads to qualified Business Partners, in line with customer requirements.

• When IBM sends an opportunity to a Business Partner, we expect the Business Partner to maximize the IBM content of the solution.

• When a Business Partner is working with a customer and invites IBM to sell a component of the solution, we will cooperate with the Business Partner to meet the customer’s requirements.

Benefits of teaming with IBM Global Services

Teaming with the people of IBM Global Services can open up new opportunities for you. We offer our Business Partners financial incentives and several types of support to help maximize services opportunities.

The bottom line is money. Therefore, we have to offer you an economically attractive value proposition that you can test daily in the marketplace. While no provider can guarantee revenue or profit growth, the combined revenue growth we have achieved over the past several years shows how selling IBM services is a successful proposition—expanding your business opportunities while receiving attractive margins from us.

“DSI is a strong and successful supporter of selling IBM services. The reason is simple: customers benefit and DSI makes money. And we certainly appreciate the repeat business aspect of selling services.”

—Gary W. Swanson, vice president of sales and marketing, Data Systems International (United States)
“Coupling IBM hardware and ServiceSuite with our application software and services creates a nice revenue opportunity for JHA and provides one-stop shopping for our customers, which helps drive higher customer satisfaction.”

—Mike Wallace, president, Jack Henry & Associates, Inc. (United States)

We are committed to improving the tools and infrastructure support you need for timely quotes and accurate entitlement through our focus on IT systems and local support.

One important initiative that we have launched is PartnerWorld®, a single marketing and enablement program developed to unify and consolidate Business Partner activities across IBM. The intent is to help make it easier and more profitable for our Business Partners to generate business with IBM. We hope PartnerWorld encourages you to increase your involvement in a services business relationship with us.

For example, you can earn credit toward achieving a higher-level relationship with us through the Systems and Services track. The more IBM services you sell, the more recognition you earn toward becoming an Advanced or a Premier IBM Business Partner. As an Advanced Partner, you benefit from a defined commitment to joint partnership with marketing and sales support.

Premier status represents additional benefits through cooperative marketing and priority lead sharing.

Building skills to compete is also critical. We view our Business Partner community as an important route to market. In support, we offer a significant discount worldwide on all standard IBM Learning Services public classes, when purchased by a Business Partner. This benefit is available to all of our Business Partners and can play a major role in building the skills of your employees.

Finally, providing sales support to our Business Partners is extremely important. You can reach us by calling PartnerLine, our call-in support function, available exclusively to our Business Partners around the world. You can also find out more about our services and support by visiting the IBM Global Services Business Partner Web site at www.ibm.com/services/partners.
Services to sell and services to deliver

We realize that you want to understand where we can work together to capture greater services opportunities in the marketplace. In the following pages, we highlight IBM services available for you to sell and explain our ongoing program for authorized IBM Business Partners to deliver IBM services. Each of these areas of opportunity provides valuable advantages in growing your business. Specifically, you benefit from:

- IBM brand recognition, services reputation, global resources and extensive Business Partner support services, which give your organization a distinct marketing differentiator
- Services that complement your own capabilities and offerings
- A powerful marketing ally that you can leverage—combining your strengths and ours—to penetrate the services marketplace.

Two ways to improve your revenue potential

Services to sell

By selling IBM services, you can increase revenue potential through a wide variety of prepackaged and prepriced services that can complement your own offerings. Combining your capabilities with IBM services, hardware, software and financing provides your customers with a complete solution.

IBM services you can sell include:

ServiceSuite...seamless system coverage in a flexible contract

ServiceSuite is the prepackaged, single-contract services solution designed to meet the needs of small and medium-sized businesses. It combines hardware service with popular software support services into a single contract, thus simplifying the selling process. Package incentives are also available.

ServiceSuite includes three sets of service options:

- **Base**—includes IBM Maintenance Services for hardware
- **Advanced**—includes Base services plus IBM Operational Support Services-Support Line and Alert*
- **Premium**—includes Advanced services plus onsite software maintenance.

In short, ServiceSuite gives your customers what they need to maintain, support and manage their systems. ServiceSuite, coupled with your own offerings, helps you provide your customers a total solution.

* Additional services within the Advanced and Premium options are subject to country availability.

“Our additional commitment to ServicePac from IBM has proven not only to grow our profit 10-fold, but has also given us a complete solution to offer to our customers.”

—Mike Falcone, warranty sales manager, Comark Technology Services Division (United States)
IBM ServicePac...prepackaged, easy to order and easy to sell
IBM ServicePacs are predefined, prepackaged and prepriced services. They make an ideal complement to IBM product sales. ServicePacs are especially attractive to small and medium-sized business customers. They enable these customers to purchase a broad spectrum of off-the-shelf technical services at affordable prices, with easy-to-understand terms and conditions. With no contracts to sign, you’ll find ServicePacs easy to sell.

The availability of IBM ServicePac® offerings varies by geography. In the United States, ServicePacs are available for hardware warranty and maintenance and SmoothStart™ services for a broad range of PC products and printers. In Europe, we also offer these capabilities plus additional services for AS/400®, RS/6000®, networking and storage products. ServicePacs are also available in Asia Pacific.

Implementation and enablement services
Changes in technology require careful planning and preparation. IBM Global Services offers a broad range of implementation and enablement services to help support your customers’ systems management needs. These services include:

- IBM planning and design services offer customers critical assistance as they implement new systems, assess hardware requirements or migrate to new software
- IBM SmoothStart and installation services help accelerate the productive use of a variety of hardware and software platforms through onsite implementation and startup services
- IBM Operational Support Services assist your customers in managing and enhancing ongoing system operations, usability and availability
- IBM Migration Services help customers upgrade to newer hardware and software by addressing software, storage migration and data conversion needs.

* For U.S. customers: These services are available for machines used solely for business, professional or trade purposes. Service is not provided in homes or home offices. Not all machine types and models are covered. The service period begins with the equipment date of purchase. Service must be purchased during the original limited product warranty period. Service levels are response-time objectives and are not guarantees. Onsite service for mobile products and 24x7x2 hour service for servers is not available in all locations. Service activation is required immediately following purchase. For complete details, visit www.ask.ibmm.com/askus/source/wamomxev.pdf.
SystemXtra...selling PC services without adding staff
SystemXtra® enables you to sell IBM PC services, including education and training, software, e-business and financing, to help increase your revenue while adding value to your customer relationships. For example, a menu of service offerings, including ServicePacs, can be sold with PC hardware to provide everything from installation and software support to Web site creation and e-commerce sales.

With SystemXtra financing* customers don’t have to put down a lot of money up front. We can finance the hardware, software and IBM services, as well as many of your service offerings. In addition, most costs can be combined into one monthly payment.

An added bonus of SystemXtra is the customer’s option to exchange IBM PCs after two years.

It’s no wonder that SystemXtra is embraced by large and small businesses in 22 countries for its ability to deliver complete solutions, simply and affordably. SystemXtra effectively puts you in the PC services business without the need to add staff or other overhead. More information can be found at www.ibm.com/pc/us/systemxtra.

IBM IT Outsourcing Services—Midrange Express...helping businesses leverage IT
For customers who want to realize the benefits of their technology but lack the necessary skills and infrastructure, Midrange Express offers a flexible suite of services for midrange servers, including AS/400, UNIX® (RS/6000, Sun® and Hewlett-Packard) and Windows NT®. These services are specifically designed to meet companies’ growing business needs. Midrange Express services include:

- **Base-level services**: monitoring, help desk support, account management and daily backups.
- **Optional services**: batch job management, disaster recovery services, performance and capacity planning, system software upgrades, extended-hours service, user profile administration and security audit service.

Through Midrange Express, you can help strengthen your customer relationships by providing a comprehensive solution that includes operational management services with IBM hardware, software and services. Midrange Express also allows you to participate in the growing IT outsourcing market and build an annuity-based services business, without having to deliver the service.

* SystemXtra is available to commercial and state and local government customers with valid credit. Eligibility for the Technology Exchange Option is based on a US$50,000 commitment or IBM Personal Systems Group hardware over a 12-month period. Program is subject to change without notice. Additional terms, conditions, limitations and fees may apply. IBM Global Financing offerings are made available through IBM Credit Corporation in the United States and other IBM subsidiaries and divisions worldwide.
IBM Business Continuity and Recovery Services...keeping your customers in business

Today’s complex, network-connected world requires information. An unexpected disruption to the flow of critical business information could be devastating to your customers. IBM Business Continuity and Recovery Services use business and technological expertise to help keep your customers’ businesses running.

A full range of business continuity services are available from IBM Global Services, including channel-ready IBM AS/400 and RS/6000 Protection Express—a fast, easy and affordable way to help protect your customer’s critical systems and information. With Protection Express, your customer receives expert assistance in disaster planning as well as a complete 48-hour, quick-shipped AS/400 or RS/6000 system for temporary use when disaster strikes. Customers also receive free assistance during a disaster from IBM recovery experts.

In an e-business world running at Web speed, find out how you can depend on the people of IBM Global Services to help keep your customers operational. Include IBM Business Continuity and Recovery Services in every packaged solution you sell, or as a complement to existing solutions. Our services are available in more than 75 countries (offerings may vary based on geography).

Training...a fast growth area

Training is one of the fastest growing areas in the IT industry. Between 8 and 18 percent of all IT budgets are spent on training employees. With the current shortage of IT skills in the marketplace, budget allocations for education will continue to grow.

IBM Learning Services is one of the world’s largest IT training organizations, with more than 75 years of experience in training customers on both IBM and non-IBM products. Popular courses include e-business, Net.Commerce, Linux, Windows NT, AS/400, MQSeries®, AIX® and similar technology topics.
New from IBM Learning Services, IBM Learning Services Network is available to you for your own education and includes a special PartnerWorld channel. Training can be delivered directly to you or your customer’s site via high-powered digital satellite. The offering provides 10 channels running 24 hours a day with our most popular classes. Business Partners in the Systems and Services track can also remarket this offering.

IBM Learning Services offerings are available to our qualified Business Partners in two ways:

- As a packaged, channel-ready set of offerings to order and sell easily, providing potentially attractive profit margins.
- As an educational opportunity for your own employees. This option includes a significant discount on public classes or the option to purchase the IBM Education Card or other prepackaged offerings, including the IBM Learning Services Network, at the applicable discount rate.

IBM education offerings available to sell include:

- **IBM Education Card**: Our most popular offering, with over 10,000 cardholders. Offers unlimited training for one person, for one year, for one low price.
- **IBM Learning Services Network**: IBM education delivered by satellite to your customer’s location for one low annual subscription rate.
- **IBM Education Pack**: Extremely flexible, this US$5,000 pack of coupons can be used on any IBM Learning Services offering.
- **AIX Essentials**: Five of our most popular AIX classes (57 hours of education) on CD-ROM that uses an exciting multimedia format.
- **AS/400 Training Library**: Three great AS/400 courses available in a multimedia format on CD-ROM.

* U.S. only

- **Starter kits**: Many starter kits are offered in several different versions. Usually kits include passes to a specific curriculum, such as AIX, plus a CD-ROM of the IBM Redbooks specific to that area. These kits are an excellent option if you have a customer who needs only one or two classes or conferences. Starter kits are available in the following curricula:
  - AS/400 starter kit
  - AIX starter kit II
  - S/390® starter kit
  - DB2® starter kit
  - MQSeries starter kit
  - CICS® starter kit

Our library of computer-based training continues to grow. The following titles are also available for you to sell in this format:

- **DB2 family fundamentals**
- **DB2 advanced SQL**
- **MQSeries application programming**
- **DB2 SQL workshop**
- **MQSeries technical introduction**
- **MQSeries system administration**

For more information on IBM Learning Services, visit [www.ibm.com/services/learning](http://www.ibm.com/services/learning) or contact your IBM Global Services channels representative.
e-business Services
With the vast opportunities in the e-business marketplace, there is no better team to work with than IBM. As our customers embrace an interconnected world, increasing numbers of them are focusing on e-business solutions for competitive advantage. With the transition to e-business comes the question: Should they outsource or implement in-house? Factors to consider include speed to market, knowledge and skills, cost effectiveness, service availability, reliability and global reach.

As an IBM Business Partner, you can sell a comprehensive package to help your customers grow their business-to-business or business-to-consumer e-commerce operations. Our e-business Services span the entire life cycle of technology and assist your customers through every stage, including planning, design, development and operation of the e-business solution. Whatever your customers’ requirements, our e-business Services allow you to offer them a greater choice for implementation, whether it’s in-house or through subcontracting.

Combining our e-business Services with your offerings not only provides your customers with a comprehensive e-business solution but also presents you with an ongoing annuity revenue.

IBM e-commerce Services
This family of services allows you to help your customers prepare for and conduct e-business transactions securely. Customers, suppliers and business partners perform their transactions via the Internet or electronic data interchange (EDI) networks.

Through IBM EDI Services for the Web, your customers can electronically exchange data and documents, such as purchase orders, invoices, inquiries and spreadsheets, within their business or with trading partners, according to standardized rules.

“IBM e-business Services—such as EDI, Content Hosting and Home Page Creator—complement our own offerings and have really helped us grow our revenue and participate in the e-business revolution.”

—Alfonso Gonzalez, general manager, Telemark Corporation (Mexico)
IBM Hosted Business Application Services
The services available to our Business Partner channel include:

**IBM Content Hosting Services:** Offer your customers end-to-end Web site hosting and management, leaving you free to concentrate on developing meaningful content, and your customers to focus on their core business.

**IBM Corporate Messaging Services:** Provide your customers with an integrated solution that connects their disparate e-mail and messaging systems within the enterprise.

**IBM MQSeries Services:** Give your MQSeries trading partner customers easy-to-use tools for storing or routing messages across most major platforms.

**IBM Workgroup Services:** Help your customers use the powerful combination of Lotus Notes® and Domino™ technology to create a collaborative atmosphere for their employees, customers and partners, facilitating stronger relationships and more efficient work processes.

**Home Page Creator:** Supplies the tools to help put your small and medium-sized customers’ businesses on the Internet today.

**IBM e-business Accelerator**
This offering complements your services portfolio by providing your customers with the benefits of online consulting.

IBM e-business Accelerator has limited availability for Premier Service Providers in the United States and Canada through an application process. Future availability is planned for additional geographies.

For additional information about our e-business Services, visit www.ibm.com/services/e-business.
Services to deliver

We recognize that many of our Business Partners have skills and experience that enable them to do more than sell IBM services. We also realize that we cannot respond to every services delivery opportunity ourselves. As a team, we stand a better chance of winning in the marketplace through our combined effort to meet customers’ business needs.

IBM Business Partner—Services Provider relationship

In February 1999, IBM announced a new global Business Partner relationship called Services Provider. This relationship, based on a strategy designed to grow services revenue and market participation for our mutual benefit, recognizes our Business Partners for their services delivery capabilities. Services Providers offer locally delivered, labor-based services.

Through our offerings development process, we determine what customer needs can best be served by complementary services from our Business Partners. We then work with Business Partners to provide these solutions based on local country needs. For example, in 1999, Services Providers helped customers migrate from legacy AS/400 mail and document management systems to Lotus® Domino. As we continue to co-develop, co-market, and co-deliver services solutions together, we will strengthen our position in the marketplace.

The following categories define the framework for the professional experience, training, business commitment and services solutions that Services Providers can deliver:

• IBM-developed and branded services
• IBM-developed and nonbranded services
• Non-IBM services.

The benefits to approved Services Providers include:

• Responding to the growing demand for services
• Extending your coverage and leadership in a competitive marketplace
• Teaming with IBM Global Services in services delivery.

“Our customers are all trying to figure out how to exploit the Internet to sell their products and services. IBM e-business Services help us help our customers turn their visions into reality.”

—John Pfeffer, chief executive officer, Allium (France)
In today’s dynamic marketplace, the people of IBM Global Services are constantly finding new ways to work with you. Examples include working together with application hosting services and the various opportunities for service providers.

**Application hosting services... an innovative approach for businesses**

By allowing a service provider to support IT operations, customers can focus on their core competencies. As an Application Service Provider (ASP), you can work with IBM Global Services to offer your customers world-class business solutions. These include industry-leading applications such as general accounting, sales force automation/customer relationship management and human resource/payroll from selected IBM Solution Providers. To this, IBM Global Services adds single-point-of-contact help desk, network operations management services, environmental software and productivity tools and implementation and installation services. These combined capabilities are offered to your customers with predictable monthly payments.

Benefits of our application hosting services to the customer include:

- Simplified computing
- Reduced up-front investment
- Less need for costly IT skills
- Single-point-of-contact support
- Access to e-business opportunities.

To resell these services, you must first be certified by one of our selected IBM Solution Providers, then authorized to sell our application hosting services with your own value-added contribution. This allows you to take advantage of this new outsourcing trend by expanding your market opportunities, increasing revenue and extending your consulting services. For more information, please contact our application hosting services project office in the United States at 770-495-0227.
IBM also is making available services that help strengthen the ability of service providers to serve their customers in a timely, reliable manner. These “sell-to” services are purchased by service providers for their own use. They include e-business continuity services, IBM Performance Management and Capacity Planning Services, support services for Linux, Net.Commerce hosting server training package, IBM WebSphere™ Application Server and Studio training package, and WebSphere Performance Pack training package.

All of the services above are delivered by IBM Global Services. Availability of these services varies by geography. For more information, please visit www.ibm.com/solutions/isp and, under “News & Resources,” read the October 26, 1999, announcement entitled, IBM Announces New Services for Service Providers to Increase their Revenue.

“...we have been delighted with the continued growth we’ve experienced in reselling IBM services along with hardware purchases. We appreciate the effort IBM has made in listening to our needs and modifying their direction to better fit the IBM Business Partner requirements.”

~Steve Churchill, director of product marketing, Support Net (United States)
A unique and exceptional opportunity for growth

The services market is booming. This trend is bound to continue because of the need for organizations to adopt and implement new technologies to remain competitive. As an IBM Business Partner, you have a unique and exceptional opportunity to position yourself for dramatic growth. Together, we can continue to provide valuable services to our customers and lead in our industry.

Here’s how you can get started...
The opportunity is tremendous. The offerings and strategies are in place. Now it’s up to you. Here’s how you can get started selling and delivering the industry’s most sought-after, comprehensive range of services offerings.

- Require services to be part of every systems quote
- Educate your sales force and sales partners on the value and importance of services
- Assign specific services targets to your sales force
- Stress the upside advantages to selling services to your sales force
- Emphasize the peace of mind and competitive edge that services can provide your customers.

We believe that through these simple guidelines you can increase revenue and satisfy your customers.

For more information
To learn more about IBM Global Services, visit www.ibm.com/services or contact your IBM channels representative or distributor.