

## **IBM INTRODUCES NEW BENEFITS IN ITS LEADERS FOR LINUX BUSINESS PARTNER PROGRAM**

### *New OpenPower Benefits Increases Value of the Leaders For Linux Initiative*

**LAS VEGAS, NV – March 1, 2005** -- IBM today announced an expansion of its industry-leading Leaders for Linux Business Partner initiative, including new benefits designed to encourage Business Partners to develop Linux solutions focused on the rapidly growing OpenPower architecture.

Today's announcement at IBM's PartnerWorld in Las Vegas follows the recent introduction of IBM eServer Application Advantage for Linux, also known as Chiphopper, the IT industry's first combination of support and testing tools that will deliver on the promise of a cross-platform Linux solution for ISVs. Both announcements are the latest examples of IBM's drive to help business partners and ISVs further deploy Linux solutions for customers.

IBM's Leaders for Linux initiative, first introduced in January 2002, provides a wide range of resources -- including pre-sales support, demand generation programs, education, event participation and technical support -- that assist partners to more effectively reach customers eager to experience the cost, integration and security benefits offered by Linux.

Leaders for Linux Business Partner enrollments are growing at more than 50 percent a year, with the initiative now boasting more than 325 members worldwide who profit from the programs benefits that help accelerate the revenue growth of their Linux businesses. For example, in 2004, Linux-related revenue for IBM Business Partners grew more than 160 percent year-to-year, far outpacing the overall Linux industry revenue growth.

As part of today's announcement, IBM Leaders for Linux Business Partners will be eligible for enhanced co-marketing campaign dollars of up to \$10,000, with the highest co-marketing dollars being awarded to Business Partners who help customers implement Linux solutions built around OpenPower as part of Value Networks.

In addition, Novell's SUSE LINUX and Red Hat are extending their valuable partner benefits in technical training, pre- and post-sales support, and go-to-market activities to all IBM Leaders for Linux.

"Our business partners are unquestionably one of the key driving forces behind the adoption of Linux by customers," said Scott Handy, vice president of worldwide Linux for IBM. "The expansion of our successful Leaders for Linux initiative will further help drive the adoption of Linux in the enterprise, including new growth areas such as Linux on POWER."

Business Partners qualify for the Leaders for Linux by demonstrating Linux technical skills through certification, proven sales skills by successfully selling Linux on an IBM platform, and by being an Advanced- or Premier-Level partner in any one of the IBM PartnerWorld tracks. The Leaders for Linux program includes all Business Partner categories, including Solution Providers, ISVs, System Integrators, Resellers and Value Added Distributors.

### **MSI and First National Bank of Omaha**

One example is IBM Premier Business Partner MSI, which with IBM is helping the First National Bank of Omaha to consolidate 30 Sun servers and EMC storage onto IBM systems running Linux for superior performance, reliability and lower TCO. The consolidation is approximately 80 percent complete, and it's already delivering real savings for the 150-year-old institution, with an expected cost reduction in operating expenses of \$1.8 million this year, and an additional \$9.6 million through 2011.

Dan Nassif, vice president, zSeries Solutions Practice, MSI Systems Integrators, says "IBM's commitment to Linux and the support and benefits we received through the Leaders for Linux initiative were instrumental in helping MSI identify this significant opportunity and close the business. In 2005 we expect to further leverage the substantial new value IBM is adding to the program."

Piloted last year, IBM's Business Partner Value Network for Linux has provided a proven methodology for identifying and facilitating teaming between business partners so they can jointly create well-defined Linux solutions. Leaders for Linux participants will now be able to use this resource to form their own Value Networks.

### **Agilysys, CRS and Logan's Roadhouse**

Agilysys, a participant in the Business Partner Value Network for Linux, worked closely with IBM, and Nashville-based Cash Register Systems--also known as CRS--to craft a custom solution for the restaurant chain Logan's Roadhouse that is based on IBM point-of-sale and eServer xSeries systems running Linux.

Mike Todd, vice president of sales, Agilysys, says, "as part of this Value Network, we were able to work with best-of-breed partners—including the company that Logan's has a longstanding, comfortable relationship with, CRS—and provide a solution that works on every level."

According to Jim Culp, CEO of CRS, "We've had a relationship with Logan's for a long time. We know and trust each other, and CRS has developed a really intimate knowledge of the needs at Logan's. Based on the flexibility that is so important to them, they wanted to avoid using proprietary machines. That's just one of the areas in which we were able to utilize the network—both IBM and Agilysys—to help switch to something that made more sense, in this case IBM SurePOS 500 point-of-sale terminals on the front end, and IBM eServer xSeries servers in the back. Between us, we were able to handle creating and implementing the systems that Logan's Roadhouse is using today."

## **UCA, OpenPower and TSYS Prepaid**

IBM eServer OpenPower servers provide exciting new opportunities on Linux with significant price/performance advantages of POWER5 and advanced virtualization capabilities. Leaders for Linux hardware resellers can qualify for new benefits by completing OpenPower technical and sales training. These benefits include a no charge demo machine, incremental rebates, and reimbursement for costs involved in obtaining Linux certification under IBM's You Pass We Pay program. In addition Leaders for Linux who qualify can receive a free NFR copy of Novell SUSE Linux and Red Hat's newest Linux release for OpenPower.

IBM Premier Business Partner UCA has benefited from being an early adopter of OpenPower, recently winning a deal with TSYS Prepaid. Faisal Syed, president of UCA Systems says "IBM's commitment to provide the OpenPower Linux servers with DB2 that could handle the heavy-duty processing TSYS Prepaid needed for its prepaid credit card business at affordable prices allowed us to show the customer how we could save them money and increase their productivity. IBM's cost effective OpenPower Linux servers, and their Business Partner focus convinced us to invest in this exciting technology – and it's already paying off."

Additional information on IBM's Leaders for Linux can be found at [www.ibm.com/partnerworld/linux](http://www.ibm.com/partnerworld/linux).

### **About IBM**

IBM is the world's largest information technology company, with 80 years of leadership in helping businesses innovate. Drawing on resources from across IBM and key Business Partners, IBM offers a wide range of services, solutions and technologies that enable customers, large and small, to take full advantage of the new era of e-business. For more information, visit [www.ibm.com/linux](http://www.ibm.com/linux).

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Mike Darcy  
IBM  
914-588-8355 (at IBM PartnerWorld)  
[mdarcy@us.ibm.com](mailto:mdarcy@us.ibm.com)

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## Message Points

IBM is expanding its industry-leading Leaders for Linux Business Partner initiative, including adding new benefits designed to encourage Business Partners to develop Linux solutions focused on the rapidly growing OpenPower architecture.

Leaders for Linux Business Partners will be eligible for enhanced co-marketing campaign dollars of up to \$10,000, with the highest co-marketing dollars being awarded to Business Partners who help customers implement Linux solutions built around OpenPower as part of Value Networks.

This represents a continuation of IBM's commitment to enable business partners and ISVs to help customers deploy Linux solutions.

Another example is IBM's recent introduction of IBM eServer Application Advantage for Linux, also known as Chiphopper, which the IT industry's first combination of support and testing tools that will deliver on the promise of a cross-platform Linux solution for ISVs.

Just introduced at LinuxWorld two weeks ago, Chiphopper already has approximately 50 requests to enter the program from ISVs.

Leaders for Linux Business Partner is growing and it's helping Business Partner grow, too. In 2004, Linux-related revenue for IBM Business Partners grew more than 160 percent year-to-year, far outpacing the overall Linux industry revenue growth.

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One example is IBM Premier Business Partner MSI, which with IBM is helping the First National Bank of Omaha to consolidate 30 Sun servers and EMC storage onto IBM systems running Linux for superior performance, reliability and lower TCO. The consolidation is approximately 80 percent complete, and it's already delivering real savings for the 150-year-old institution, with an expected cost reduction in operating expenses of \$1.8 million this year, and an additional \$9.6 million through 2011.

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