

iSeries. mySeries.

Are You Safe? Internet Security for Small and Medium Companies

iSeries Nation Citizen's Chat Teleconference
Overview of IBM Security Express Portfolio Solution for eServer
(formerly IBM Security Offering for eServer)

October 7, 2004

Katie Bonta, iSeries Americas Sales

Agenda

- Marketplace drivers for needing a security solution
- Overview of IBM Security Express Portfolio Solution for eServer
- Offering Details
- Customer speaker – Nigel Fortlage, Vice President –Information Technology, GHY International

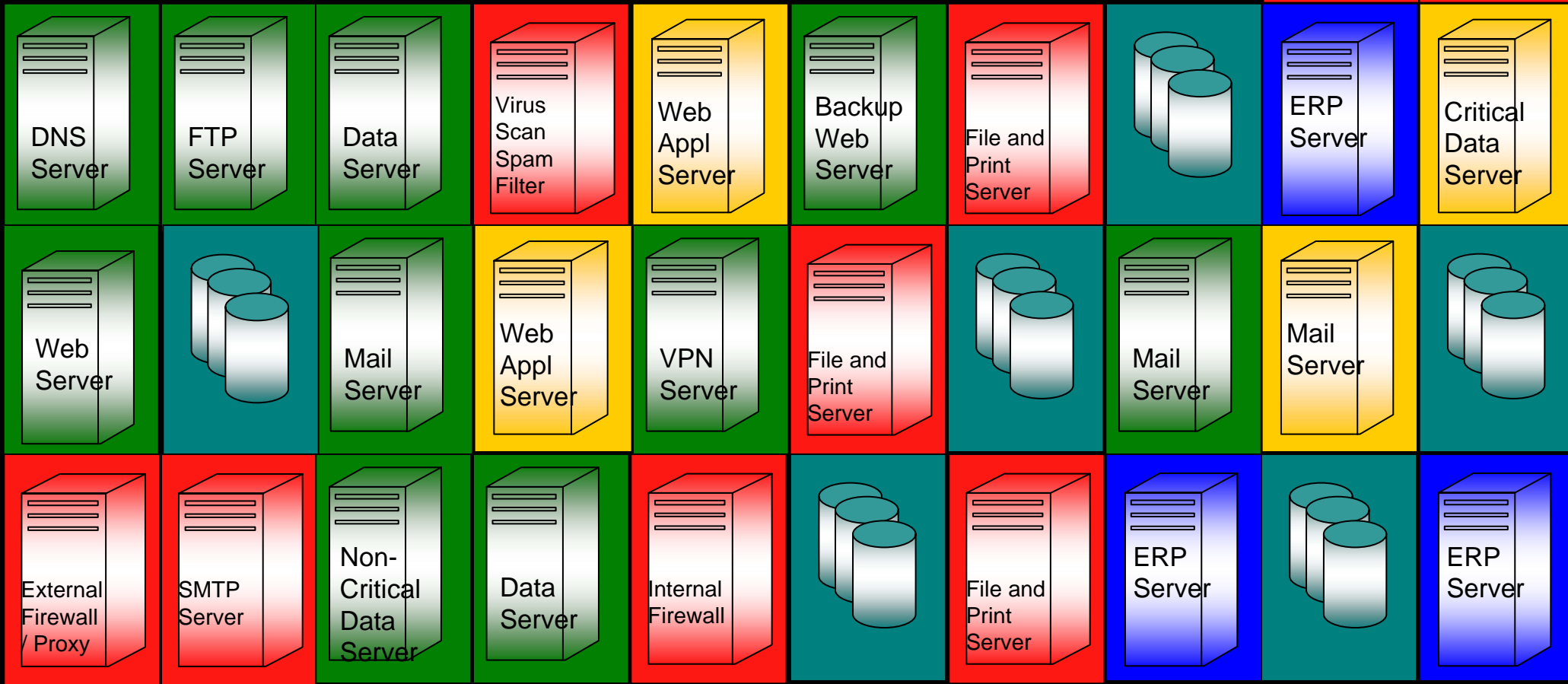
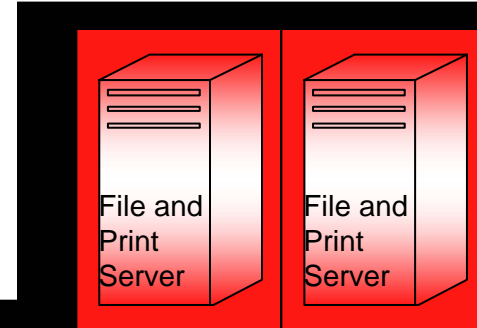
Business Risks Driving Security Requirements

- Legislative Considerations
 - Downloading material from internet
 - Legislated Regulations
 - HIPPA: Healthcare
 - Sarbanes-Oxley: Corporate Auditing requirements
 - Gramm-Leach-Bliley: Safe-guarding of customer records
 - Privacy Laws
- Auditing Requirements
- Integrity of Critical Business Data
 - Virus scares
- Protection of Privacy
 - Social Security numbers
 - Credit card numbers
 - Bank balances
- Focused IT Resource Consumption
 - Spam
 - Virus annoyances
 - Denial of service attacks

Consultant observation: Customers think they are secure but upon assessment most are still exposed

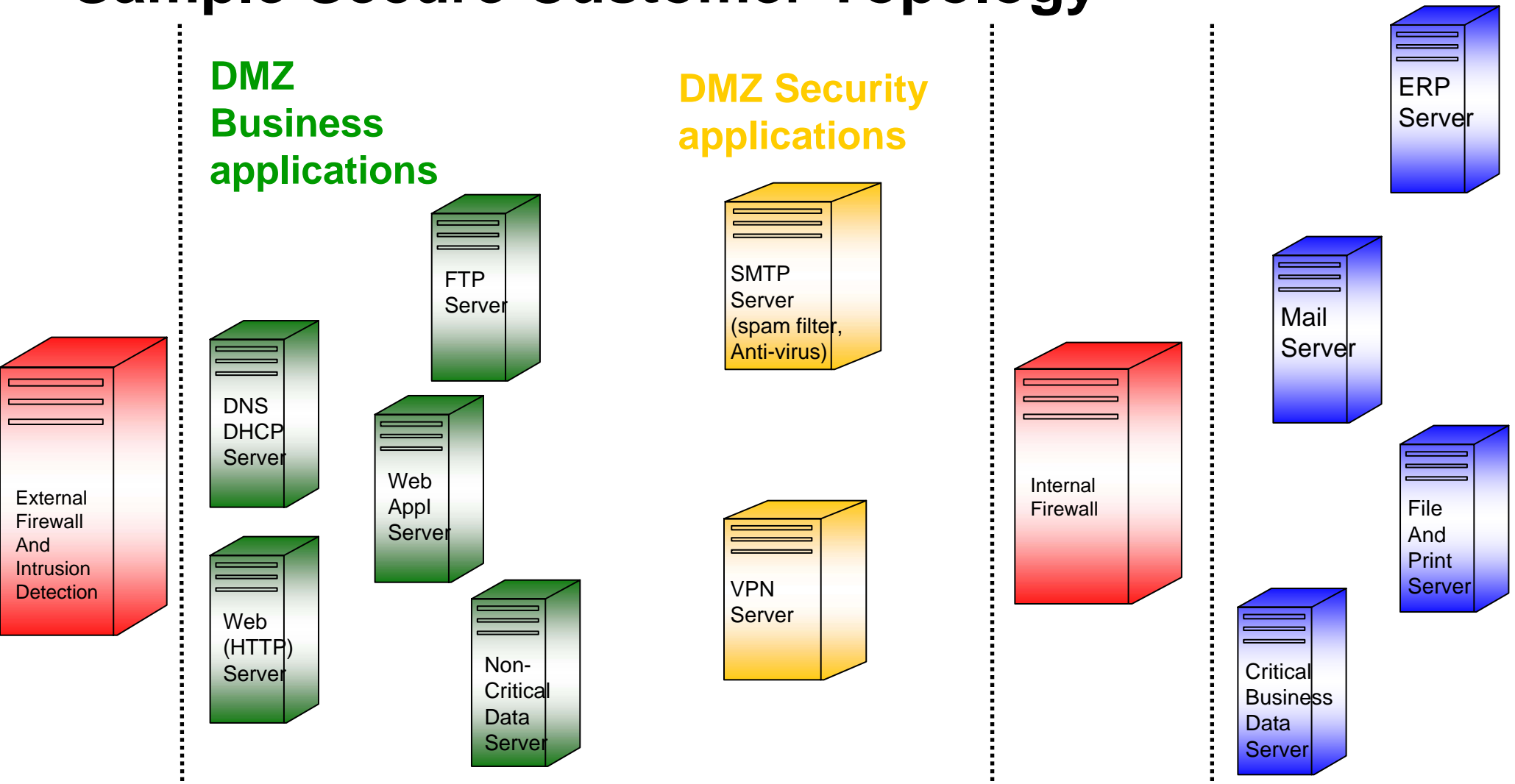
The Need for Simplicity Today

- Average Mid-size company has 7 to 26 servers*
- Why so many servers?

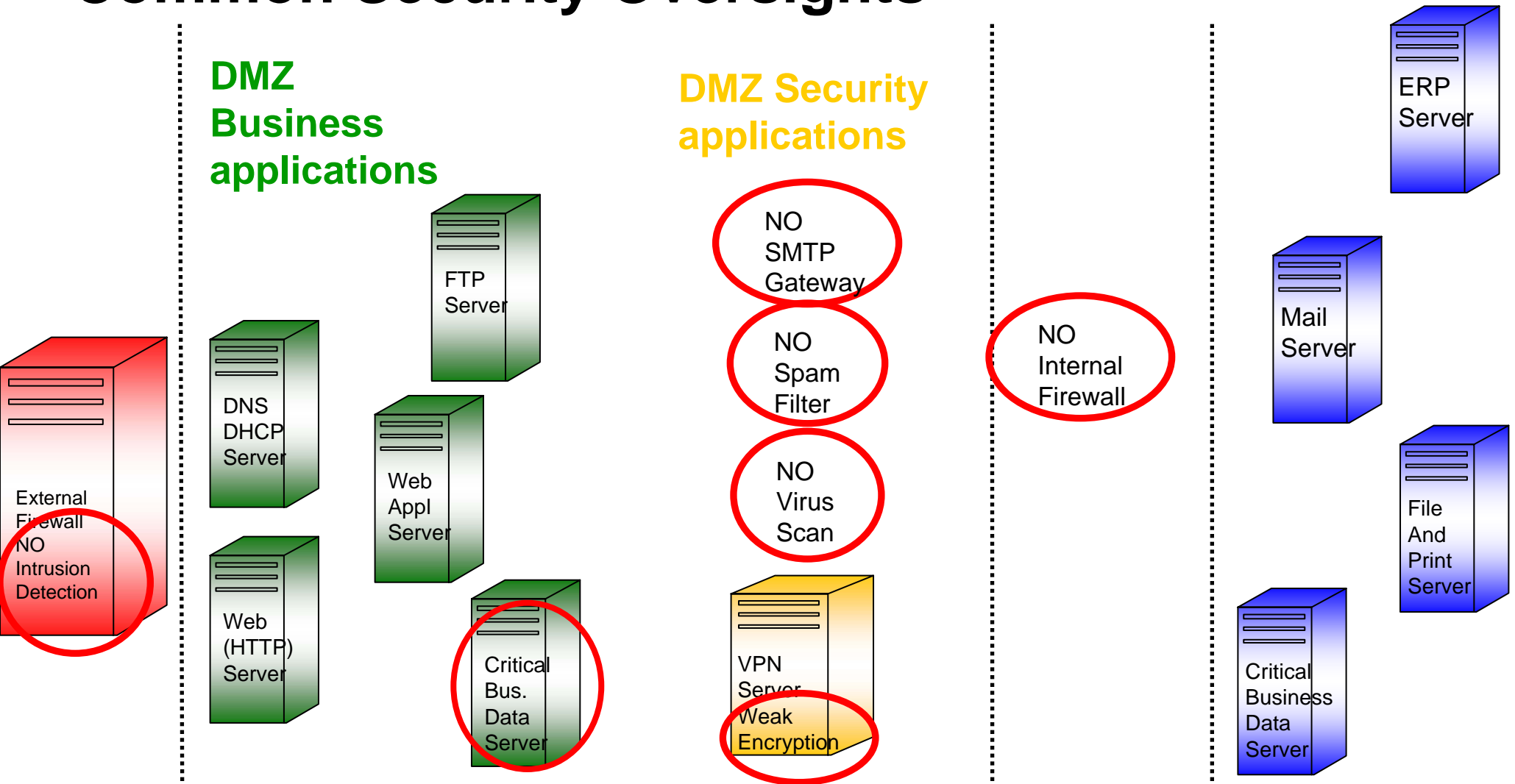


*IBM Corporation, 2003 SMB Profiling Study:

Sample Secure Customer Topology



Common Security Oversights

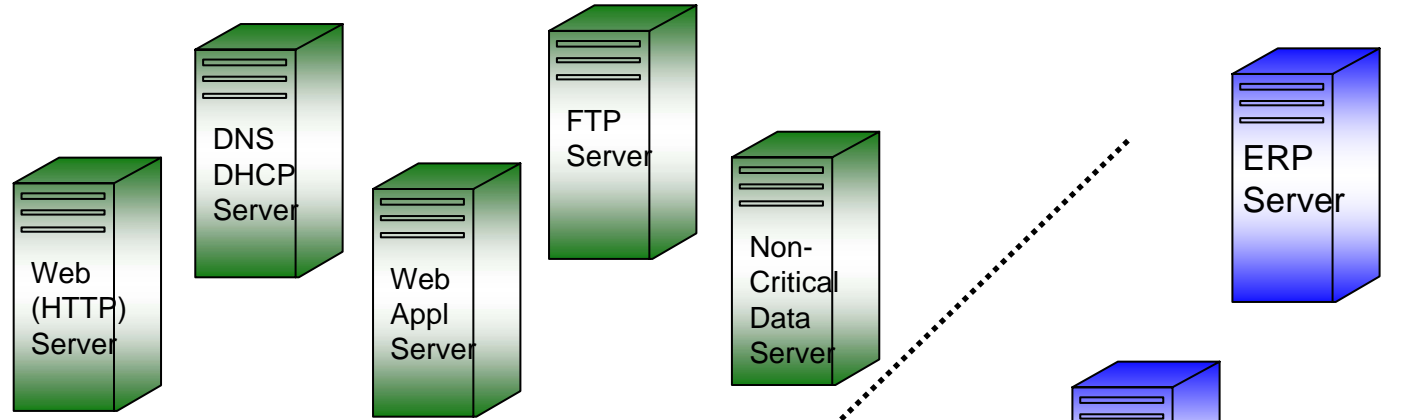


All servers for DMZ and firewalls should have intrusion detection

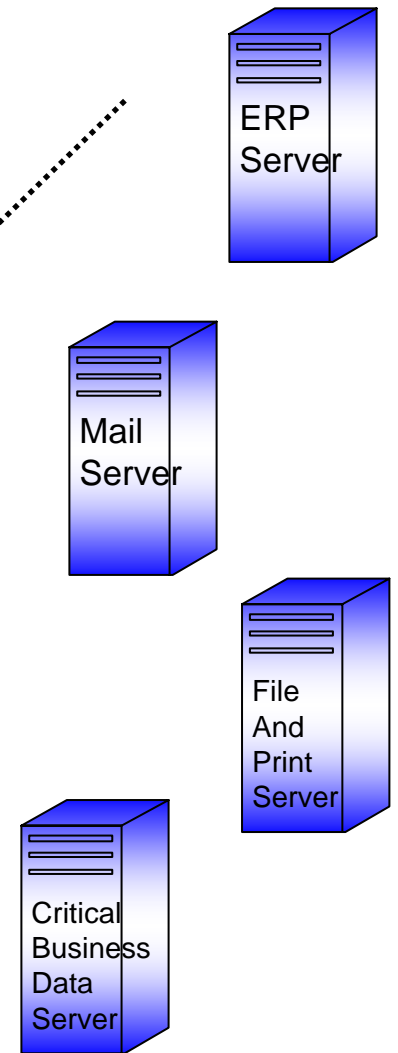
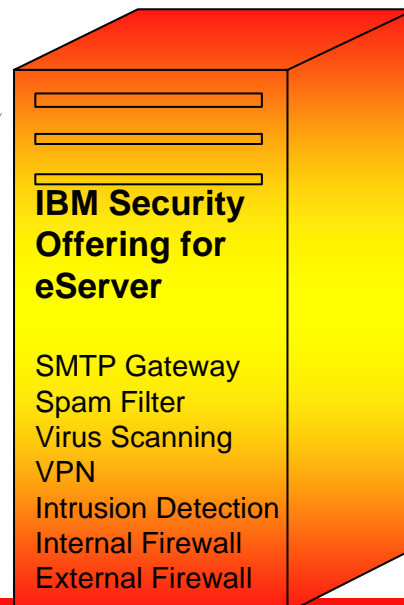
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Another Approach

**DMZ
Business
applications**



**Internal and External Firewalls
DMZ Security applications**





IBM Security Express Portfolio Solution for eServer



eServer iSeries 810 Standard Edition

OS/400 V5R2

- **VPN** – for security and encryption

Linux LPAR

- **SUSE or Red Hat Linux**
- **CLAM** – for virus detection
- **SPAM ASSASSIN-** – for spam filtering
- **POSTFIX** – SMTP gateway

Linux LPAR Firewalls

- **SUSE or Red Hat Linux**
- **SNORT** for intrusion detection including
 - Blacklisting
 - Whitelisting
- **NETFILTER** for internal and external firewall



Offering Overview

- Single Server
- iSeries Hardware and Software
- 3 logical partitions pre-defined
- SUSE or Red Hat Linux available with 24x7 support
- Open source Linux applications
- Implementation services: estimated starting from 1.5-2.5 days
- Low rate financing available for qualified customers
- SMB Express announcement– new name: IBM Security Portfolio Solution for eServer

Offering Highlights

- Low cost, easy to implement solution
- Rich function solution
- Partitions pre-defined
- Dynamic Resource Movement between Partitions
- Virtual I/O Capabilities

Simplicity through Innovative Integration

- Over 245,000 clients use an iSeries or AS/400
- More than 400,000 iSeries and AS/400 servers are being used in over 100 countries around the world
- 99% of the 2002 Fortune 100 companies utilize iSeries or AS/400 servers
- The January, 2003, iSeries announcement was part of a 2 year, \$500 million program to re-energize one of the industry's most popular servers



- Single Server
 - Multiple Workloads
 - Multiple Operating Systems
- Simplified Through
 - Virtual I/O
 - Virtual Ethernet
 - Dynamic LPAR

Top 10 Reasons for IBM Security Express Portfolio Solution for eServer

1. Save Money
2. Improve Security while Simplifying Infrastructure
3. Address Security from Solution Stand-point Rather than Piecemeal
4. Virtual LAN May Reduce Opportunities for Network Intrusion
5. World Class VPN Support
6. Dynamic Resource Movement to Address Fluctuating Demands
7. Micro-partitioning May Reduce the Number of Server Instances
8. Object Based Server Allows for Quick Implementation of Proven Configuration
9. Attractive Price and IBM Low-rate Financing
10. Reliability

See "Top Ten Reasons for Using IBM Security Express Portfolio Solution for eServer™ In your Security Infrastructure" paper for further details

iSeries Delivers ROI for Infrastructure Server Consolidation

- IDC study of 6 SMB companies that consolidated Intel-based infrastructure servers to iSeries using Linux or Windows achieved
 - Strong costs savings
 - Up to 90% reduction in downtime
 - Up to 22% increase in IS Productivity
 - Payback on average within 1 year

3 Year ROI for Server Consolidation per 100 Users	
Cost Savings	\$542,728
Net Present Value	\$302,052
Total Investment	\$141,227
ROI (NPV/Investment)	213.9%
Payback (Investment/Yr 1 Cashflow)	216 Days

Source: IDC White Paper:
The Return on Investment of Windows / Linux Infrastructure
Server Consolidation with iSeries. Case Studies in SMBs - July
2003

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- End user rebate promotion until Jan. 2004

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IBM Security Express Portfolio Solution for eServer



- **Server Details: \$23,325 US**
 - 9406-810 iSeries with Standard Edition of OS/400
 - Mirrored Data Loss Protection
 - Logical Partition Support
 - 2 Linux Partitions
 - 4 Ethernet Adapters
 - 2 GB Memory
 - 2X 35.16 GB Disk
 - DVD-RAM
 - PCI Disk Controller
 - 2-Line WAN w/Modem

- **eServer Security Offering RPQ 847193: \$940 US**

- **IBM Software: \$4,090 US**
 - 128-Bit Cryptographic Accelerator
 - 128-Bit Client Encryption 128-BIT
 - OPERATING SYSTEM/400 with 1-Year Software Maintenance

- **Linux software distributions if ordered from IBM (US prices)**
 - **Red Hat: \$3,990 US**
 - 2 Partition License RED HAT ENTERPRISE LINUX AS 3 with 1 Year Premium Support (24x7 Support)
 - OR
 - **SUSE: \$798 US for license only**
 - SUSE LINUX Enterprise Server 8 (Standard Support)
 - SUSE 24x7 support is \$2,970 US through IBM Global Services

Prices are for information purposes only and subject to change without notice.



- Services performed by authorized IBM Business Partner or IBM Global Services
- Estimated 1.5 to 2.5 Days of Services but Will Vary by Engagement
- Overview of Security Offering Services:
 - Linux distribution (SUSE or Red Hat) installed in partition 2 & 3
 - Open source Linux applications installed and configured in partitions 2 & 3
 - Open Source Linux solutions:
 - Netfilter (Firewalls)
 - CLAM (Virus Scanning)
 - SPAM ASSASSIN (Spam Filtering)
 - SNORT (Intrusion Detection)
 - POSTFIX (SMTP Gateway)
 - Configure Virtual Private Network (VPN) in OS/400
 - Configure network parameters



IBM Security Offering for eServer rebate promotion



- \$3,500 (US) Customer Rebate
- Rebate available in US and Canada currently
- Announcement Letter: 304-146
- End User rebate based on purchase of:
 - iSeries Model 810 minimum configuration
 - RPQ 847193
 - Security implementation services
- Combinable with IGF low rate financing
- Rebate requirements:
 - Complete rebate form
 - Provide invoice for IBM hardware, software and IGS/BP services

- Companies with:
 - 100 or more employees
 - Little to no IT Staff
 - Limited Network and Security Skills
- Frustrations with Reliability of Current Security Servers
 - Data integrity due to Viruses or Costs Associated with Spam
 - Address Legal Exposures
 - Possibly Reduce Opportunities for Intrusion
- Consolidate Existing Servers and Simplify Administration
- Solution Approach vs Piece-meal Approach

Value Proposition

- Offers a Linux based solution to virus, spam, data integrity that is highly secure and easily implemented
- Attractively priced open source solution
- IGF low rate financing
- Single, easy to maintain iSeries server vs a server farm
- OS/400 world class VPN encryption
- Virtual LAN may reduce opportunities for network intrusion

Who to Contact

- Contact your IBM Sales Representative or IBM Business Partner
- Katie Bonta - kbonta@us.ibm.com – iSeries Americas Offering Owner
- Louise Hemond-Wilson hemond@us.ibm.com – WW iSeries Linux Product Manager
- Sheila Lubar – slubar@us.ibm.com - SMB Express Offering Manager

GHY International

"We selected Linux on the iSeries because it was such a compelling alternative to the cost and complexity of managing nine separate Intel-based servers."

Nigel Fortlage, Vice President of IT



0	GHY820 OS/400		0.50 640M
1	DOCIMG Samba/Apache/MySQL/PHP		0.30 288M
2	SUSETEST Test Partition		0.10 192M
3	LANAPPS Samba/DHCP/sendmail/Intranet		0.50 512M
4	FIREWALL Firewall / Squid		0.30 288M
5	L2TPVPN PoPToP VPN		0.10 128M
6	IPSECVPN Masquerade VPN		0.30 288M
7	INETAPPS Mail Gateway/Intrusion Detection		0.30 288M
8	RHELAS3 Test Partition		0.10 288M



Q & A



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