

IBM Linux Strategy: Executive Overview



Session 9303 Share 99 - Summer 2002

John Sarsgard

Vice President, Worldwide Linux Sales IBM Corporation sarsgard@us.ibm.com

IBM Linux Strategy: Executive Overview

Abstract

- Wondering where IBM is going with their Linux strategy? Funny you should ask. Come listen to John Sarsgard, IBM's Vice President of Worldwide Linux Sales, provide an overview of that very topic. John will cover:
 - Linux Overview, Value and Marketplace: A brief overview of what Linux is, its value to our customers and trends in the marketplace
 - ► IBM Strategy and Linux Opportunities: Executive perspective of the strategic plays where we see Linux and the opportunities for its usage today including references
 - ► Linux Misconceptions: Setting right the facts about Linux and what it is capable of today including some real-life customer examples
 - ► IBM Products and Services Overview: A short overview of the IBM Linux portfolio (server platforms, middleware and support and services)







Linux Overview, Value and Marketplace

What is Linux?

- UNIX-like operating system originally developed by Linus Torvalds
- Developed / tested by the Open Source community
 - ► Highly disciplined / structured process
 - ► High quality code
 - ► More secure code, more stable systems
- Packaged and shipped by distributors
 - ► Caldera
 - ► Red Hat
 - **► SuSE**
 - **►** Turbolinux
 - Other regional distributors (Conectiva, ESware, Mandrake, Red Flag, ...)





Linux Distributors Combine their Power

UnitedLinux = Open Industry Consortium



Concept

- ▶ Binary-compatible Linux distribution, branded "UnitedLinux"
- ► Initial members: Caldera, SuSE, Turbolinux, Conectiva
 - Open to others

Business model

- Distributors add software and services
- ► Distributors maintain brand names with "UnitedLinux Inside"
- UnitedLinux promotes the brand, issue memberships, certifications, manages requirements
- ► SuSE acts as UnitedLinux systems integrator

Implementation

- ► Supported by all IBM @server platforms, key middleware
- Worldwide language support, standards based (e.g. LSB 1.1, LI18NUX)





What is Open Source?

- Open source
 - ► Community develops, debugs, maintains
 - ► Changes must be made available
- Generally high quality, high performance software
 - ► Good ideas, good developers, disciplined processes
 - Constant public scrutiny
 - Superior security on par with other UNIX, superior to Windows
- Half dozen widely-accepted licenses
 - Grant of intellectual property rights not just right to use
 - Recipient has right to redistribute
 - None of the licenses provide indemnification
- Business models
 - Package with higher value software
 - ▶ Package with hardware
 - Services
 - Charge for periodic functional/support updates





Linux Momentum

Linux will become the dominant server operating system in the United States by 2005.

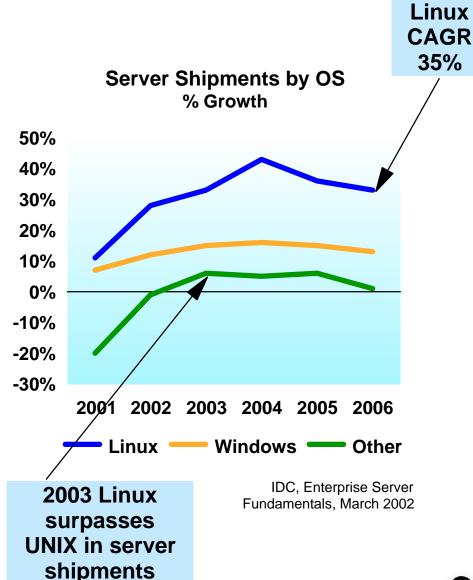
> Stacey Quandt, Giga, Business 2.0, June 17, 2002

Linux will have a "breakout year" in 2002. Now it seems clear that Linux has become a viable alternative for enterprise use.

IDC, January 2002

By 2006, Linux will be a key foundation for a strategic, cross development platform environment, accelerating UNIX server consolidation, while creating a powerful alternative to Windows .NET.

Gartner, May 2002







Why Linux

- Single operating system; desktop to mainframe
 - **► Less complexity**
 - ► Lower total cost of ownership
- Attracting the best technical talent
- Ready for prime time
- Basis for innovation

"Sun Microsystems has embraced the Linux operating system, rolling out a multipart program that will significantly broaden the offerings of Linux on low-end Sun servers."

Source: Sun Press Release, Feb. 2, 2002

"We'll be on Linux no later than the summer, so we'll be running our whole business on Linux."

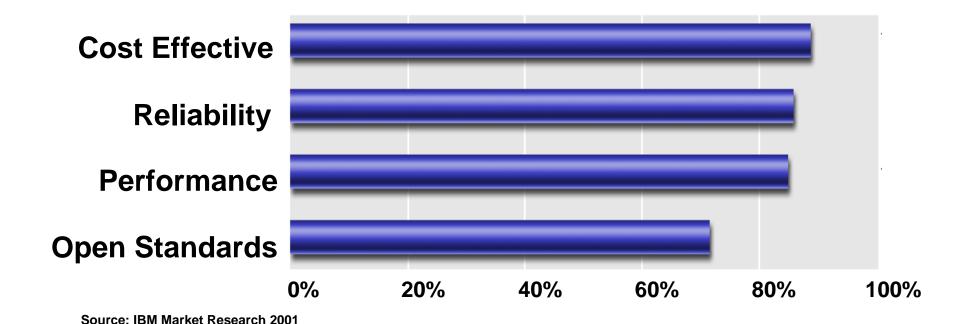
Larry Ellison, Oracle Chairman and CEO Source: IDG News Service, Jan. 31, 2002

IBM has been working with Linux for five years. IBM hardware, software and services are fully Linux enabled.





Linux Value



"It's going to be almost 30 times cheaper to run and maintain" (than Sun systems)

Josh Levine - Chief Administrative Officer and President, e*Trade Technologies







IBM Strategy and Linux Opportunities

Linux @ IBM

A Commitment to Linux across the Entire Business

- Linux Technology Center
 - Enterprise enable Linux through development / contribution of utilities, tools, and code
 - ► 250+ WW developers in 21 sites working within the open source community
- Linux Integration Center
 - Assist customers with Linux-based applications
 - ► Technical consulting, proof of concepts, benchmarks
- Open Source Development Lab
 - Enabling Linux and Linux-based applications for data center and carrier-class deployment



- Linux Porting Centers
 - ▶ 11 worldwide centers to assist in porting ISV applications
- Linux Center of Competency for Finance NYC
 - Assist financial services customers testing and implementing Linux applications





Linux @ IBM

A Commitment to Linux across the Entire Business

- 1200+ production servers worldwide, numerous R&D
- Internal Linux projects:
 - www.ibm.com/linux and w3.ibm.com/linux
 - redundant xSeries Linux servers
 - ► Intranet search engine
 - -xSeries servers; Inktomi search engine
 - Internal conferencing system
 - INN on zSeries under z/VM
 - ► IGS Internet vulnerability security scanning
 - -54 xSeries scanning 30k IP addresses/ week
 - ► File and print servers
 - -SAMBA on zSeries servers under z/VM and on xSeries
 - Performance monitoring
 - -24 xSeries servers, 75% fewer than NT
 - ► IBM global e-mail anti-virus management
 - -xSeries scans incoming/outgoing mail for viruses
 - ▶ 300mm wafer manufacturing equipment control
 - -190 xSeries; 300-400 by year end



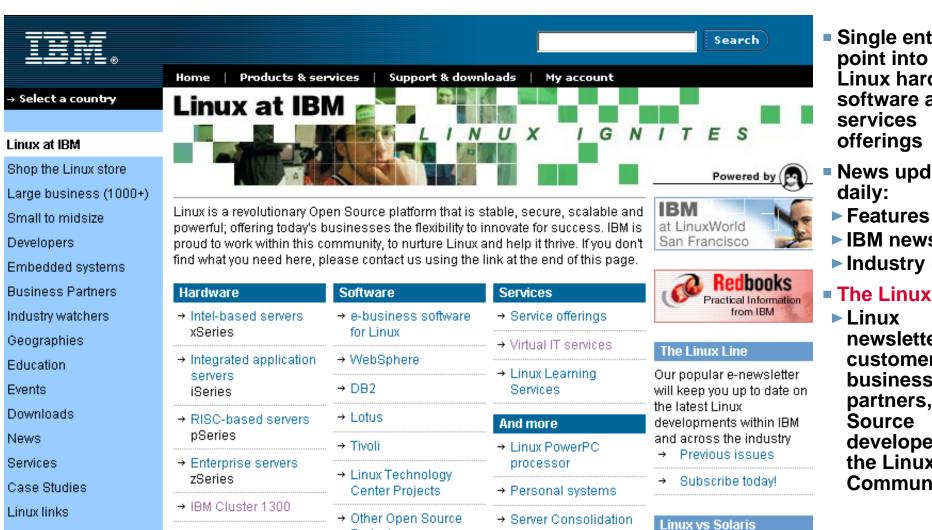


Linux Web Portal

→ Storage products

ibm.com/linux

Archive:



Projects

- Single entry point into all Linux hardware, software and offerings
- News updated
- ► IBM news
- ► Industry news

The Linux Line

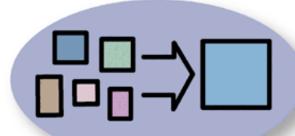
newsletter for customers, business partners, Open developers and the Linux Community



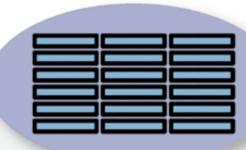
→ IBM/Dovolonor Domoin:



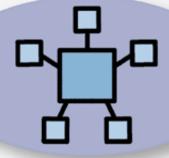
How Customers are Deploying Linux



Workload Consolidation

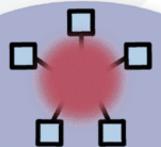


Linux Clusters

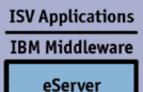


Distributed Enterprise

Ibuted Infrastructure Solutions











IBM Infrastructure Solutions

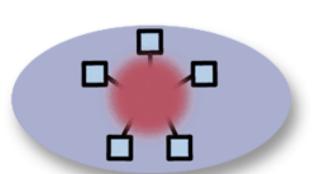
Optimized @server and IBM Software for Linux

Infrastructure Servers

- ► File/Print
- ▶ Web/Application
- ► Application development
- **►** Content/Caching
- Security

Advantages:

- ► Low cost
- ► Highly reliable
- **►** Turnkey
- ► Rapid setup
- Innovative packaging



Infrastructure Software

- ► DB2 Universal Database
- Domino collaboration
- ► Tivoli Systems Management
- MQSeries messaging
- WebSphere family for application development

Advantages:

- ▶ Scalable
- **▶** Open standards
- ► Industry proven





Weta Digital

New Zealand Special Effects Company

Challenge

Improve system performance/reliability without increasing costs for special effects company producing effects for the Lord of the Rings movies

Solution and Benefits

- IntelliStation and Linux systems operating as standalone units linked by Gigabit ethernet network
- Dual Xeon IBM IntelliStation M Pro workstations running Red Hat Linux
- ► IBM Linux SupportLine
- Lower hardware acquisition cost and much higher system performance







Infrastructure Successes





























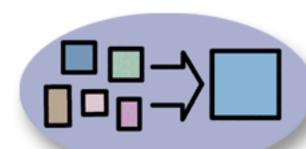
Consolidate Workloads Across the Organization

Simplified Infrastructure with IBM and Linux

- Workload Consolidation
 - Replace many with few
 - Optimize assets



- ► Reduce costs
- **▶** @server proven reliability
- Virtualize servers
- Dynamically manage workloads
- ► Enabled across all @server products







Korean Air

International Air Carrier

Challenge

- Consolidate core-business applications (Flight Schedule Inquiry System and Daily Revenue Accounting) running on a variety of different servers
- Reduce operation costs, improve performance and efficiency

Solution

- ► Internet and Intranet-based Inquiry System running on Linux on an IBM @server zSeries server using IBM Software and Services
- Developed Daily Accounting System using Java / WebSphere Application Server
- Asset Management System running DB2 for Linux, DB2 Connect and IMS Connect



SUPERVALU

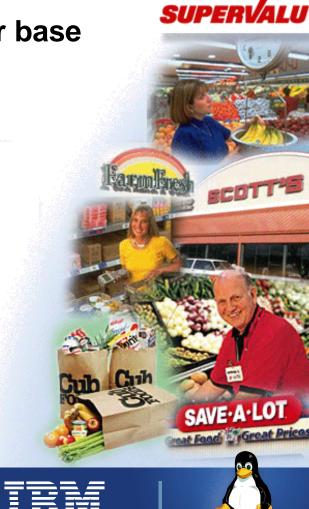
Leading Food Distributor in the USA

Challenge

- Implement easier, more cost effective system for member stores to place orders
- ► Improve customer loyalty and grow customer base

Solution and Benefits

- ► IBM WebSphere Commerce Suite V5.1 as e-commerce platform
- zSeries-based Web environment running SuSE Linux V7
- Reduced software needs from 80 CPU licenses to 3
- ► Ability to add IFL engines to LPAR without interruption in service
- ► Significant cost savings



Workload Consolidation Success



Hundreds of Successful Customers





Linux Clusters

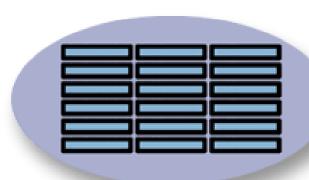
IBM Solutions for Complex Workloads

Clusters with Linux:

- Computationally intensive workloads
- ► High performance computing
- ► Horizontal scalability

Advantages:

- Supercomputing performance at "mass market" prices
- ► Choice of @server architecture
 - -IA 32, IA 64 or Power
- ► Industry leading IBM cluster software
 - GPFS General Parallel File System
 - CSM Cluster Systems Manager
- ► IBM factory installed and delivered



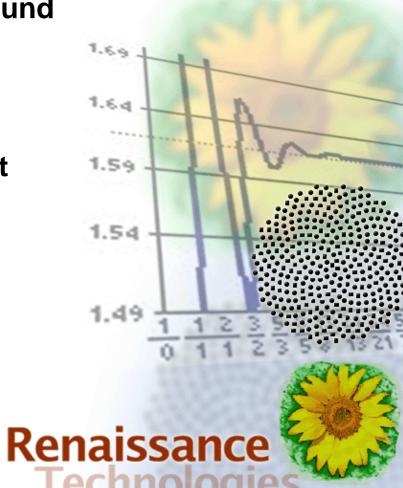


Renaissance Technologies

Medallion Fund - Outperforms the Street

Challenge

- ► Lead Wall Street with the best hedge fund performance, while improving IT price/performance
- Leverage technology to create a competitive advantage
- Remain in existing datacenter, without increasing floorspace or system management personnel
- Solution and Benefits
 - ► IBM xSeries 330 Intel servers rack mounted and clustered
 - Increased price performance over incumbent Sun 6800 servers
 - Manage multiple parallel quantitative analysis with faster response time



DuPont Photomask

Linux Clusters

Challenge

- Minimize photomask development by increasing computational speed
- ▶ 99.9 percent availability

Solution

- ► Linux cluster of 10 xSeries servers
- ▶ Red Hat V7.1

Value

- ➤ 3X the processing power of existing NT servers
- Reduced run time from days to less than 4 hours
- Reduced photomask development/testing cycle





Linux Clusters Success





























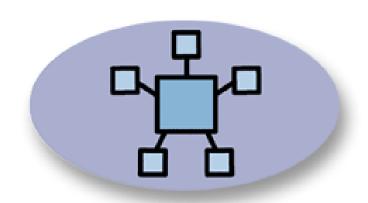




Distributed Applications to Serve Many Locations

Replicate Function Across the Enterprise

- Distributed solutions with Linux:
 - Geographically dispersed
 - Serve more customers or employees
- Advantages:
 - ► Low cost, small footprint @server
 - High reliability and stability
 - **►** Secure
 - Easily replicated
 - Centrally managed
 - ► IBM world-wide support and implementation







Sherwin-Williams

Innovative Point of Sale Solution

Challenge

- ► Major manufacturer with over 2,600 outlets
- Needed to upgrade point of sale system plus provide e-mail, intranet and Internet capabilities

Solution

- Custom IGS Services for Point of Sale
- NetVista for in-store processing

Benefits

- New functionality provided for the stores for POS, e-mail and Web
- Web browser and StarOffice as new capabilities
- Reduced administrative support
- ► Higher availability
- ► Redundant servers and diskless POS PCs
- Improved price/performance



THE SHERWIN - WILLIAMS COMPANY





Product Brows

Distributed Successes















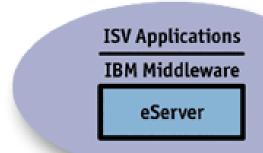


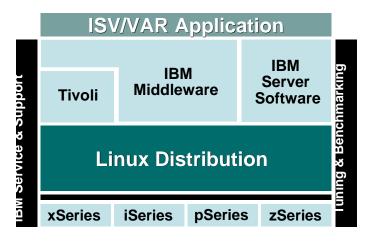


Application Solutions

Affordable Integrated Solutions for Linux

- IBM Business Partner and ISV solutions
 - Enable e-business initiatives
 - Deliver industry vertical applications
 - Leverage Business Partner and ISV expertise
- Advantages:
 - Bundled @server / IBM middleware / ISV application
 - ► Low cost
 - Optimized solutions
 - Reduced implementation time









Alcatel

SAP on zSeries running Linux

Challenge

Consolidate systems, improve reliability and systems management

Solution

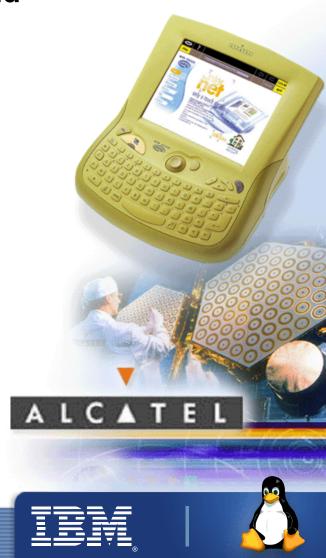
- mySAP.com on 64-bit Linux for @server zSeries
- DB2 Universal Database

Value

- Twice as fast as Unix batch processing
- ► Higher availability
- ► Better system management
- ► Improved TCO

"The Linux installation on zSeries was simple and quick. ...we were very pleased with the performance results."

Burghart Pohler Manager, Alcatel



Application Solution Successes















Linux Misconceptions

Is It Real?

The Myths of Linux

- Linux doesn't scale
- Linux isn't ready for the Enterprise
- Linux lacks business applications
- Linux isn't secure
- Linux skills are scarce





Linux Scales

Myth: Linux doesn't scale

Database - world record TPC-H benchmark

- ▶ DB2 v7.2; 4 Intel® 900MHz Pentium III Xeon processors
- ► 74% faster than the best Windows-based result

File Serving

- ▶ PC Mag's performance tests for file servers ... Linux with Samba significantly outperformed Windows 2000, 11/01
- ► ...on the fastest HW while handling largest number of clients, Linux's throughput was 78% faster

xSeries - record ECperf Linux performance

- ► WebSphere v4.03; 9 node xSeries 330 cluster with 2 x 1.266 GHz Pentium III processors
- ► Near linear scalability from 1 to 9 servers
- ▶ 86% of the performance; 29% of cost of top HP-UX/BEA benchmark

zSeries Servers - Linux vs. Solaris

- ▶ 12 zSeries Linux partitions equaled 9 x 4 CPU Sun 420R servers
- ► Linear scalability for multiple Linux instances and multiple users

"We chose DB2 running on Linux based on its <u>stability</u>, <u>scalability</u> and <u>performance</u>. There's almost no end to DB2's advantages, which include high efficiency, fast querying and search speed, and the ability to store very large amounts of data."

Dr. Napthali Rishe, Director, Florida International University High Performance Database Research Center





Linux is Rock Solid

Myth: Linux isn't ready for the Enterprise

- In a Cluster Environment Peak Operation Downtime Per Year*
 - ► Microsoft.....30 hours
 - ► Linux.....14 hours
- Google runs on Linux
 - ► 100+ million queries per day
 - Average response times less than half a second
- IBM service/support
 - ► Level 1-2-3 support for all eServer platforms running Linux





ISVs are Adopting Linux

Myth: Linux lacks business applications

- 3,800 Linux applications in IBM Global Solutions Directory
 - ► SAP, Sendmail, jBASE, Relavis, Sanchez, MissionCritical Linux, QAD, SAS, Steeleye, SecureWorks, Fluent
- Eclipse: open-source, integrated foundation for app development
 - ► Supported by 150+ ISVs
- 48% of developers WW (40% in North American) plan to target most of their apps to Linux*
 - ► 39% of Int'l (34% of NA) developers have written Linux applications
 - ► 50%+ have confidence in Linux for mission-critical apps
- WW IBM Porting Centers for Linux
- developerWorks Linux and Open Source Zones = 1M page



*Evans Study March 2001

IBM.



ISVs Adopting Linux

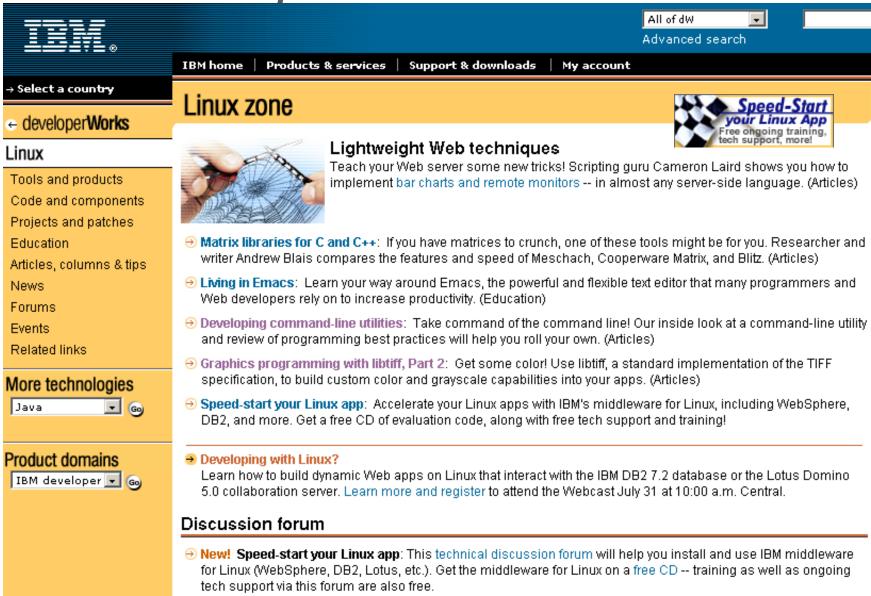






<u>developerWorks Linux Zone</u>

ibm.com/developerworks/linux





Linux is Secure

Myth: Linux isn't secure

- The Open Source development process
 - ▶ Darwinian -- structured/disciplined
 - Exposed vs. hidden
- "World Governments Choosing Linux", AP, 12/1/01
 - ► "Chinese, French and German govts ... adopting Linux over MS "
 - ► "Security experts ... agree computers are less prone to hacking and viruses when running open-source software like Linux"
- The US National Security Agency embracing Linux
 - ► Investing to develop Linux security enhancements
- "...Window's inherent instability and susceptibility to hacks are now becoming major issues to corporate and government buyers."

Microsoft's Global Insecurity Complex, Business2.0, June 17, 2002

"Gartner recommends that enterprises continue to weigh open source review as a positive factor in the security of software."

Gartner, "Microsoft Sends Mixed Signals About Software Security", May 13, 2002





Linux Skills are Widely Available

Myth: Linux skills are scarce

- IBM Linux Scholars Challenge
 - ▶ 1,462 students entered
 - ► 664 colleges represented
- IBM Learning Services
 - ▶ 40 courses
 - www.ibm.com/training/spotlight/linux
- Porting Solaris applications to Linux
 - ▶ 80+% of APIs are identical
 - Less than 15% require simple translations or masks
 - Less than 5% of the APIs may require application rework

"Several large projects of moving Unix-based applications from 100 KLOC to 600 KLOC have been completed. Most were completed in about two months and only required a small percentage (1% or so) of the code to be modified in any way."

SoundView Technology Group, "Linux Momentum in Europe Appears to be Strong", June 13, 2002

"If your IT organization supports UNIX today, you are well positioned to support Linux. UNIX skilled programmers can easily and quickly develop into Linux programmers."

Harry Roberts - SVP and CIO, Boscov's, Inc.







IBM Products and Services Overview

IBM @server Family Supports Linux

@server zSeries

- ► Hundreds of Linux servers on a single hardware platform
- Unmatched scalability
- ► Large applications portfolio
- ► Simplified systems management
- ► Runs in an LPAR or on **7/VM**
- ► Native Linux 32-bit & 64-bit
- ► Reduced cost of ownership

@server iSeries

- Reliable / scalable
- ► Up to 31 Linux Partitions
- ► Integration with OS/400
- Resource sharing and management
- ► I/O Flexibility



• @server xSeries

- X-architecture innovation
- Operating system freedom of choice
- ► Affordable, Scalable, Reliable
- ► Appliances
- Rack-optimized servers

@server Clusters

- ► Integration and testing of IBM and OEM
- ► Speed to market
- xSeries rack optimized servers

@server pSeries

- Native Linux 32-bit & 64-bit
- ► Linux virtual servers on p690 and p670
- ► Linux affinity on AIX 5L
- ► I/O Bandwidth and RAS
- Multiplatform flexibility





IBM Middleware is Ready Today!

Solutions available across all product lines

- WebSphere Transaction Integration

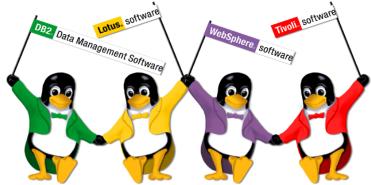
 - DB2 Leverage Information

 - **Lotus** Leverage Collaboration

 - Tivolia Systems Management

- ▶ Scalable
- ▶ Modular
- ► Flexible
- Standards based
- ▶ Reliable
- Open is the world's new direction
 - ► Eclipse: An open tool platform contributed by IBM to an independent open source organization
- Solutions at lowest TCO









DB2 for Linux



IBM Middleware for Linux

DB2 Universal Database products

- ▶ DB2 Universal Database Personal
- ▶ DB2 Universal Database Workgroup Edition
- ▶ DB2 Universal Database Enterprise Edition
- ▶ DB2 Universal Database Enterprise-Extended Edition

Connectors

- DB2 Connect
- **► IMS Connect**
- CICS Transaction Gateway

DB2 application development

- **▶ DB2 Personal Developer's Edition**
- ► DB2 Universal Developer's Edition
- ▶ DB2 XML Extender
- ► DB2 Net Search Extender
- ▶ DB2 Intelligent Miner Scoring

Informix

► Informix Dynamic Server, C-ISAM





WebSphere_®

WebSphere for Linux

IBM Middleware for Linux

- Foundation products
 - WebSphere Application Server Advanced Edition
 - ▶ WebSphere MQ
 - WebSphere MQ Everyplace
- Foundation extension products
 - WebSphere Studio Application Developer
 - ▶ WebSphere Transcoding Publisher
 - ▶ WebSphere Personalization
 - ▶ WebSphere Edge Server
 - ▶ WebSphere Host On-Demand
 - ► IBM Screen Customizer
- Application accelerators
 - **► WebSphere Commerce**





Tivoli for Linux



IBM Middleware for Linux

- Security
 - ► IBM Tivoli Access Manager for e-business
 - ► IBM Tivoli Access Manager for Operating Systems
 - ► IBM Tivoli Identity Manager
- Storage
 - ► IBM Tivoli Storage Manager
 - ► IBM Tivoli Storage Manager Enterprise Edition
- Performance and availability
 - ► IBM Tivoli Enterprise Console
 - ► IBM Tivoli Monitoring
- Configuration and operations
 - ► IBM Tivoli Workload Scheduler
 - ► IBM Tivoli Workload Scheduler for Applications
 - ► IBM Tivoli Configuration Manager
 - ► IBM Directory Server





Lotus for Linux



IBM Middleware for Linux

- Collaboration solutions
 - **► Lotus Domino**
- Workflow solutions
 - **► Lotus Workflow**





IBM Services for Linux

Clusters

- **► Support Line**
- ► 1300 Installations
- **► OEM** procurement
- ► Hardware setup
- **►** Software installation
- Managed **Operations**
- Middleware enablement
 - ►DB2
 - ► WebSphere AS
 - ► WebSphere MQ
 - ► ISVs
 - ▶ QuickStarts



Workload Consolidation

- ► File/Print, Webserving
- ▶ Bynari, Sendmail
- ► Linux solutions for e-business
- ► Application porting
- ► Solaris to Linux migration

Training

- ▶ 5 languages; 20 countries
- ► All eServers
- Web-based and classroom
- ► Cluster workshops

Web Hosting

- ▶ xSeries
- ► zSeries Linux
- e-Sourcing

Technical Support

- Support Line
- ► Account advocate
- ► Advanced Support
- ► All eServers including clusters
- **24/7**





Next Steps

- Work with your team to provide Linux awareness and opportunity sessions
- Identify areas of your business where Linux can add value
- Create a list of potential pilots
- Work with your team to assess and prioritize the list of pilots
- Get started!

- Additional information:
 - ▶ ibm.com/linux
 - ibm.com/developerworks/linux







IBM Linux Strategy: Executive Overview



Session 9303 Share 99 - Summer 2002

John Sarsgard

Vice President, Worldwide Linux Sales IBM Corporation sarsgard@us.ibm.com

Notices

The information contained in this document is distributed on an "as is" basis without any warranty either express or implied. The customer is responsible for use of this information and/or implementation of any techniques mentioned. IBM has reviewed the information for accuracy, but there is no guarantee that a customer using the information or techniques will obtain the same or similar results in its own operational environment.

In this document, any references made to an IBM licensed program are not intended to state or imply that only IBM's licensed program may be used; any functionally equivalent program may be used instead.

Any performance data contained in this document was determined in a controlled environment and, therefore, the results which may be obtained in other operating environments may vary significantly. Users of this document should verify the applicable data for their specific environment.

It is possible that this material may contain reference to, or information about, IBM products (machines and programs), programming, or services that are not announced in your country or not yet announced by IBM. Such references or information must not be construed to mean that IBM intends to announce such IBM products, programming, or services.

All customer examples cited or described in this presentation are presented as illustrations of the manner in which some customers have used IBM products and the results they may have achieved. Actual environmental costs and performance characteristics will vary depending on individual customer configurations and conditions.

All statements regarding IBM's future direction and intent are subject to change or withdrawal without notice, and represent goals and objectives only.

Information about non-IBM products is obtained from the manufacturers of those products or their published announcements. IBM has not tested those products and cannot confirm the performance, compatibility, or any other claims related to non-IBM products.





Notices ...

Questions on the capabilities of non-IBM products should be addressed to the suppliers of those products.

Prices subject to change without notice. Contact your IBM representative or Business Partner for the most current pricing in your geography.

Permission is hereby granted to SHARE to publish an exact copy of this paper in the SHARE proceedings. IBM retains the title to the copyright in this paper as well as title to the copyright in all underlying works. IBM retains the right to make derivative works and to republish and distribute this paper to whomever it chooses in any way it chooses.

The following are trademarks of the International Business Machines Corporation in the United States and/or other countries.

BookManager* IBM* VM/ESA* Parallel Sysplex* DB2* IBM logo* PR/SM VSE/ESA DFSMS/MVS* Language Environment* QMF VTAM* DFSMS/VM* Multiprise* RACF* z/Architecture e-business logo* MVS RAMAC* z/OS Enterprise Storage Server NetRexx S/390* z/VM ESCON* OpenEdition* S/390 Parallel Enterprise Server zSeries. FICON **OpenExtensions** VisualAge* GDDM* OS/390* VisualGen*

* Registered trademarks of IBM Corporation

The following are trademarks or registered trademarks of other companies.

Lotus, Notes, and Domino are trademarks or registered trademarks of Lotus Development Corporation; LINUX is a registered trademark of Linus Torvalds; Penguin (Tux) compliments of Larry Ewing; Tivoli is a trademark of Tivoli Systems Inc.; Java and all Java-related trademarks and logos are trademarks of Sun Microsystems, Inc., in the United States and other countries; UNIX is a registered trademark of The Open Group in the United States and other countries; Microsoft, Windows and Windows NT are registered trademarks of Microsoft Corporation; SET and Secure Electronic Transaction are trademarks owned by SET Secure Electronic Transaction LLC. All other products may be trademarks or registered trademarks of their respective companies.