Introducing CloudBurst

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Agenda

- IT Infrastructure Today
- The Opportunity
- Introducing IBM CloudBurst
- Features & Benefits
- Architecture
- Roadmap
- Next Steps
IT infrastructure is reaching a breaking point

85% idle
In distributed computing environments, up to 85% of computing capacity sits idle.

1.5x
Explosion of information driving 54% growth in storage shipments every year.

70¢ per $1
70% on average is spent on maintaining current IT infrastructures versus adding new capabilities.

40 billion
Consumer product and retail industries lose about $40 billion annually, or 3.5 percent of their sales, due to supply chain inefficiencies.

33%
33% of consumers notified of a security breach will terminate their relationship with the company they perceive as responsible.
It’s time to start thinking **differently** about infrastructure.
Operations have industrialized to become smarter.

Telcos automate traffic through switches to assure service and lower cost.

Manufacturers use robotics to improve quality and lower cost.

Banks use automated teller machines to improve service and lower cost.

...breakthroughs like these are enabled by service management systems.
What if you could industrialize your data center?

Reduce the headaches of integrating and maintaining servers, storage & software

With a service management system that provides:

- Dramatic improvement in time to market
- Clients with what they need when they need it
  - Self-service
  - Service in one day, not six weeks
- The lowest per-unit cost
  - Hands-free operation
Introducing IBM CloudBurst
Designed from client implementations

- For IT executives seeking a breakthrough in:
  - delivery of service
  - reduction in cost
  - transformation of the data center into a Dynamic Infrastructure

- A product that integrates service management software with servers, storage, and Quickstart services to enable a private cloud

- “Fit for purpose” based on architectures required by specific workloads

- Available with several attractive financing options
We are talking about a way to significantly lower cost...

**Traditional Infrastructure**
- x86 servers – one application per server
- 5% hardware utilization
- Manual operations & maintenance

**Internal Private Cloud**
- x86 servers – full virtualization
- Embedded service management system
- Automated self service

**Internal Private Cloud drives cost savings**

- Can reduce IT labor cost by 50% in configuration, operations, management and monitoring
- Can improve capital utilization by 75%, significantly reducing license costs
- Reduce provisioning cycle times from weeks to minutes
- Can reduce end user IT support costs by up to 40%
While significantly improving service...

<table>
<thead>
<tr>
<th>Before</th>
<th>After</th>
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<tbody>
<tr>
<td>▪ Manual processes slow down access for developers</td>
<td>▪ New user experience with easy-to-use self-service portals</td>
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<td>▪ Test environments take weeks to set up</td>
<td>▪ Test environments provisioned in minutes</td>
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<tr>
<td>▪ Inconsistent configurations impact software quality</td>
<td>▪ Software configurations consistently deployed every time</td>
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“Our business strategy means we must differentiate ourselves on client service. At the same time we need to **reduce costs** and make sure that we have a lot of efficiency and productivity in the system.”

- Large banking customer
And making heroes of IT Operations

**Before**
- Large backlog, frustrated customers
- Skilled resources tied up on mundane tasks
- Tedious and error prone

**After**
- Self service and fast service satisfies customers
- Automated tasks, happier more productive staff
- Automated provisioning lowers costs and improves service

"With Cloud computing, users can have the resources on demand... IT can deliver service to the business at the right moment, at the right place."

- Utility-based service provider
IBM CloudBurst delivers from the factory...

<table>
<thead>
<tr>
<th>Features</th>
<th>Benefits</th>
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<tbody>
<tr>
<td>Self-service Portal</td>
<td>Improve service</td>
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<tr>
<td>Service Catalog</td>
<td>Reduce cost</td>
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<td>Automation Software</td>
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<td>Pre-packed Automation Templates</td>
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<tr>
<td>Built-in Virtualization</td>
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<td>Single Delivery, Installation &amp; Price</td>
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<tr>
<td>Implementation Services</td>
<td>Easy</td>
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<td>Single Support</td>
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…Each of these IBM CloudBurst features and benefits are detailed on the following pages
Self-Service Portal

- Users can request the services they need, when they need them, for the time they need them
- Eliminates manual processes for requesting resources

...Improves customer satisfaction by accelerating service delivery
Service Catalog

- Single repository for all cloud services
- Allows end users to use IT services without being an expert in IT
- Supports faster delivery of business services

...Improves consistency of services
Automation Software

- Resources can be provisioned in minutes versus weeks
- Resources are provisioned consistently every time
- Resources are quickly returned to pool when no longer needed instead of sitting idle
- Easily customizable by role

...Speeds delivery of services via easy-to-use provisioning
Pre-packed Automation Templates

- Library of scenarios available for common provisioning tasks
- Plus Web replay to record provisioning tasks once, then share with less-skilled administrators

...Saves time and reduces skill level required for provisioning
Built-in Virtualization

- Understand virtual and physical resource usage
- Dynamically manage virtual workloads to optimize resource usage
- Automatically migrate virtual machines across systems to maintain service levels

...Increases utilization for lower capital expense
IBM CloudBurst eases the headaches of traditional infrastructure...

- Single delivery
- Single installation
  - Quickstart services
- Single price
- Single support
  - Single phone number to call for all support issues

...Financing options to help conserve cash and accelerate pay back
Initial implementation services included

Installation & Configuration
- Integrate IBM CloudBurst in data center and network
- Configure local storage
- Set up users and security profiles
- Configure virtualization resources and self-serve portal

Hands-on Training
- Covers broad range of management considerations
- Addresses administrator and user levels

...Private Cloud platform is up and running in days, supported by knowledge transfer
IBM Smart Business Test Cloud Services

Features:
- Strategy, planning, design and implementation services
- Assessment of current test environment to project savings and ROI
- Set-up catalog for standardized configurations
- Implement automated provisioning via a self-service portal
- Integrate solution into overall management environment
- Provide elastic scaling with advanced virtualization – leverages existing assets
- Support for IBM CloudBurst for rapid set up of cloud platform

Benefits:
- Reduce IT labor cost by 50%+: reduce labor for configuration, operations, management and monitoring of the test environment
- 75%+ capital utilization improvement: significant license cost reduction
- Reduce test provisioning cycle times from weeks to minutes
- Reduce risk and improve quality: eliminate 30%+ of all defects that come from faulty configurations
Two Payment Options

You can choose…

- **Upfront:** $207,387 *
  - Single one time payment

**Monthly payments of $5,750***

- Access capital (credit-qualified clients)
- Conserve cash for other investments
- Better manage cash flow with predictable payments
- Lower TCO through a technology lifecycle management approach
- Expand your purchasing power to obtain more within budget
- Obtain what you need vs. what you can afford

*Hypothetical example using list prices. Monthly IBM Global Financing rate based on 36-month term with “Best” credit rating and Value Plan lease. Actual financing rates based on client’s credit rating, financing terms, offering type, equipment type and options. Other restrictions may apply.
Integrated, Flexible, Provisioned by Request, “Fit for Purpose” IBM Platform

- Pre-integrated (but configurable) server, storage, network
  - Deep STG/SWG integration
- Optimized for efficiency of specific workloads
  - “Fit for Purpose” multi-operating system environment
- Fully integrated virtualization and system management capability
- Business value: flexibility, platform efficiency, workload optimization
- Assimilates other platforms

Datacenter Fabric

Integrated IBM Service Management

Visibility, Control and Automation to transform the assets of a Data Center into information that enables efficient process and compliance services to the business

Solution Properties
- Common User Interface
- Common Reporting
- Security
- Manages Single systems
- Scale to complex solutions
- Resilience and Automation
- Virtual Image mgmt

Hypervisor
Hardware System
IBM CloudBurst Roadmap

**Optimized for Development & Test Workloads**

**IBM CloudBurst 1.1**

**IBM WebSphere CloudBurst Appliance**

**Capabilities**
- System X BladeCenter HW: scalable and modular
- GTS CloudBurst Quickstart Services
- Request, Deploy and Manage VMWare virtual environments
- Energy Utilization metrics
- Backup and Recovery

**Optimized for Production Workloads**

**IBM CloudBurst Planned**

**IBM CloudBurst Future**

**Key Enhancements**
- Expand HW Platform to Power Systems, iDataplex, and System Z
- Cloud Analytics and Dashboard capabilities
- Cloud capacity Planning
- Enhanced security & resiliency options
- Compliance reporting options
- Integration with public cloud offerings

**2009**

**2010**

IBM Insight Forum 09
Make change work for you
Let’s Get Started

Next Steps:

1. Meet with IBM Dynamic Infrastructure sales specialist for deeper discussion on IBM CloudBurst

2. Participate in workshop with IBM Technical Services to review implementation plans & considerations

3. Receive Proposal

- Visit http://ibm.com/cloud/cloudburst