Enterprise Content Management Market Strategy

June 1, 2007

Information Management software

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Agenda

- Updates to the ECM Market
- Information Management Opportunity
- Today's ECM Market Drivers
- IBM Strategy and Vision for ECM
- ECM Results

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What has Changed : June 2006 – June 2007

IBM acquisition of FileNet	→	Innovating while preserving and enhancing both product portfolios
ECM has become mainstream	→	Casually created, contributed & consumed: Content is everywhere
BPM accepted into ECM	→	Critical to achieving ROI
Need to simplify IT infrastructure	→	ECM as a shared service for global deployment
Content as a corporate asset	→	Compliance, discovery, taxonomy, analytics emerging

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IBM: *One of the World's Most Innovative Companies*

The McGraw-Hill Companies BusinessWeek

- **IBM ranked #8 worldwide**
- **3,000 Research team members**
- **61 IBM Fellows; 5 Nobel Laureates winners**
- **40,000 patents generating $1.2B annually**

"The way you will thrive in this environment is by innovating — innovating in technologies, innovating in strategies, innovating in business models."

Samuel J. Palmisano
IBM CEO

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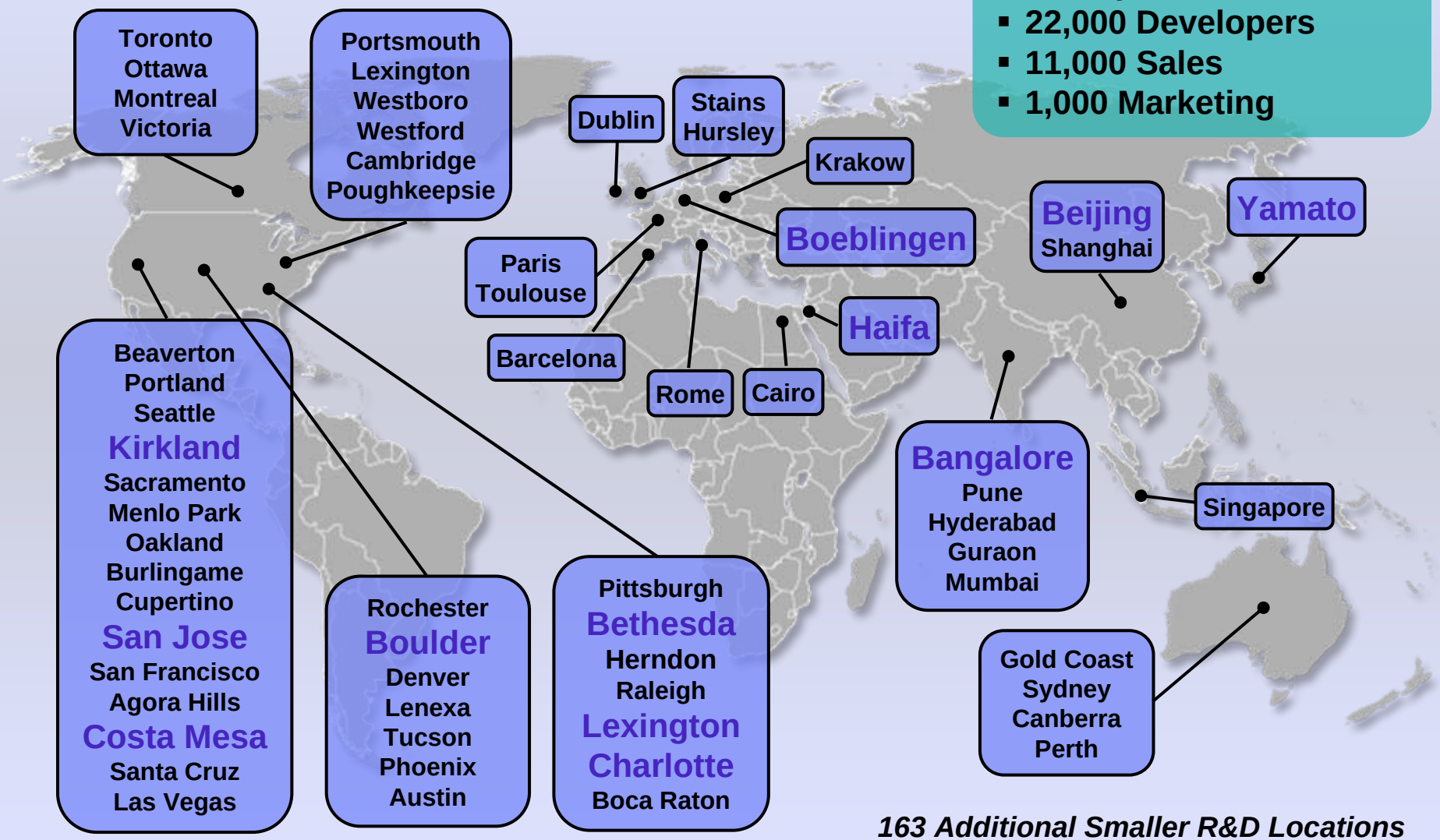
IBM's WW Software Group

- 44,000 Employees
- 57 Major R&D Locations
- 22,000 Developers
- 11,000 Sales
- 1,000 Marketing



163 Additional Smaller R&D Locations

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Technology Innovation

- 20,000 patents in Software Group portfolio
- CommonStore supporting migration of 3.6 billion e-mails & adding 1.2 million/day
- FileNet P8 Content Engine can ingest more than 32 million documents a day and retrieve more than 50 million documents a day
- IBM FileNet BPM can process 10.5 million transactions an hour
- OnDemand is managing 100 billion objects
- Collaborated with Yahoo! to deliver IBM OmniFind Yahoo! Edition, a no-charge, entry-level enterprise search software to enable intranet and file system search. More than 18,000 downloads since its launch in December 2006.

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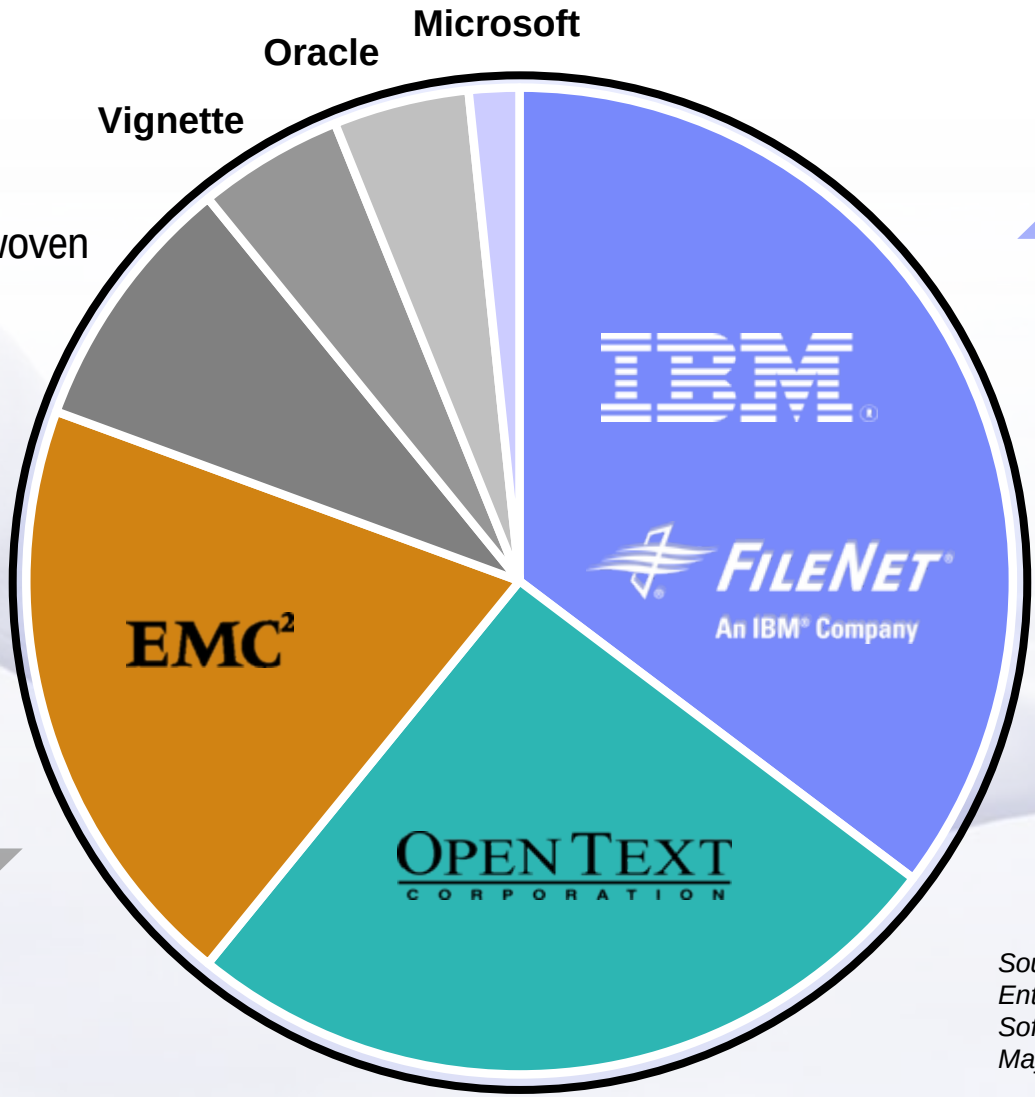
Market Position



Competitors

IBM

Source: Gartner Inc.; Market Share: Enterprise Content Management Software, Worldwide, 2004-2006; May 11, 2007; Tom Eid

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Information Management Opportunity

83% Know their business model must change → **20%** Manage change well

76% Value collaborative innovation → **51%** Are actively collaborating

80% Want to foster a culture of innovation → **50%** Have one today

Source: IBM Survey

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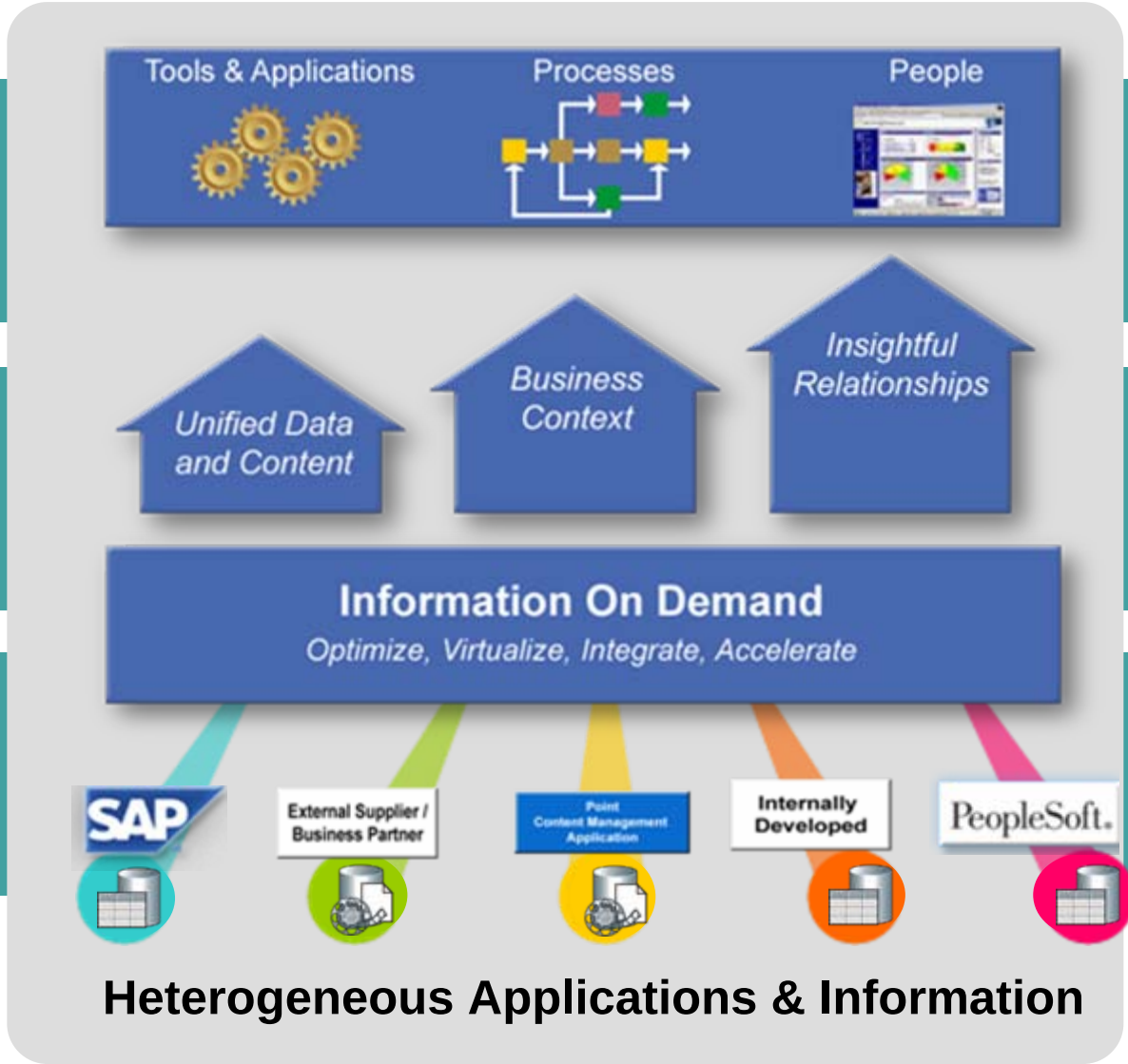
IBM Information Management Strategy



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AIIM Global ECM Survey March 2007

Size of organization

19% - small organizations
26% - mid-sized organizations
56% - large organizations

Organizational role

26% - IT staff and executives
26% - Records management
18% - Document management/imaging
12% - Line of business/executives

Vertical Industries

15% - State, local, provincial government
12% - Professional practices
9% - Banking and finance
8% - Utilities, oil and gas
7% - Federal government
6% - Insurance

1

Cost Driven Users

Improve efficiency
Reduce costs
Increased profits & performance

2

Customer Driven Users

Better customer service
Competitive advantage
Improved turnaround/response

3

Risk Driven Users

Compliance/Records management
Risk management
Business continuity

Source: AIIM, 1,200+ respondents

Three User Types

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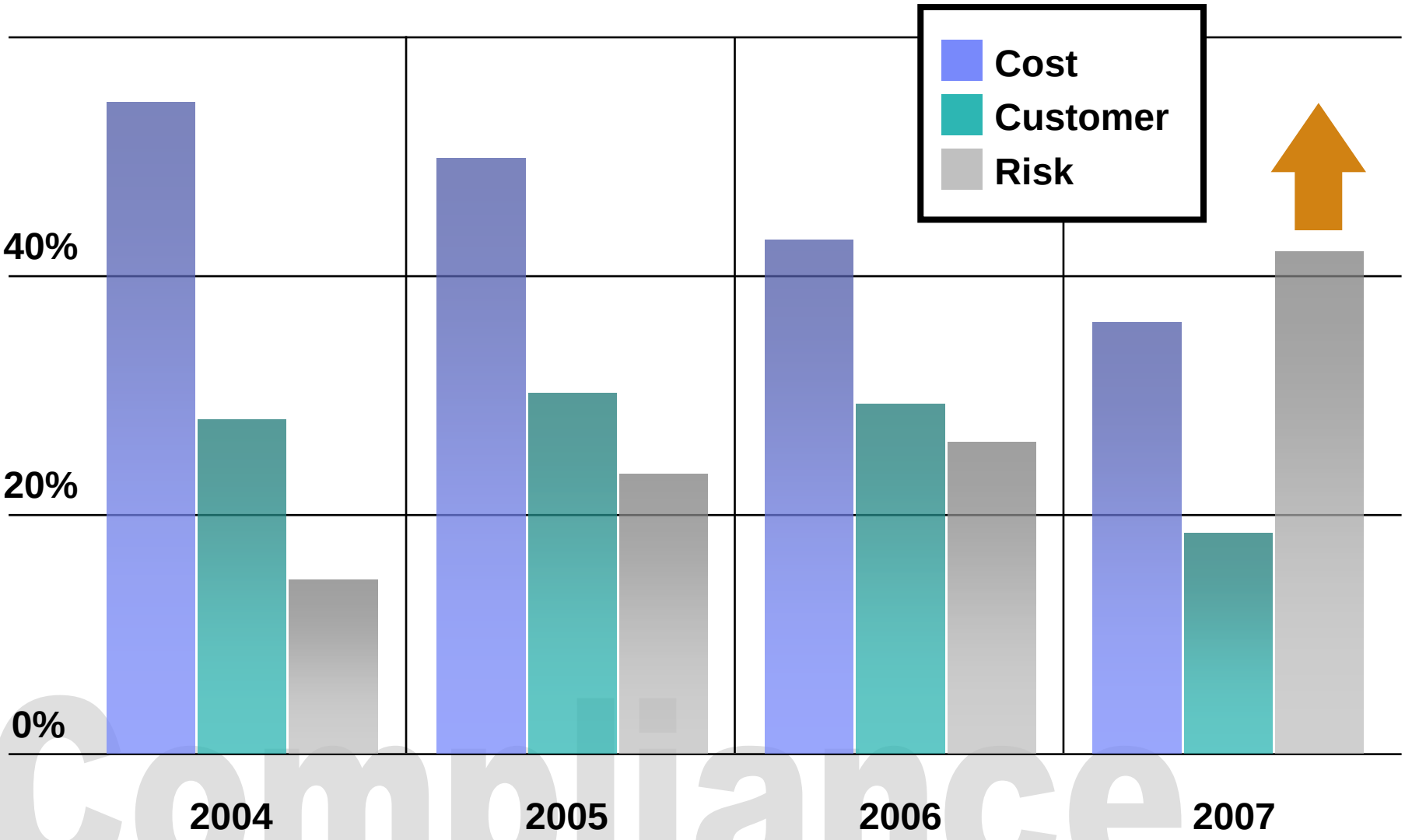
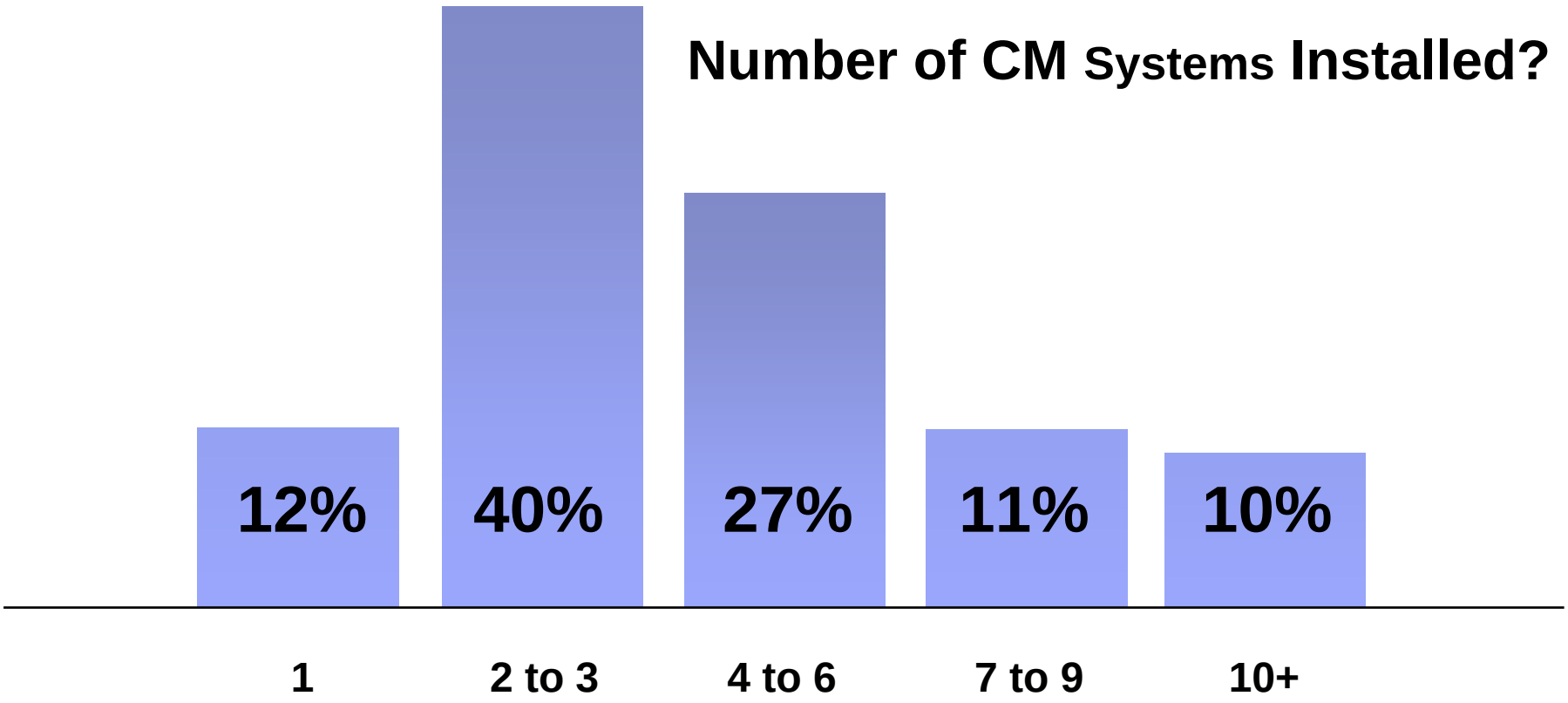
Business Drivers for ECM – 2004-2007



Compliance

We are Not Starting from Scratch

85% of companies manage more than one CM repository



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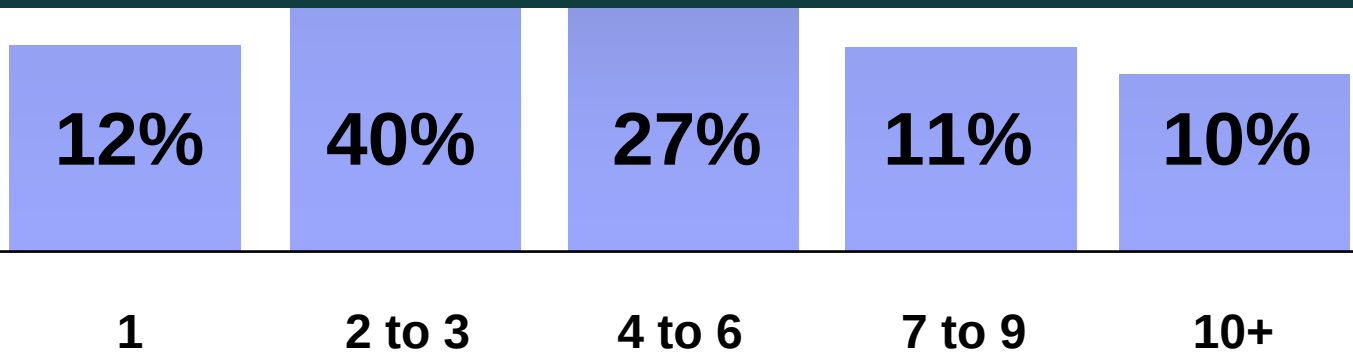
We are Not Starting from Scratch

Gartner - Toby Bell – "A typical company has five to 20 different content management systems and repositories, with the result that users don't know about content in other parts of the enterprise that might be useful, or they can't access it"



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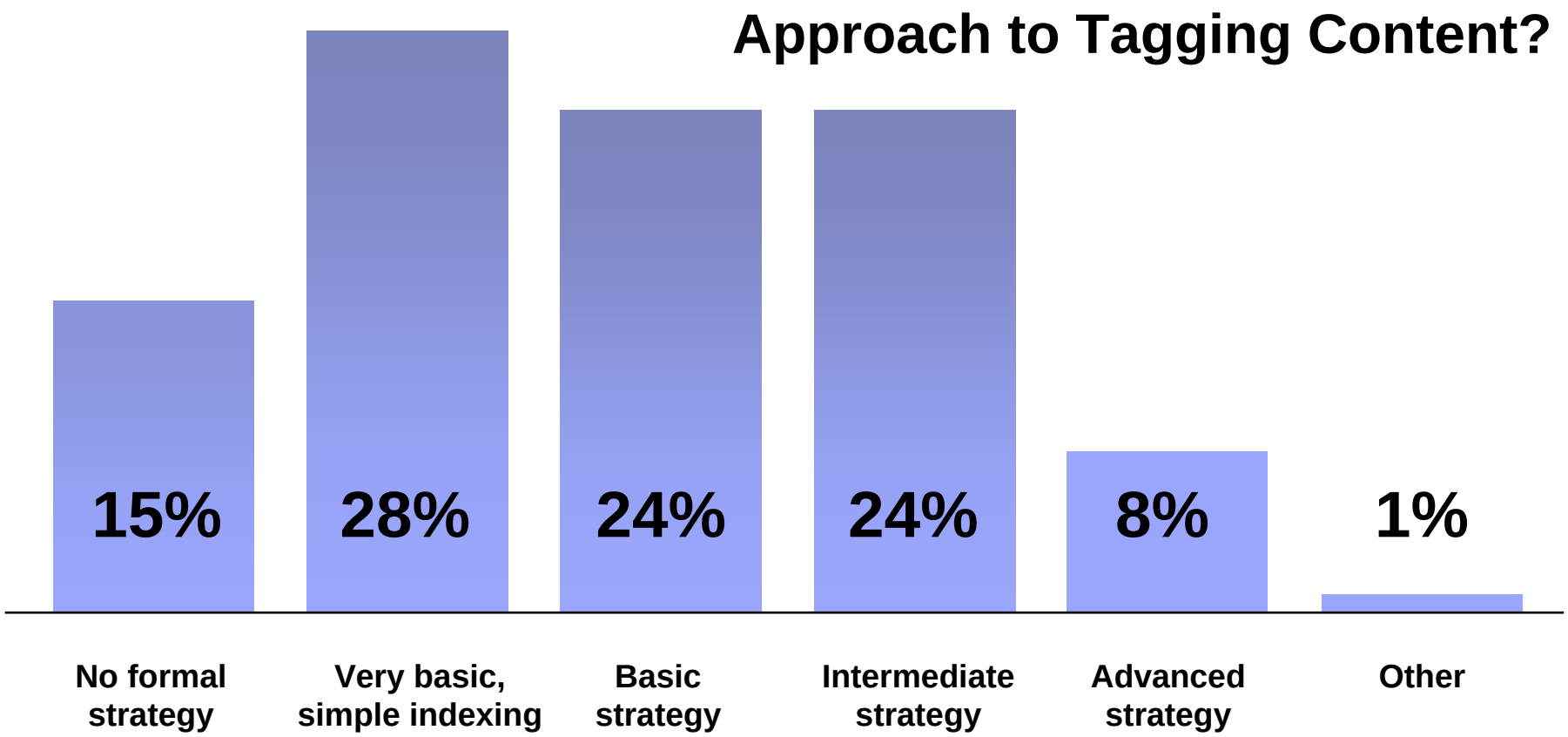
We are Not Starting from Scratch

67% of companies have a basic metadata strategy at best



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IBM ECM Product Strategy Guiding Principles

1

Active Content

Delivery of information unified, accurate, and in context. Extend content objects to include broader metadata needs.

2

Business Agility

Core BPM services within SOA to support componentized application development. Critical business artifacts reusable across the enterprise.

3

Enterprise Compliance

Compliance & records management services embedded in the infrastructure. Security, access and authorization implemented to manage risk.

4

Content Anywhere

Content and catalog integration to allow for managing of content anywhere without content migration required.

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Tango

Integrating Our Portfolios

Sustain Investment in Repositories and API's

Converge Architecture and Services

Enable Innovation and Product Leadership

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Tango: Integrating Our Portfolios

Clients

- **Portals & Web Apps** — Web Components
- **LOB & ISV Solutions** — App Components
- **Desktop Apps** — Desktop Plug-Ins

Services

- **Search & Discovery**
- **Content Centric BPM**
- **Collaboration**

Content Services

- Capture
- Classification & Taxonomy
- Records Management
- Document Management
- Image Management
- Archive Management
- Web Content Management
- Forms Management
- Report Management

Federation/Integration

Repositories

- **IBM CM**
- **IBM Domino**
- **IBM FileNet**
- **SharePoint**
- **Other**

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IBM ECM PRODUCT VISION

Flexible User Interfaces

Portals | Content-Enabled Applications | Composite Applications | Collaboration

Business Process Management Services

- Modeling & Simulation
- Business Activity Monitoring
- Content Centric Processing
- Rules & Pre-built Frameworks
- Process Choreography

Compliance & Records Management Services

Retention | Holds | Risk Mgt | Governance | eDiscovery | File Plans | Archive

Enterprise Content Services

Information Servers
Content Analytics
Enterprise Search

Categorization | Forms | DAM | WCM | Images | Email
Report Mgt | Taxonomy | Documents | Capture | Media

Master Data Mgt
Business Intelligence
Industry Models

Federation & Integration Services

Repositories

Data Servers | IBM | Other | Storage

Services Oriented Architecture (SOA)

Software as a Service (SaaS)

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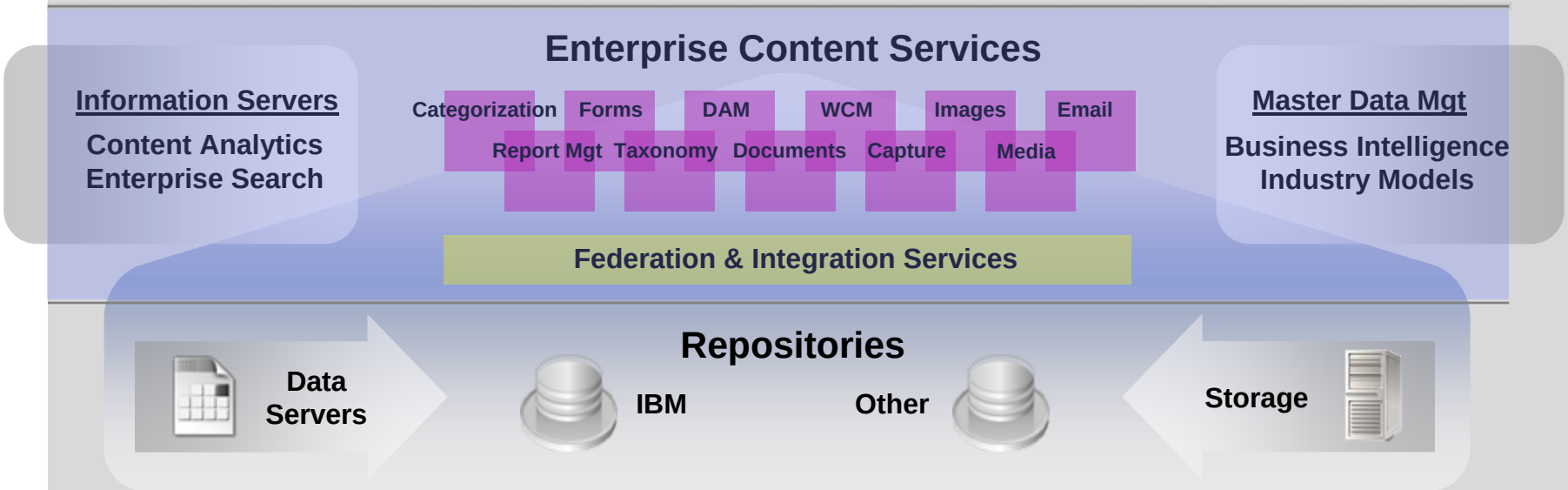

Software as a Service (SaaS)

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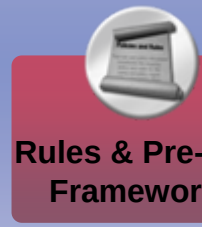
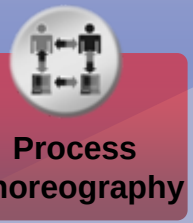
Business Process Management Services

Modeling & Simulation

Business Activity Monitoring

Content Centric Processing


Rules & Pre-built Frameworks


Process Choreography

Services Oriented Architecture (SOA)

Software as a Service (SaaS)

Enterprise Content Services

Information Servers

Content Analytics
Enterprise Search

Categorization | Forms | DAM | WCM | Images | Email
Report Mgt | Taxonomy | Documents | Capture | Media

Master Data Mgt

Business Intelligence
Industry Models

Federation & Integration Services

Repositories

Data Servers

IBM

Other

Storage

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IBM

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IBM ECM PRODUCT VISION

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Portals | Content-Enabled Applications | Composite Applications | Collaboration

Business Process Management Services

Modeling & Simulation

Business Activity Monitoring

Content Centric Processing

Rules & Pre-built Frameworks

Process Choreography

Compliance & Records Management Services

Retention | **Holds** | **Risk Mgt** | **Governance** | **eDiscovery** | **File Plans** | **Archive**

Enterprise Content Services

Information Servers

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Enterprise Search

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Industry Models

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IBM

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Services Oriented Architecture (SOA)

Software as a Service (SaaS)

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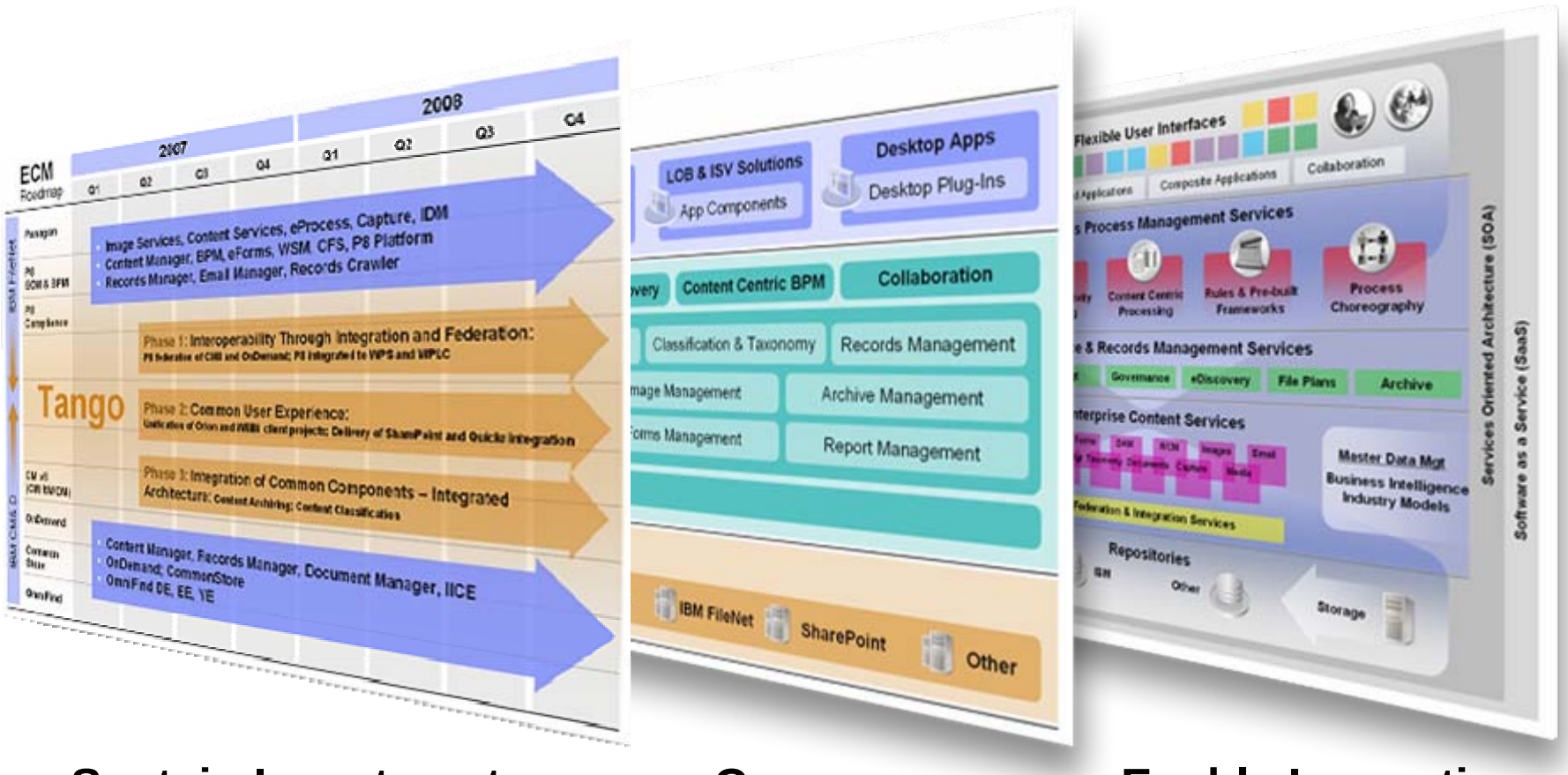
Architecture is an Evolution not a Revolution



Sustain Investment in Current Repositories

Converge Architecture and Services

Enable Innovation and Product Leadership

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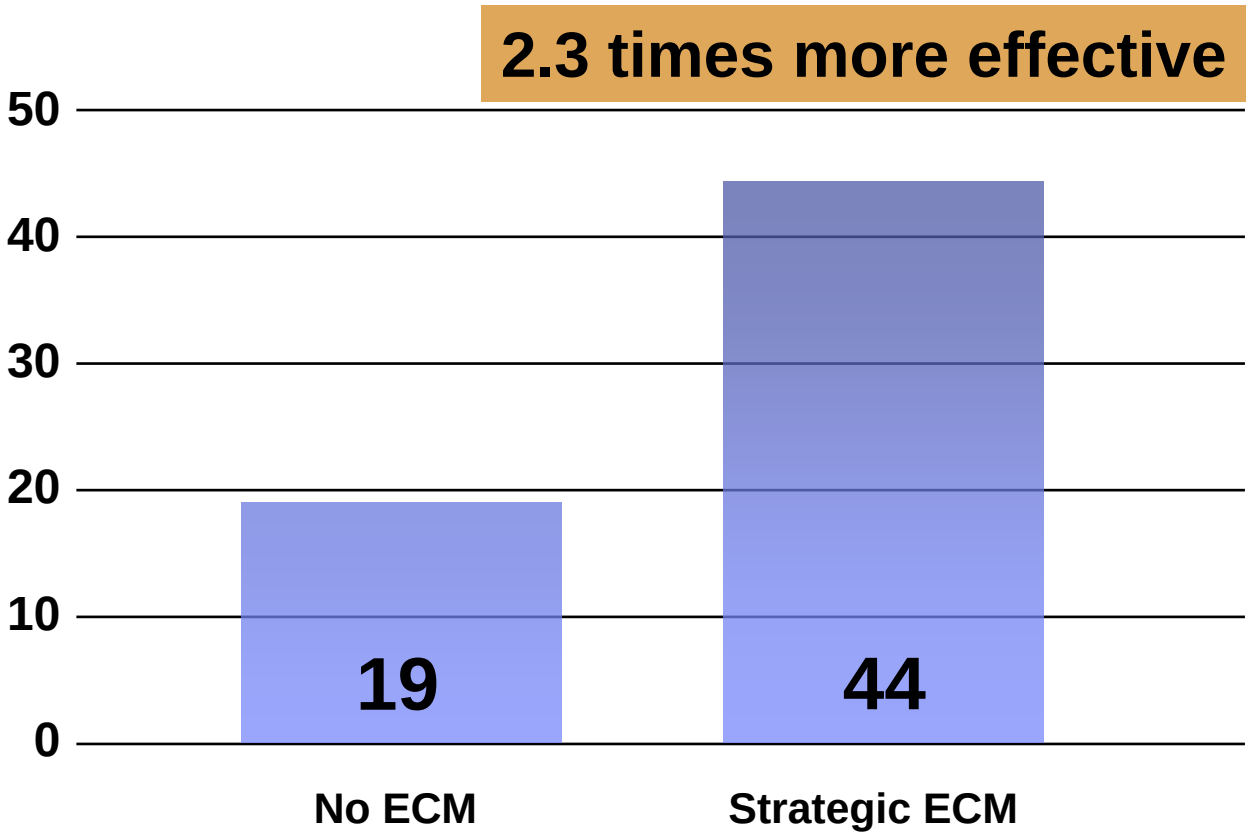
Public Sector – Strategic ECM Users

How does the effectiveness of your organization compare to your peers? (% “more effective” or “much more effective”)



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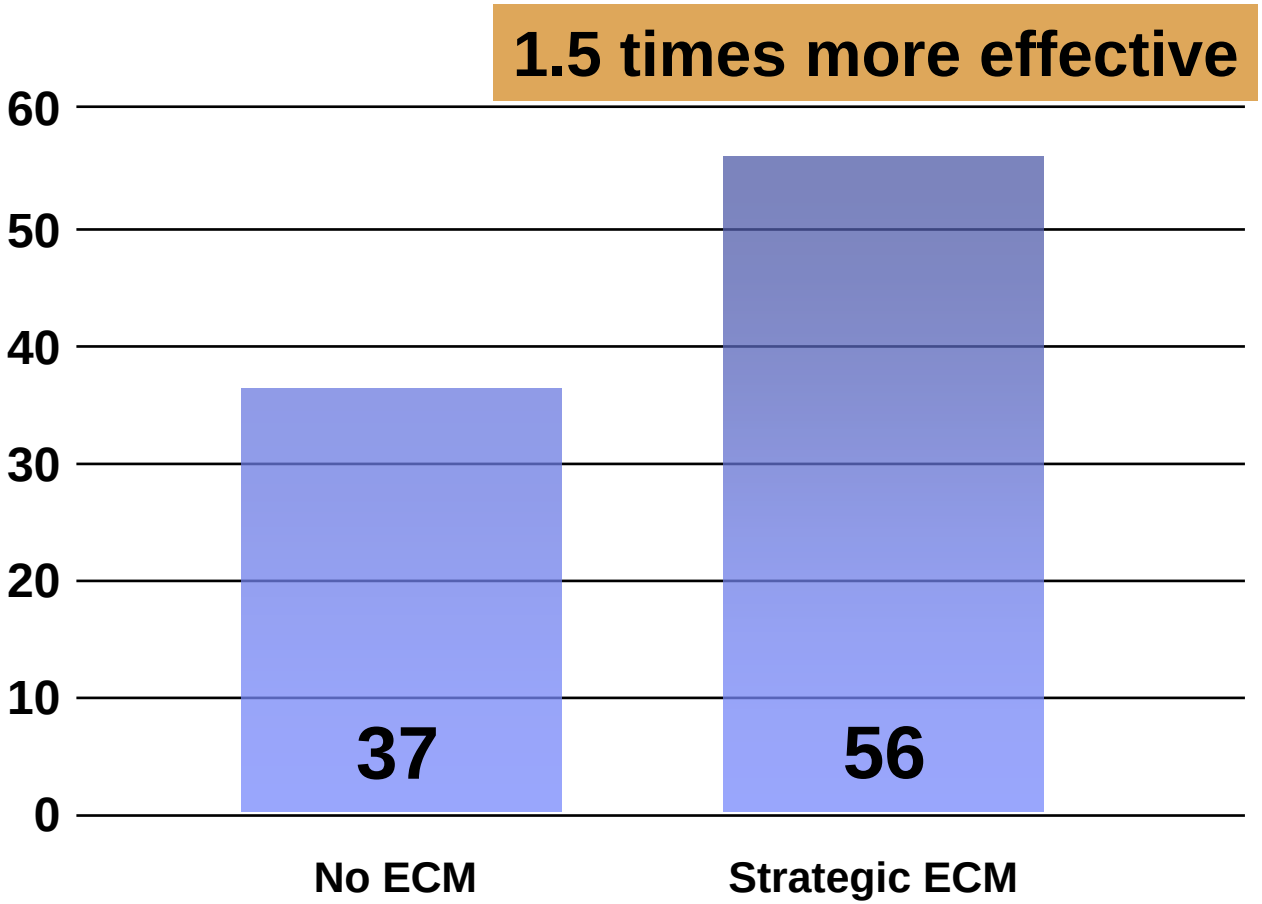
Private Sector – Strategic ECM Users

How does the profitability of your company compare to your peers? (% "more profitable" or "much more profitable")



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Customer Innovation

DWP Department for Work and Pensions

ZURICH

CREDIT SUISSE

Need to build an ECM architecture to manage content everywhere in order to stay profitable

Innovate new business processes and automate them with BPM them to remain competitive

Implement content-centric compliance solutions to minimize risk and manage litigation

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ZURICH

Current Projects

- ECM Center of Excellence
- Rollout EM & RM for global email archiving & retention management
- Build shared ECM platform to host multiple projects (as a service)
- Large BPM installations

Solutions

- IBM FileNet P8, BPM/BAM
- Records Management
- Document Management
- WPS for SOA

Business Benefits

"FileNet has proved to be the right decision for today's business challenges."

— Raphael Lamskemper
Zurich Service GmbH

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DWP Department for Work and Pensions

Current Projects

- Modernising welfare delivery by changing business processes
- Integration with existing e-govt solution
- Handles 1 million pages per day
- Re-usable across enterprise

Solution

- IBM FileNet P8, Content Manager and Image Manager
- Content Federation Services
- Systems Monitor for Tivoli

Business Benefits

- **Improved customer service levels**
- **Improved staff satisfaction**
- **Improved efficiencies**
- **Removed paper and delivered a modern service**

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CREDIT SUISSE

Challenge

- "One Bank" strategy to better serve clients
- Legal & Compliance was consolidated under one General Counsel
- IT moved to a Shared Services model

Solution

- IBM FileNet P8 as ECM platform for HR e-Files, Accounts, Legal, SAP
- Matter Management for Legal – MS Word and Exchange integration
- BPM for Client ID related work processes

Business Benefits

- **Improved Legal & Compliance "Matter Management" business processes**
- **Shared Services platform for Personnel, Accounting and Legal content**

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ECM Customer Imperatives

- Create Centers of Excellence for ECM and BPM
- Establish ECM Shared Services deployment models
- Develop expertise in Content Enabled Vertical Applications development and delivery
- Develop expertise in Records Management, Compliance related auditable business processes
- Set standards for storage management policies and archiving
- Create an ECM business case and ROI calculation capability
- Combination of skills: business analysts, SME for business and technology, project & change management experts

take action

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Parting Questions

- Is the best, most accurate information across your enterprise, easily and quickly available when you need it?
- Have you streamlined and automated your business processes, and made content an active part and driver of those processes?
- Are you truly retaining the right information, for the right period of time, across the organization?
  - To maximize employee productivity, while at the same time minimizing IT and storage costs?
  - To satisfy any regulatory, legal or internal company policies?
- Isn't it time to take your business to the next level?

take action

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