

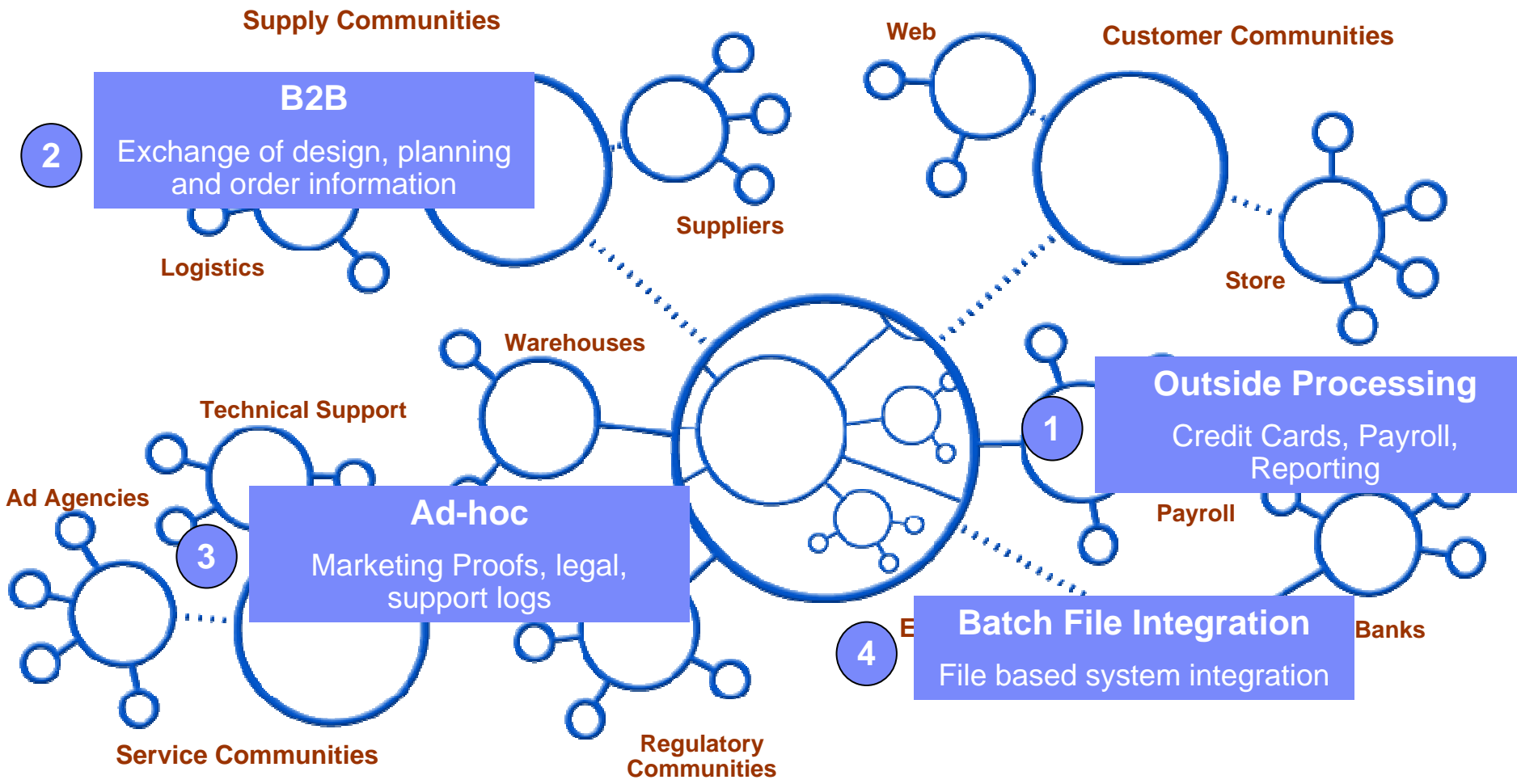
IBM Sterling MFT Products Overview



Agenda

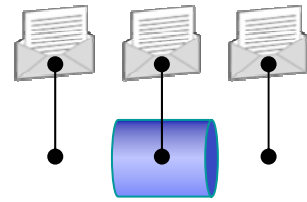
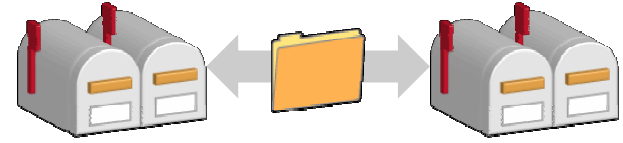
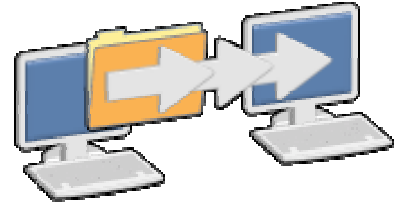
- What is MFT
- IBM Sterling MFT Products
 - IBM Sterling Connect Direct and FTP+
 - IBM Sterling Filegateway
 - IBM Sterling Control Center
 - IBM Sterling Secure Proxy

Key processes in your company depend on file transfer to connect your dynamic business network



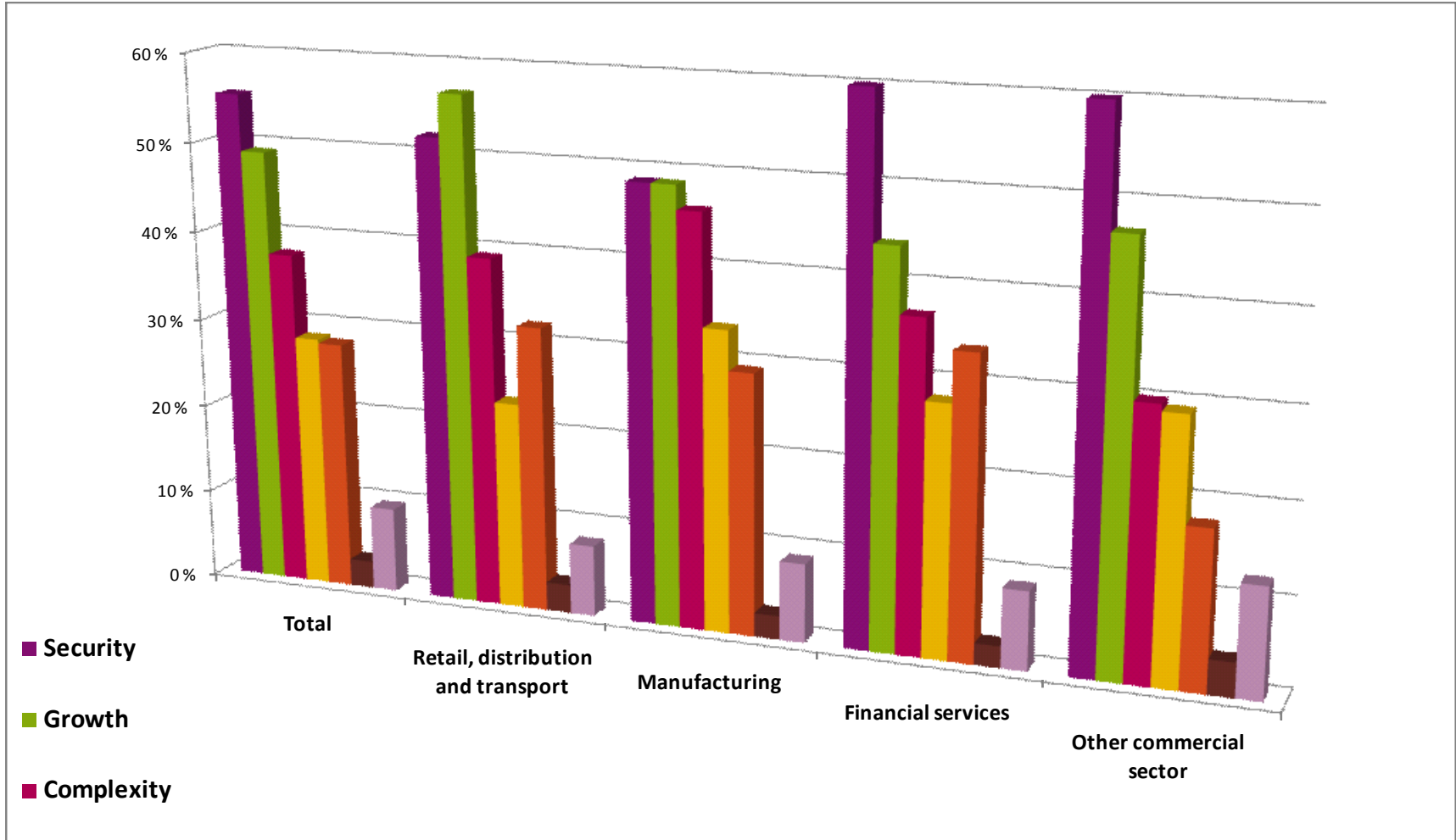
Most of these are being handled via one-off approaches in your organization

- Home grown scripts plus FTP
- Physical media (tapes and CDs)
- Spreadsheets and email
- Unsecured cloud-based platforms
- Instant message clients
- Variety of file transfer transports
 - FTP
 - SSH
 - AS2
 - etc



These concerns have been validated across industries

Which of the following issues limits the effectiveness of your on-premises file transfer systems?



Resulting in MFT projects being back on the IT agenda

Regulation, compliance and risk mitigation

- Failed audit remediation
- Mandated FTP encryption
- All file servers out of the DMZ

Expand the reach of the partner community

- Grow number of file transfer connections
- Grow the number of application transfer connections

Rationalize infrastructure cost through consolidation

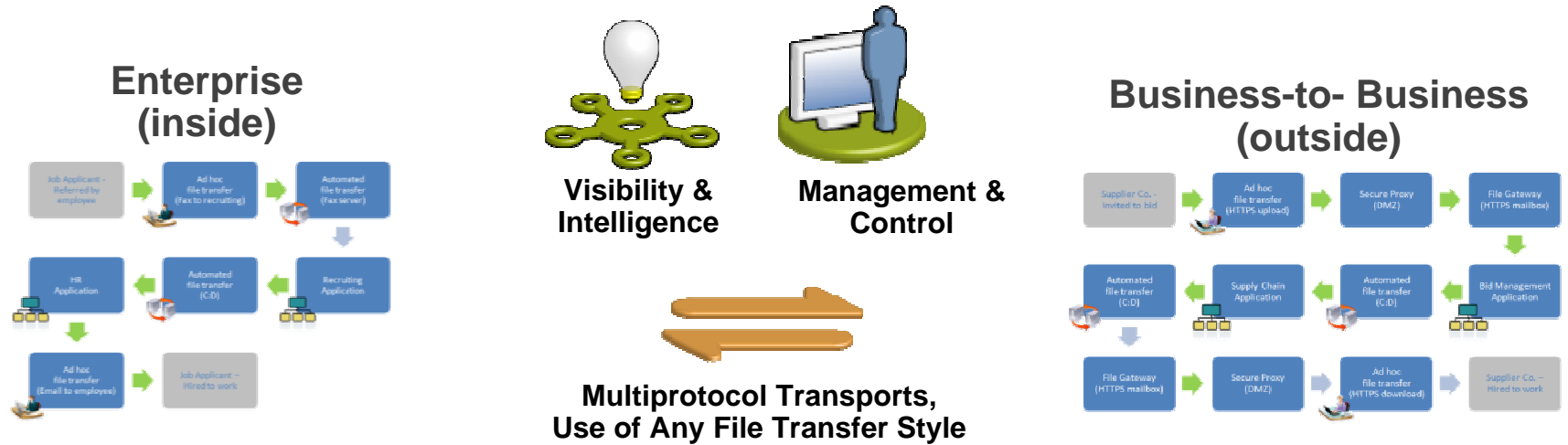
- Consolidate department FTP servers
- Offload attachments from Email servers
- Enable partner self-service

Increase straight through processing performance

- Provide tighter SLA's for data transmissions that drive higher level business processes



End-to-End Visibility, Universal Connectivity, Dynamic Community



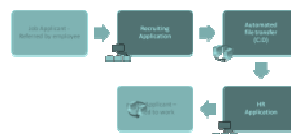
Messaging



Pattern



Peer-to-Peer



Pattern



Mailboxing



Pattern



The Benefits of Managed File Transfer are Real and Measurable



- Eliminate operations call center traffic regarding file transfer exceptions
 - Wells Fargo Bank has data that shows MFT servers have five times fewer errors than unmanaged transfer servers
 - IBM Sterling study shows a 25% reduction in time spent researching and remediating failures¹



- Faster time to revenue
 - Russell Investments reduced on-boarding timeframes from weeks to days
 - IBM Sterling study documents a reduction of on boarding costs by 39%¹

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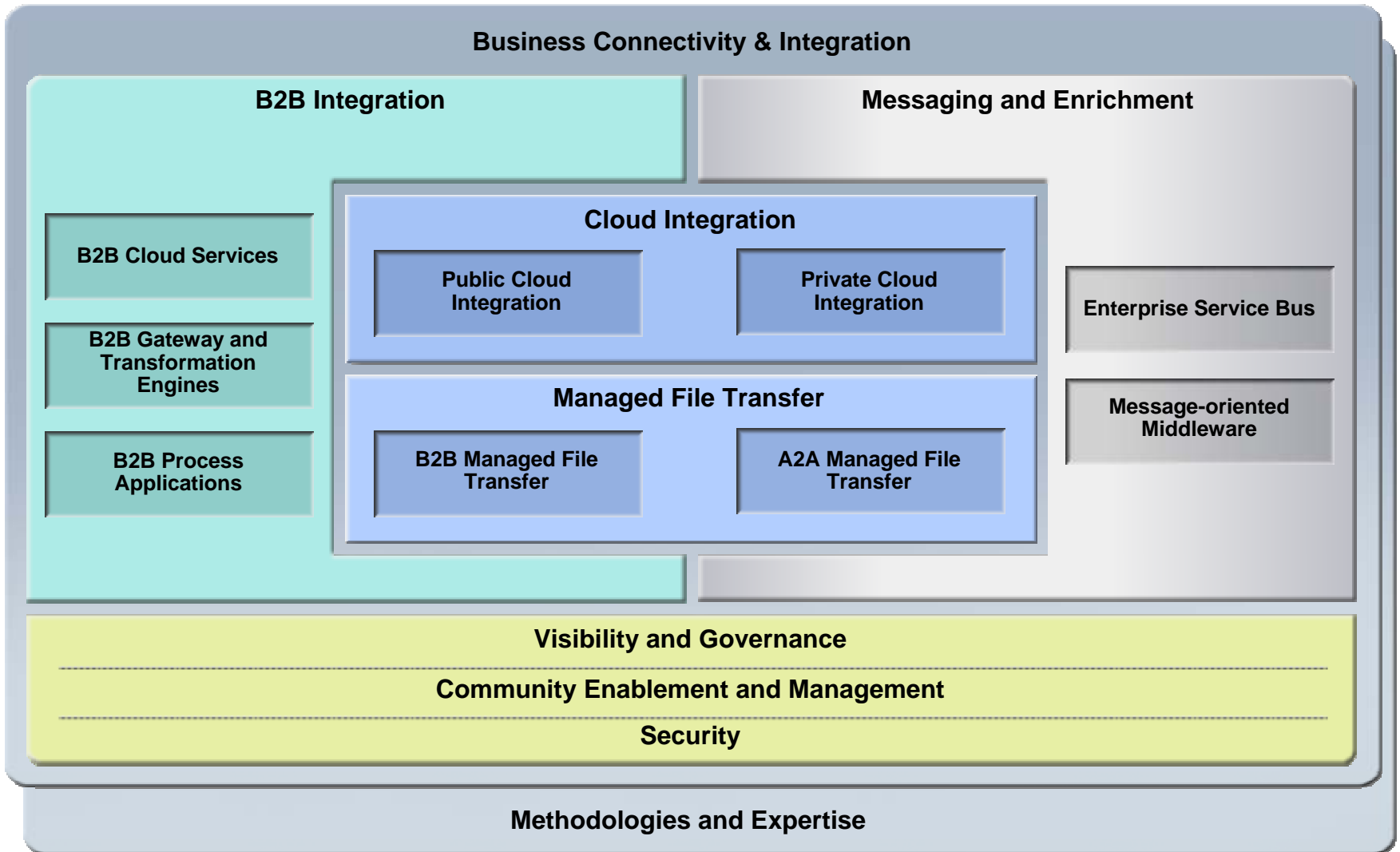
- Bring six-sigma level performance to key business processes
 - IBM Sterling study documents success rates of 99.9997%¹



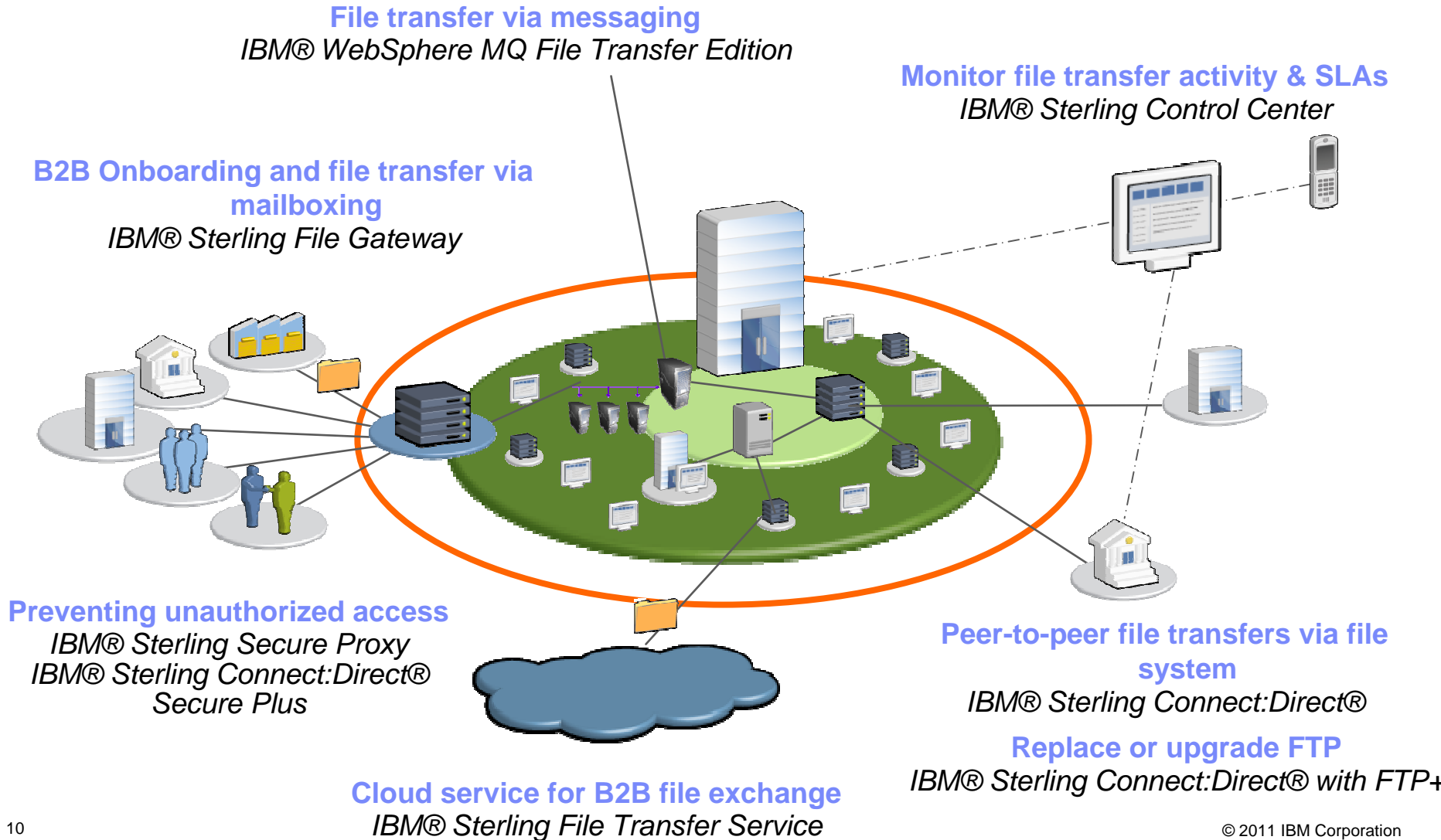
- Protect privacy and integrity of data in transit with governance
 - Trusted to clear ACH payments every night
 - Trusted for corporate exchanges at all of the top 10 banks worldwide

¹Data points referenced in this presentation represent findings from an internal IBM Sterling research study - December 10, 2009

Only IBM Sterling provides the necessary agility foundation to gain and sustain your competitive advantage

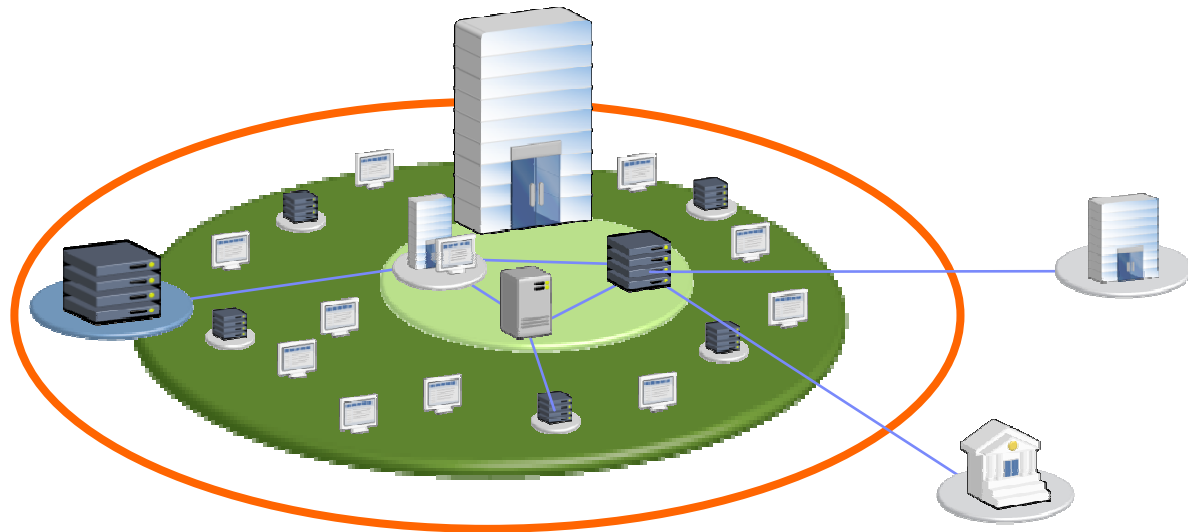


IBM® Managed File Transfer Solution



IBM® Sterling Connect:Direct®

Boost performance and manage growth of file transfers without adding IT resources



Preventing unauthorized access
IBM® Sterling Connect:Direct® Secure Plus

Point-to-point file transfers
IBM® Sterling Connect:Direct®

IBM® Sterling Connect:Direct®

The reliable solution for secure, point-to-point file transfers

- **What it does**

- High volume, large size, high performance file transfers
- Automation, retry-restart, for unattended operations
- Certified security to provide sensitive data
- Increase transfer speed over high speed networks and overcome latency issues*

- **How it is delivered**

- Client-server application optimized for high volume, assured data delivery
- Well defined API that supports multiple clients and schedules jobs on a one-time, recurring, or continuous basis
- A protocol invented by IBM Sterling that has never been breached

*Capabilities available through IBM® Sterling File Accelerator add-on

IBM® Sterling Connect:Direct®

- **What it allows customers to do**

- Move files with confidence and upgrade unreliable, unsecured FTP
- Simplify coding and automation of new file transfer links
- Handle growth in data volume and size without increase in staff

- **How do I know I need it?**

- File transfer volumes increase while IT spend decreases
- Regulatory, industry, or company security/compliance requirements continue to grow
- Business operations require assured delivery of critical data

- **What differentiates IBM Sterling**

- Reliability – Eliminates file transfer disruptions from software failures
- Security – Protects privacy and integrity of data because the IBM Sterling protocol has never been breached*

*Additional customizable encryption can be added to the secure IBM® Sterling Connect:Direct® protocol with the IBM® Sterling Connect:Direct® Secure Plus capabilities

The IBM® Sterling Connect:Direct® value opportunity

- **Reliability**

- Automation, retry, error recovery, checkpoint-restart, visibility and alert notification capabilities combine to minimize failures – a 99.9997% measured file transfer success rate¹

- **Security**

- The IBM Sterling protocol has never been breached
- The average cost to mitigate a security breach is \$6.65M²

- **Improved staff productivity**

- Reduced support costs by enabling automation, proactive monitoring via central console, and reducing time to resolution
- The average cost per file transfer to troubleshoot is \$.0522¹

¹Data points referenced in this presentation represent findings from an internal IBM Sterling research study - December 10, 2009

² Data from Ponemon Institute 2009 Annual "Cost of Data Breach" US studies

Who Uses Connect:Direct?

- Securities Industry, Banking and Financial Services
- Health Care and Insurance
- Manufacturing and Retailing
- Travel and Distribution
- Telecommunications and Technology Services
- Entertainment and Publishing
- Government and Utilities

Connect Direct and System Z

- Multiple user interfaces (Web Browser User Interface, ISPF IUI, CICS IUI, batch, command line, console interface, user-written programs, HLLAPI)
- Native File type support
 - SAM, VSAM, PDS, PDSE, BDAM, ISAM, GDG, DFDSS volumes, SMS managed data sets,etc
- Multiple user interfaces (Web Browser User Interface, ISPF IUI, CICS IUI, batch, command line, console interface, user-written programs, HLLAPI)
- File transfer function (Copies files among systems ,Ability to submit a process within another process , Batch JCL (application) submission, Synchronous program execution)
- Scheduling and Automation (Internal/External scheduling, Session initiation from any node, checkpoint restart, ESF)
- Security support for RACF, CA- ACF, CA Top Secret, Secure Point of Entry
- Performance – Session controls, High watermarks, Compression

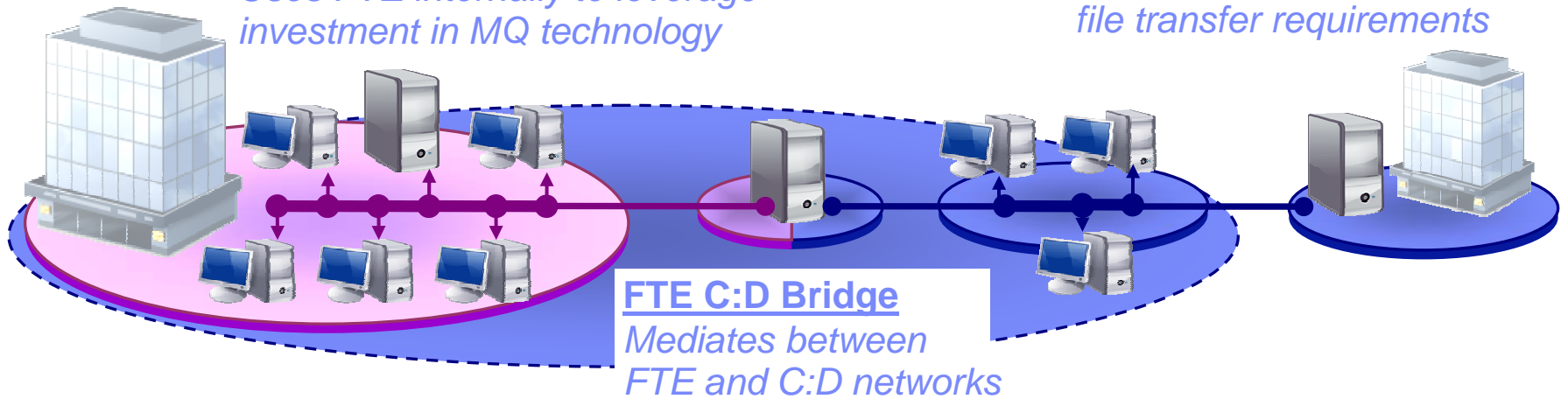
Integration between WMQ FTE and Connect: Direct

Data Centre

Uses FTE internally to leverage investment in MQ technology

Trading Partner

Standardized on C:D for external file transfer requirements

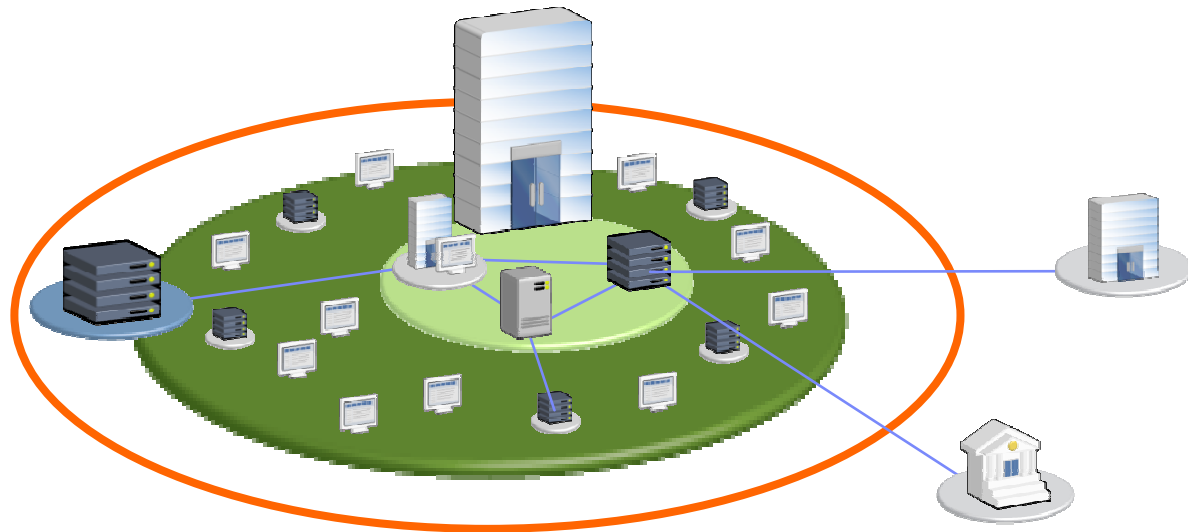


▪ Pain Points

- Wants joined up internal and external MFT environment leveraging their existing investment in IT and skills
- Wants to integrate existing C:D environment with MQ messaging-based environments
- Wants visibility into transfers that flows from MQ FTE into and out of existing C:D networks

IBM® Sterling Connect:Direct® - FTP+ Capabilities

Upgrade the security and reliability of existing FTP, without recoding scripts



Replace or upgrade FTP
IBM® Sterling Connect:Direct® with FTP+

IBM® Sterling Connect:Direct® - FTP+ Capabilities

Add the capabilities of IBM® Sterling Connect:Direct® without recoding legacy FTP scripts

▪ **What it does**

- Adds IBM Sterling Connect:Direct capabilities to existing FTP to provide assured delivery automatic retry, compression, checkpoint/restart)
- Improves security existing FTP (authentication and data encryption with IBM Sterling Connect:Direct Secure Plus capabilities, utilizes the Sterling Connect:Direct protocol)
- Provides audit and logging capabilities (client and server logging)
- Allows server visibility through IBM® Sterling Control Center

▪ **How it is delivered**

- A component of Sterling Connect:Direct
- Comes in 2 pieces:
 - FTP+ Client- operates like an FTP client, can initiate send or receive with the Sterling Connect:Direct server (Sterling Connect:Direct server cannot initiate transfers with FTP+)
 - FTP+ Plug-in- for production Sterling Connect:Direct servers to exchange with FTP+ client
- Supported on UNIX and Linux, Microsoft Windows, & z/OS

IBM® Sterling Connect:Direct® - FTP+ Capabilities

- **What it allows customers to do**

- Move files with confidence without recoding existing scripts
- Upgrade the security and reliability of FTP servers, including FTP batch processing on the mainframe
- Ad hoc file transfers with GUI or command line client
- Script-based transfers with command line client and JES batch interface

- **How do I know I need it?**

- Failed security audits
- Regulatory, industry, or company mandates for the upgrade or replacement of FTP
- Business operations relying on FTP for delivery of critical data are slowed, or fail

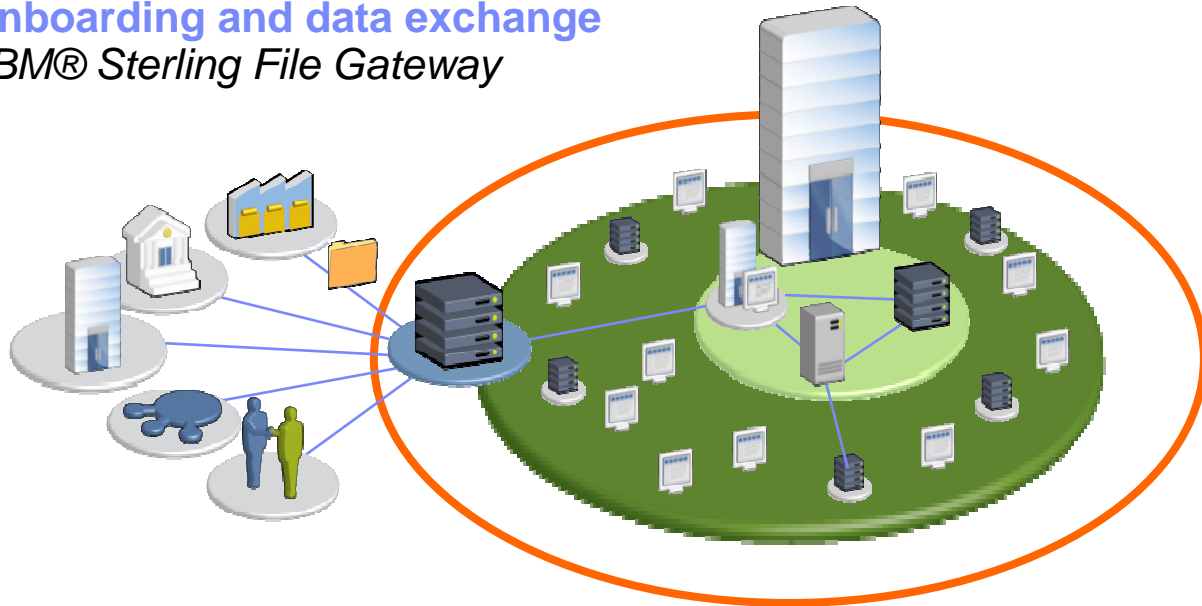
- **What differentiates IBM Sterling**

- Upgrade FTP to industry leading capabilities, without rip and replace
- Security – Protects privacy and integrity of data because the IBM Sterling Connect:Direct protocol has never been breached

IBM® Sterling File Gateway

Manage “edge” based data exchange with an intelligent centralized gateway

B2B onboarding and data exchange
IBM® Sterling File Gateway



IBM® Sterling File Gateway

An “Edge” based application for exchanging data between partners, customers, suppliers and employees

- **What it does**

- Provides a centralized file gateway for processing inbound and outbound files
- Supports any format, any protocol, any size B2B file transfer
- Enables the transformation of files to optimize data delivery processes

- **How it is delivered**

- Application layer built on a B2B integration gateway
- Mail box services and communication adapters
- Partner portal (myFileGateway) for self service

IBM® Sterling File Gateway

- **What it allows customers to do**

- Consolidate disparate centers of file transfer activity to a central gateway
- Minimize the risk and steps required to transform and process data
- Gain visibility and governance oversight of data exchange activity
- Accelerate trading partner onboarding regardless of system or protocol

- **How do I know I need it?**

- Costs to manage and troubleshoot data exchange activity are too high
- Onboarding trading partners takes too long and delays revenue opportunities
- Lots of unmanaged and highly unsecure data is being exchanged

- **What differentiates IBM Sterling?**

- Unmatched scalability and performance to support the largest enterprises
- Using business rules and file content to intelligently transform and route data
- A single B2B integration platform to enable “Edge” based data exchanges

IBM® Sterling File Gateway value opportunity

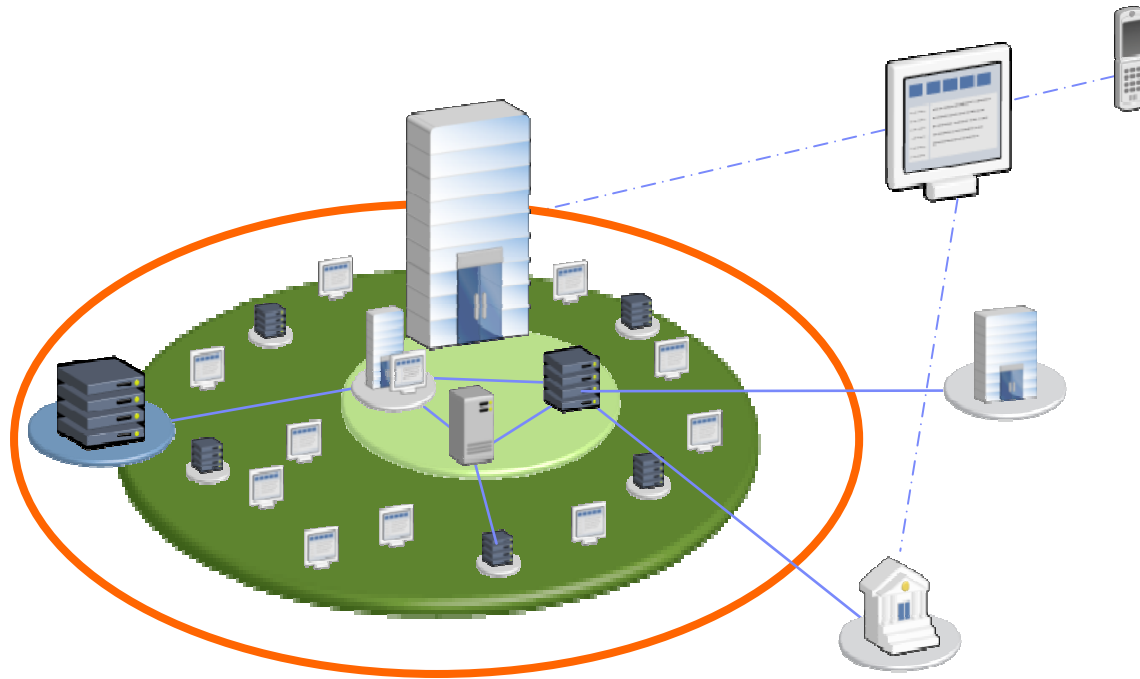
- **Reduce onboarding costs**
 - IBM Sterling customers reduced onboarding costs by 39% by deploying IBM® Sterling File Gateway*
- **Reduce exception handling costs**
 - IBM Sterling customers reduced exception handling costs by 65% by deploying IBM® Sterling File Gateway*
- **Improve customer satisfaction**
 - Trading partners can initiate and monitor data exchange activity
 - Minimize the risk, reliability and performance concerns of “Edge” data exchanges
 - Never having to say “No” to an onboarding request

¹Data points referenced in this presentation represent findings from an internal IBM Sterling research study - December 10, 2009

IBM® Sterling Control Center

Gain control and oversight of the movement of critical corporate data

Manage and monitor file transfer activity
IBM® Sterling Control Center



IBM® Sterling Control Center

Delivering higher levels of service for key integration and transfer services

- **What it does**

- Consolidated logging, reporting, and analytics for all transfers and integration processes
- Rule-driven service level management
- Alerts and notifications
- Configuration management for IBM® Sterling Connect:Direct® servers

- **How it is delivered**

- Java-based solution for management and visibility of the file transfer and B2B integration infrastructure
- Engine, agents, and user consoles
- Interfaces to existing system management tools

IBM® Sterling Control Center

▪ **What it allows customers to do**

- Have visibility into all file transfer activity from a central console
- React to transfer events before they impact SLAs
- Easily provide compliance reporting and mobile monitoring
- Central configuration management for IBM® Sterling Connect:Direct® servers

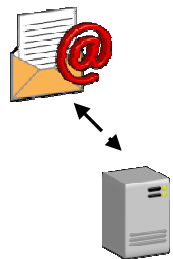
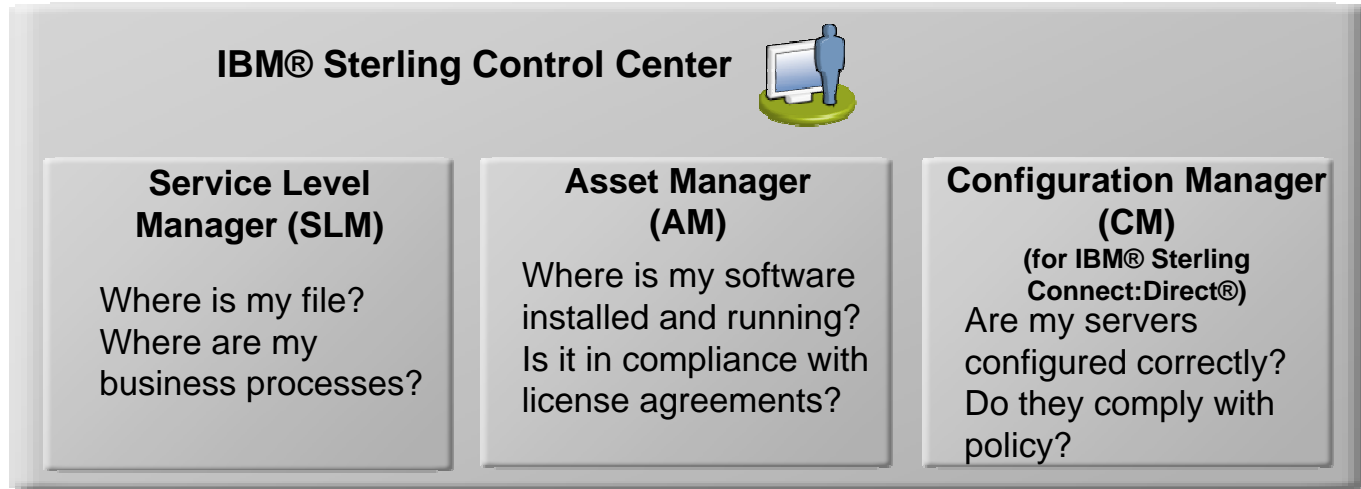
▪ **How do I know I need it?**

- Increasing numbers of transfers or B2B interactions are governed by SLAs
- Increasing compliance, governance and audit requirements
- Pressure to decrease IT operational cost for B2B or file transfer operations

▪ **What differentiates IBM Sterling?**

- Product specific knowledge of file transfer events, business processes and SLAs to build rules around
- Access from mobile devices
- Scale and performance – test environment with moderately-sized hardware performed well with 5K servers producing 540K processes and 4.3M events per day

IBM® Sterling Control Center



E-mail server



Console



Web console



Mobile

IBM® Sterling Control Center Engine

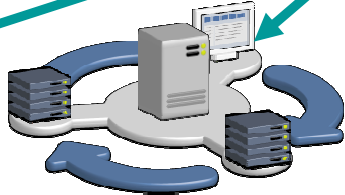
Database



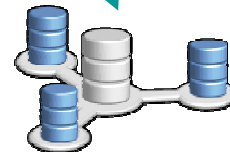
Enterprise mgt. or other system



IBM® Sterling Connect:Enterprise®



IBM® Sterling Connect:Direct®



IBM® Sterling B2B Integrator



IBM® Sterling File Gateway



FTP Servers

IBM® Sterling Control Center Mobile - Summary of capabilities

- Allows IBM® Sterling Control Center administrator/operator mobile access to key status and alerts
- Allows staff to drill into detail for servers, adaptors and exceptions
- Gives staff direct access to initiate a call or e-mail the server owner with the ability to comment and/or handle an alert



IBM® Sterling Control Center value opportunity

- **Improved service level achievement**

- Reduced fines due to missed SLA s
- Improved customer retention and reputation risk by proactively addressing issues before an outage is declared

- **Improved operational efficiencies**

- Reduced support costs though centralization
- Reduced support costs by reducing platform specific staff
- Reduce troubleshooting costs for B2B transfers by 90+%*
- Reduce average cost per transfer to troubleshoot to \$.0392*

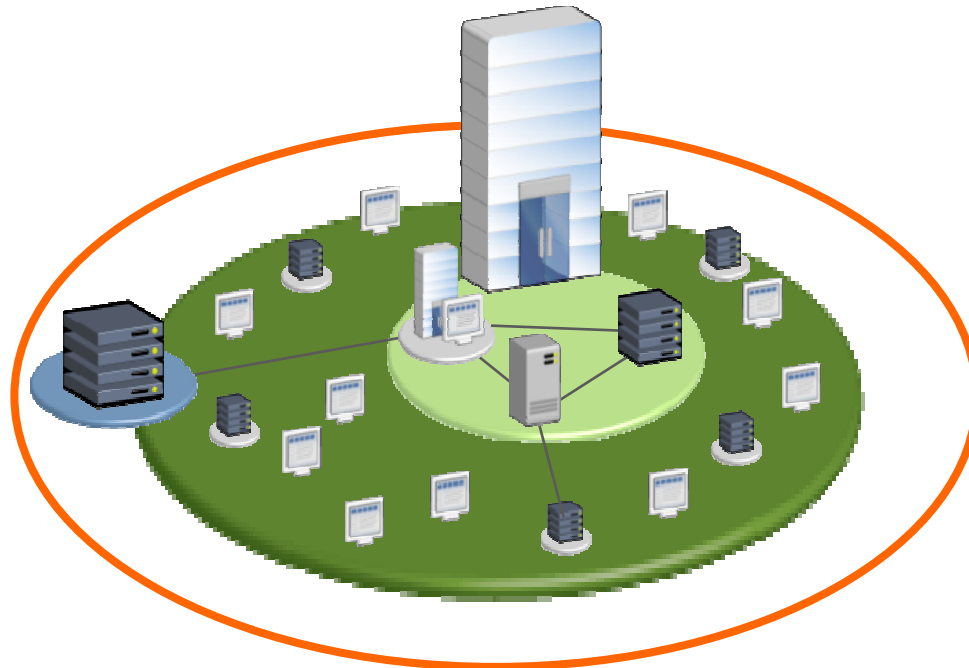
- **Auditability**

- Reduced support costs tracking who-what-when
- Policy management helps proactively identify non-compliance
- Minimize fines by complying with privacy and SOX regulations

¹Data points referenced in this presentation represent findings from an internal IBM Sterling research study - December 10, 2009

IBM® Sterling Secure Proxy

Remove the security exposure for data exchanges while satisfying compliance and security requirements



Preventing unauthorized access
IBM® Sterling Secure Proxy

IBM® Sterling Secure Proxy

An application proxy that protects internal networks from the security risks associated with Internet based trading partner, customer and supplier data exchanges

- **What it does**

- Prevents direct communication between external and internal networks
- Authenticates identities to prevent unauthorized access
- SSL/SSH Session breaks in DMZ
- Supports FTP, FTPS, HTTP, HTTPS, SSH/SFTP, PeSIT and IBM® Sterling Connect:Direct® protocols

- **How it is delivered**

- Resides in the Demilitarized Zone (DMZ)
- Integrates with existing security infrastructures such as LDAP, Active Directory, Tivoli

IBM® Sterling Secure Proxy

- **What it allows customers to do**

- Safely leverage the Internet for data exchange with partners, suppliers, customers
- Consolidate and simplify security management for IBM® Sterling File Gateway, IBM® Sterling B2B Integrator and IBM® Sterling Connect:Direct®
- Implement multiple security layers and pass more stringent audits

- **How do I know I need it?**

- Concerns about exposing internal networks to data exchange security risks
- Security for data exchanges resides on multiple servers and is difficult to manage
- Struggling to comply with security and regulatory policies

- **What differentiates IBM Sterling?**

- A customizable logon portal for trading partners to self-administer passwords
- Multi-factor authentication of identities resides in the DMZ vs. the “Trusted Zone”
- Integrates with existing security infrastructures to avoid a rip and replace

IBM® Sterling Secure Proxy value opportunity

- **Protects against unauthorized access**
 - Avoids the cost of security breaches (\$6.65M – Average cost to mitigate a security breach*)
 - Authenticating trading partner identities ensures the security of internal networks
- **Reduces costs**
 - Leverage the Internet to minimize the use of leased lines
 - A logon portal and self-service password management reduces setup and support costs
- **Compliance with security requirements**
 - Minimize fines and audit issues
 - Implement security best practices

*Data from Ponemon Institute 2009 Annual "Cost of Data Breach" US studies