Innovation doesn't come to you
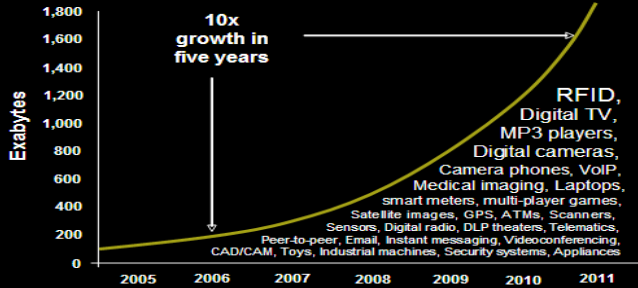
Stefano Stinchi
Vice-President Rational Europe

- How am I going to use your precious time ?

- What does it mean innovation ?

- Which are the innovation principles ?

- How Rational can support innovation ?

Next NOW!

IBM

By 2011, the world will be 10 times more instrumented with connected devices leaping from 500M to 1 Trillion

10x growth in five years

RFID,
Digital TV,
MP3 players,
Digital cameras,
Camera phones, VoIP,
Medical imaging, Laptops,
smart meters, multi-player games,
Satellite images, GPS, ATMs, Scanners,
Sensors, Digital radio, DLP theaters, Telematics,
Peer-to-peer, Email, Instant messaging, Videoconferencing,
CAD/CAM, Toys, Industrial machines, Security systems, Appliances

Approximately 70% of the digital universe is created by individuals, but enterprises are responsible for 85% of the security, reliability, and protection of it

IT Innovation: For the Past Decade (2000-2009)
Consumers are king

Enterprise IT   Consumer IT

" **I look to the future because that's where I'm going to spend the rest of my life.** "
George Burns

Internet of things (2009)   Where are we going ? (2010)

The sixth wave

Innovation

The Industrial Revolution
1st Wave

Age of Steam and Railways
2nd Wave

Age of Steel, Electricity and Heavy Engineering
3rd Wave

Age of Oil, Cars and Mass Production
4th Wave

Age of IT and Telecom
5th Wave

Smarter Products & Services
6th Wave

1770   1830   1875   1920   1970   2010
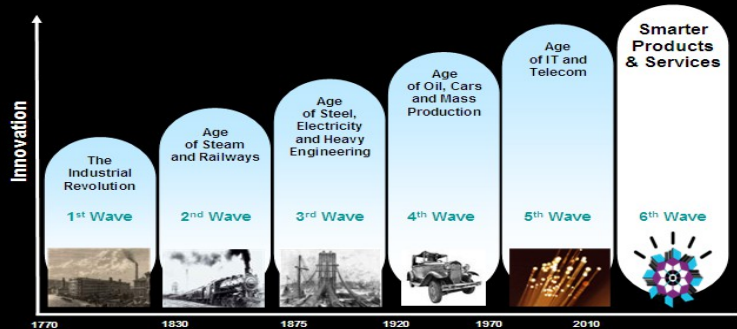
Source: "Next Generation Green: Tomorrow's Innovation Green Business Leaders", Business Week, Feb 4, 2008

The sixth wave (2011)

How would you describe the act of developing software?

Or heuristic?

Your development teams are an untapped source of innovation that you *must* unlock!

- How am I going to use your precious time ?
- What does it mean innovation ?
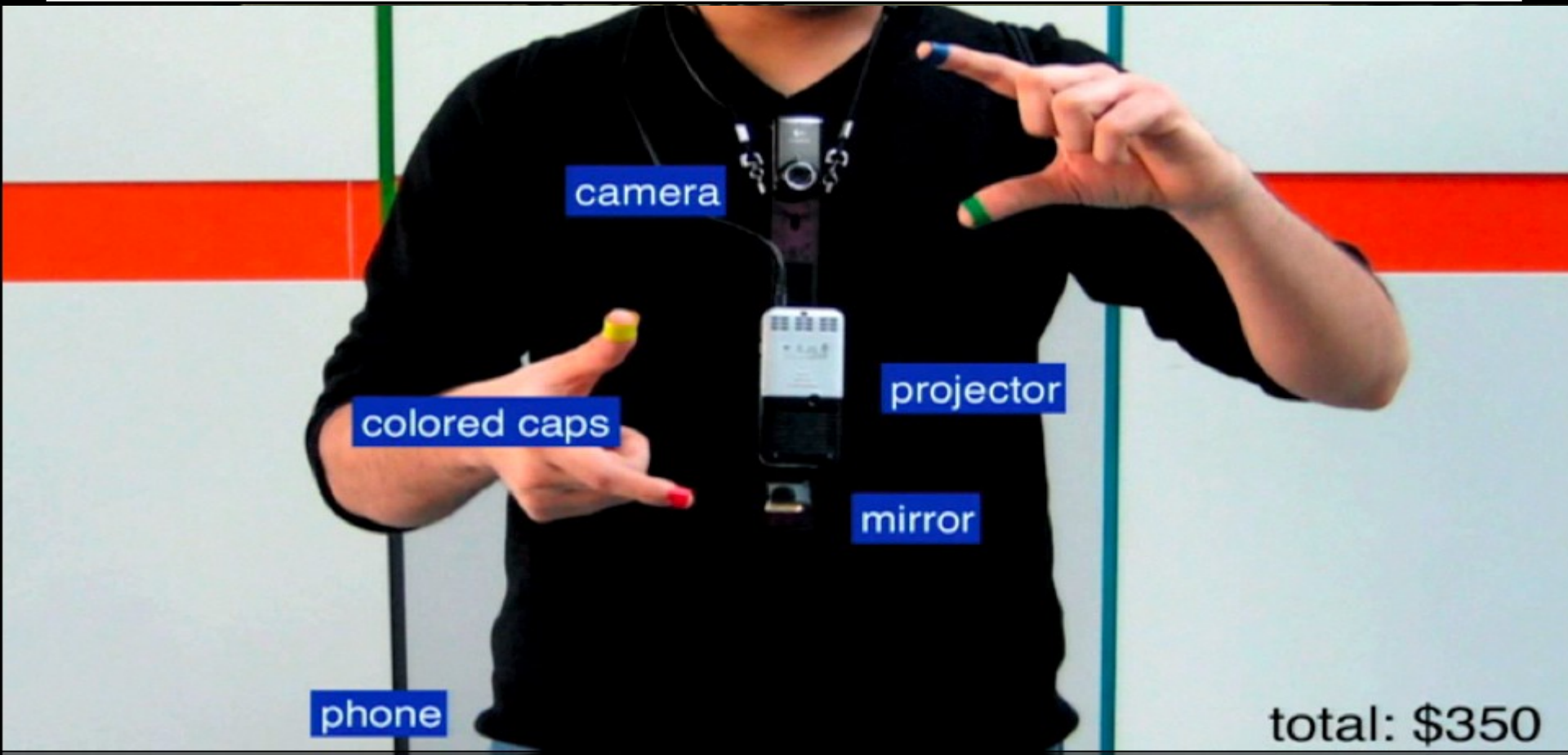- How to help innovation ?
- How Rational can support innovation ?

Innovation is exploring the art of possible

Innovation is the introduction of something new that create value.
Value is indicated by adoption

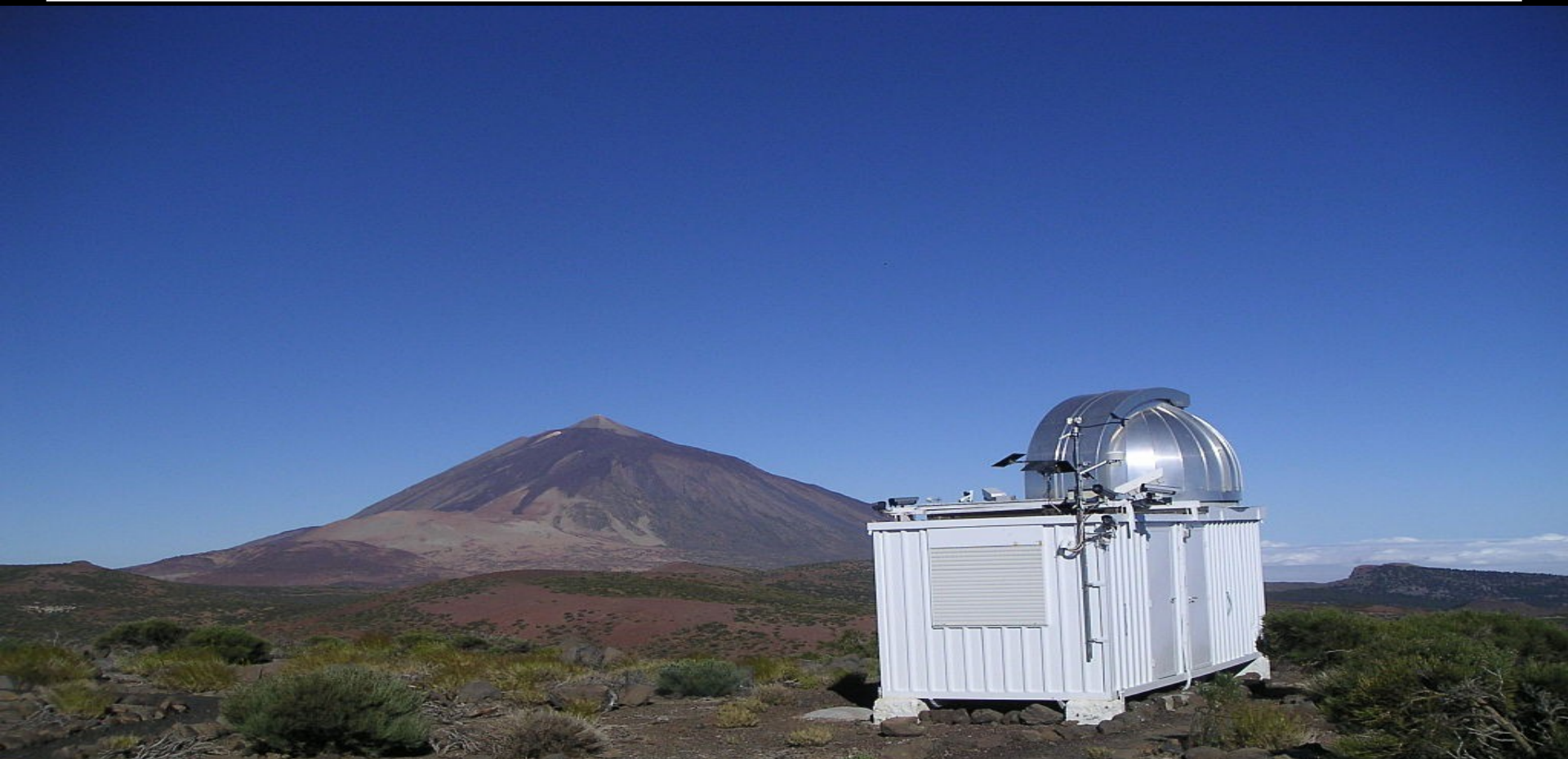**Innovation is the ability to create and capture economic value from invention**
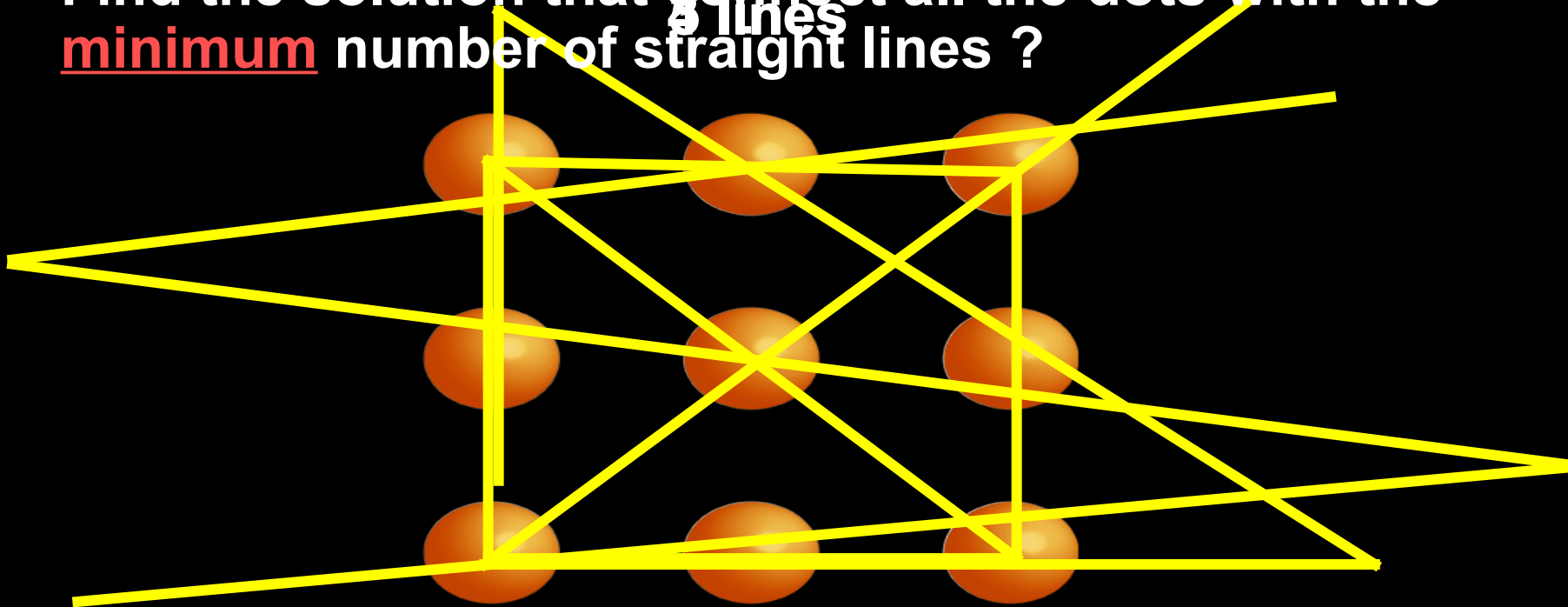
- How am I going to use your precious time ?

- What does it mean innovation ?

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- How Rational can support innovation ?
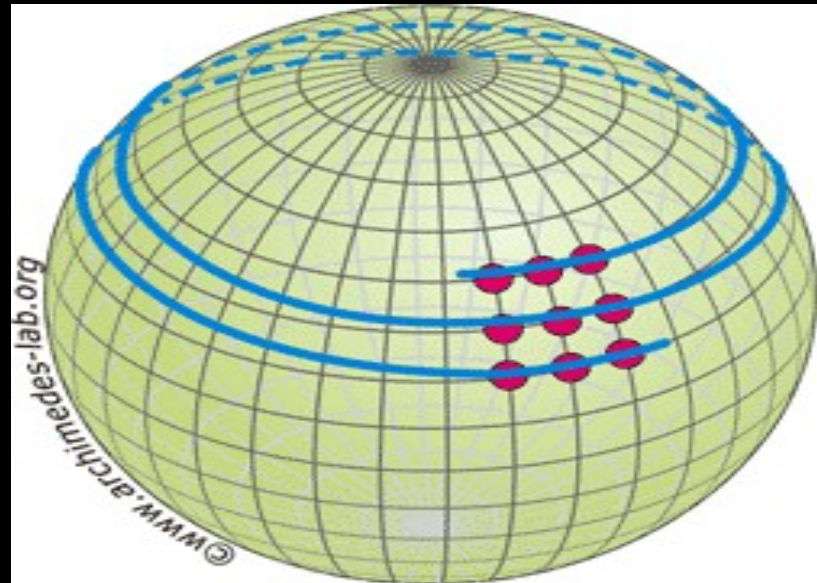
Ignore common sense

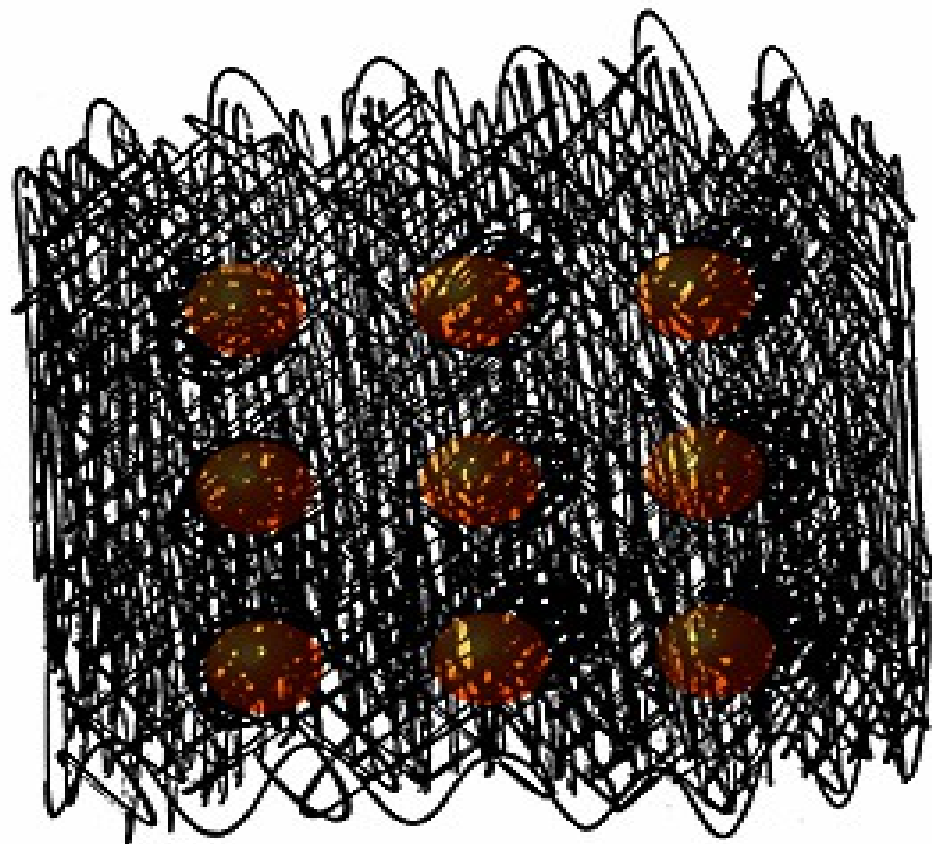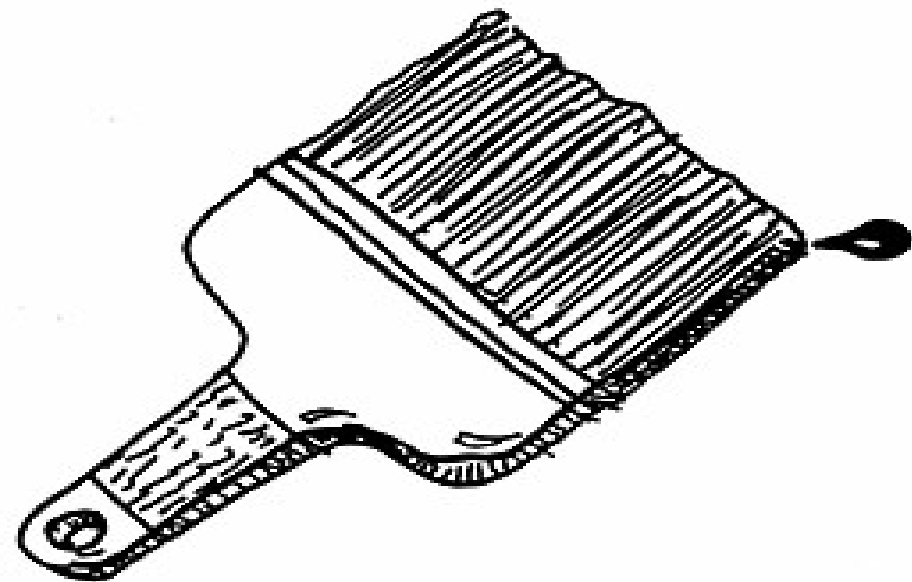"All progress depends on the unreasonable man"

- George Bernard Shaw

Find Out the Best solution

Find the solution that connect all the dots with the **minimum** number of straight lines ?

3 lines

But…how about just one line?

Next NOW!

IBM

"There is no reason for any individuals to have a computer in their home"

- Ken Olsen, President, Chairman and Founder of DEC, 1977

"Heavier-than-air flying machines are impossible"

- Lord Kelvin, President, Royal Society, 1895

Don't believe experts, econometrics, market leaders
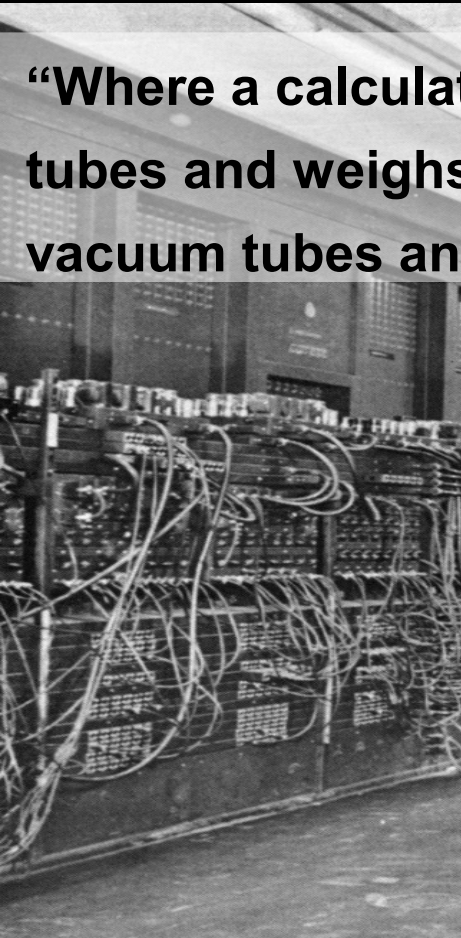
Traditional wisdom (including yours) gets in the way

Most of us are wrong; most of us know too much

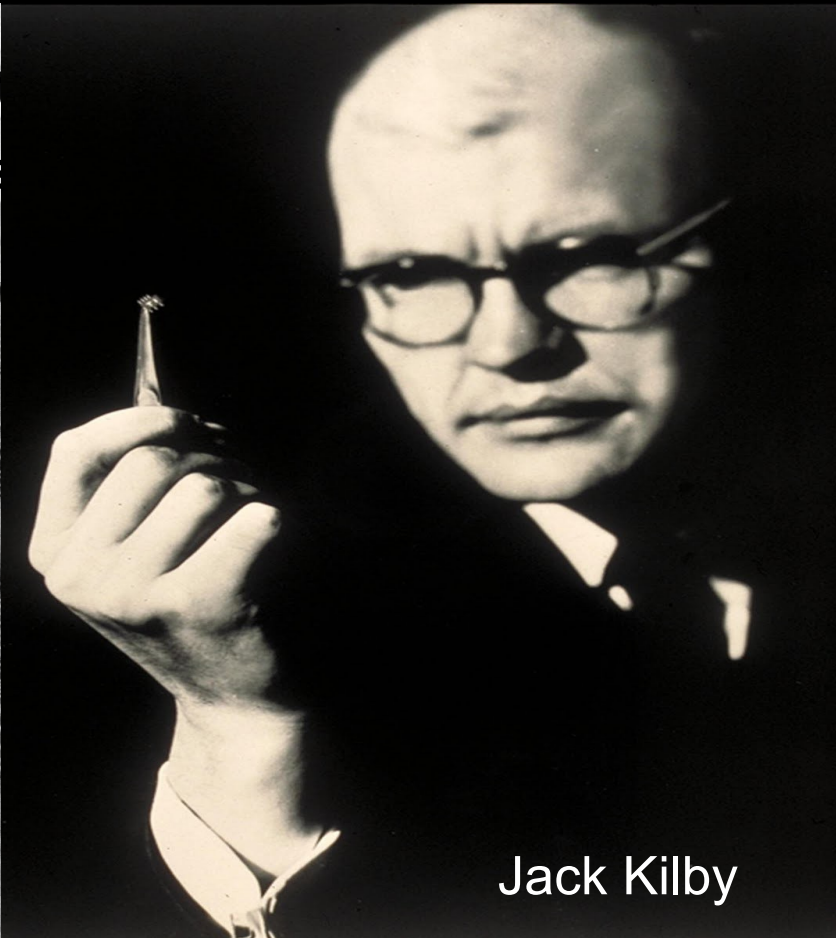# Past is not a proxy for the future

"When the train of history hits a curve, the intellectuals fall off"

- Karl Marx

"Where a calculated with 18,000 vacuum tubes and weighs ure may have only 1,000 vacuum tubes an

Jack Kilby
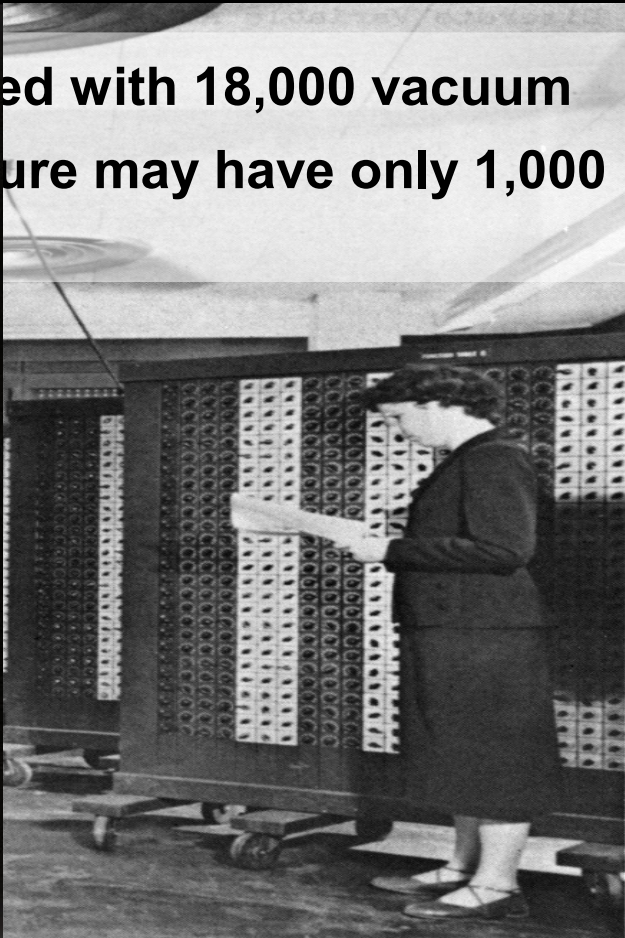
Don't believe in forecasting

"Prediction is very difficult, especially about the future"

-Niels Bohr

1986 forecast for 2000
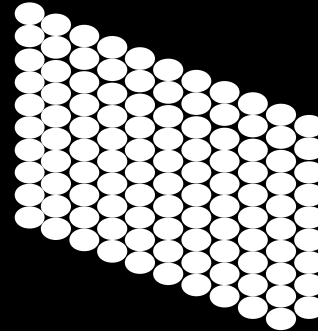
2000 actual

● **1 M subscribers**

1980's phone:

1996:Motorola StarTAC

2007: Iphone

60 millions sold

250 millions sold
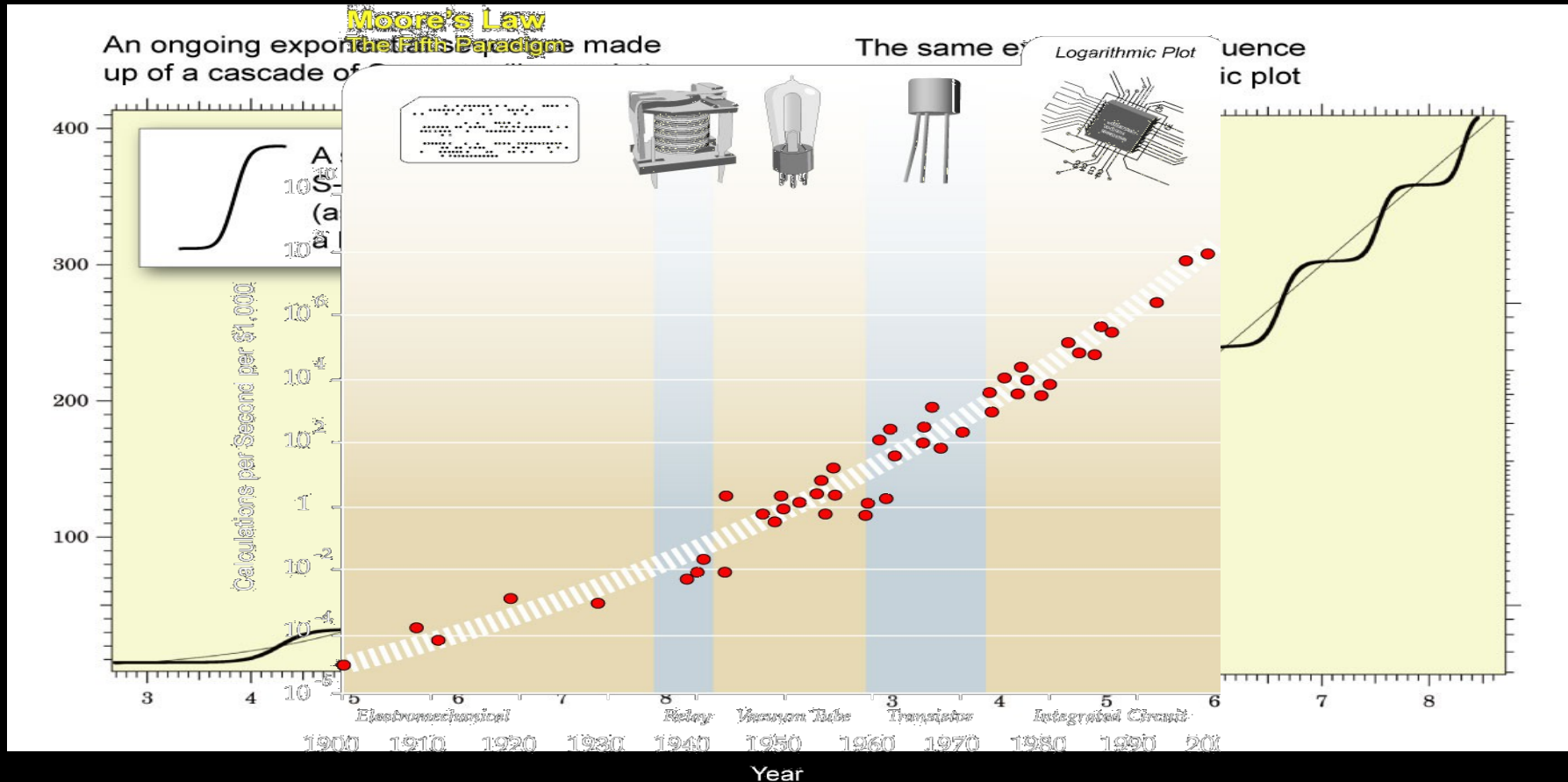
Don't be afraid of failures

"I have not failed. I've just found 10,000 ways that won't work"

-Thomas Alva Edison

Reward failure

Plan without planning
(evolve through iterations)

Don't listen to customers too closely

Ignore IRR calculations

- How am I going to use your precious time ?

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Competitive Position

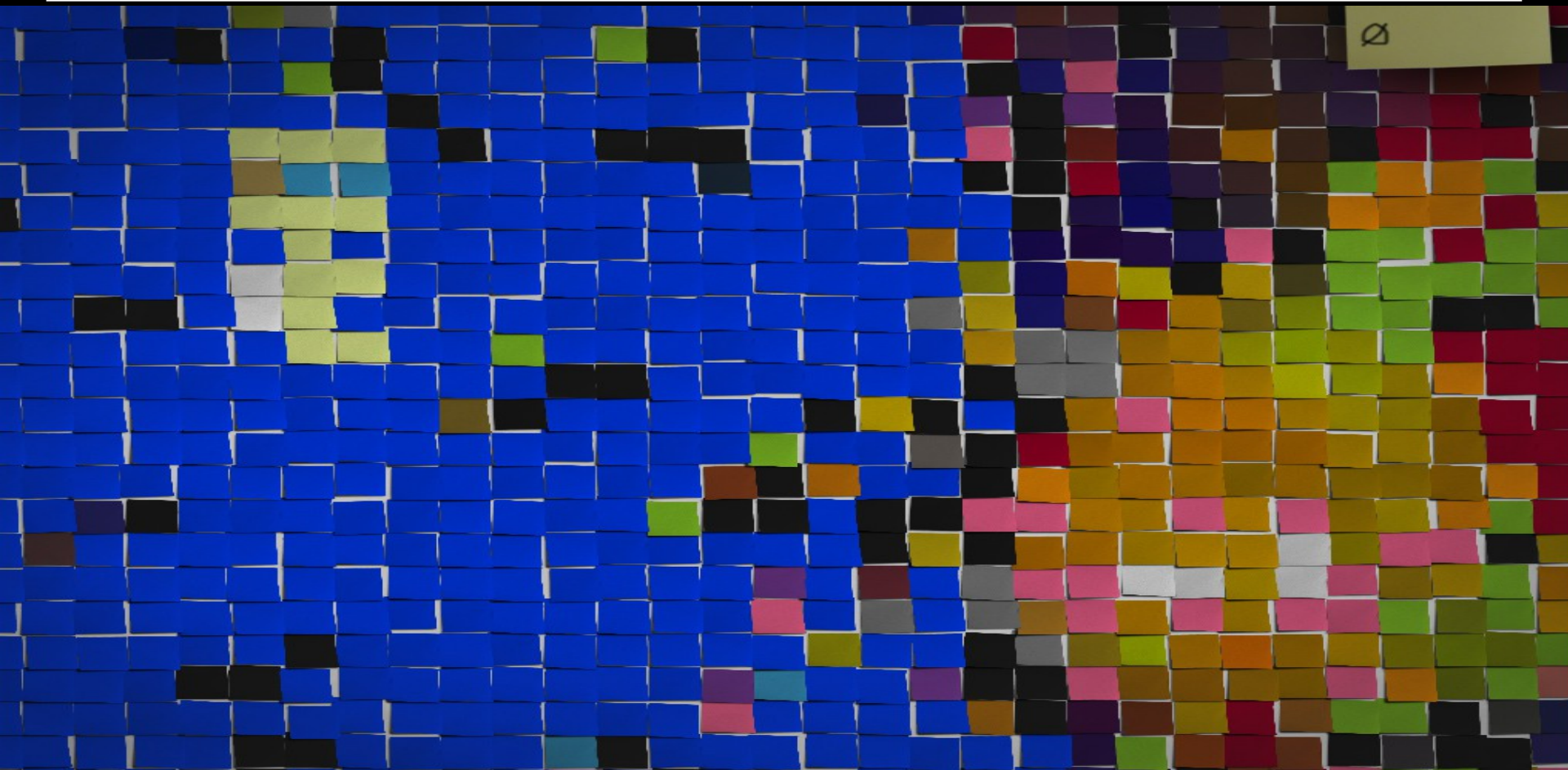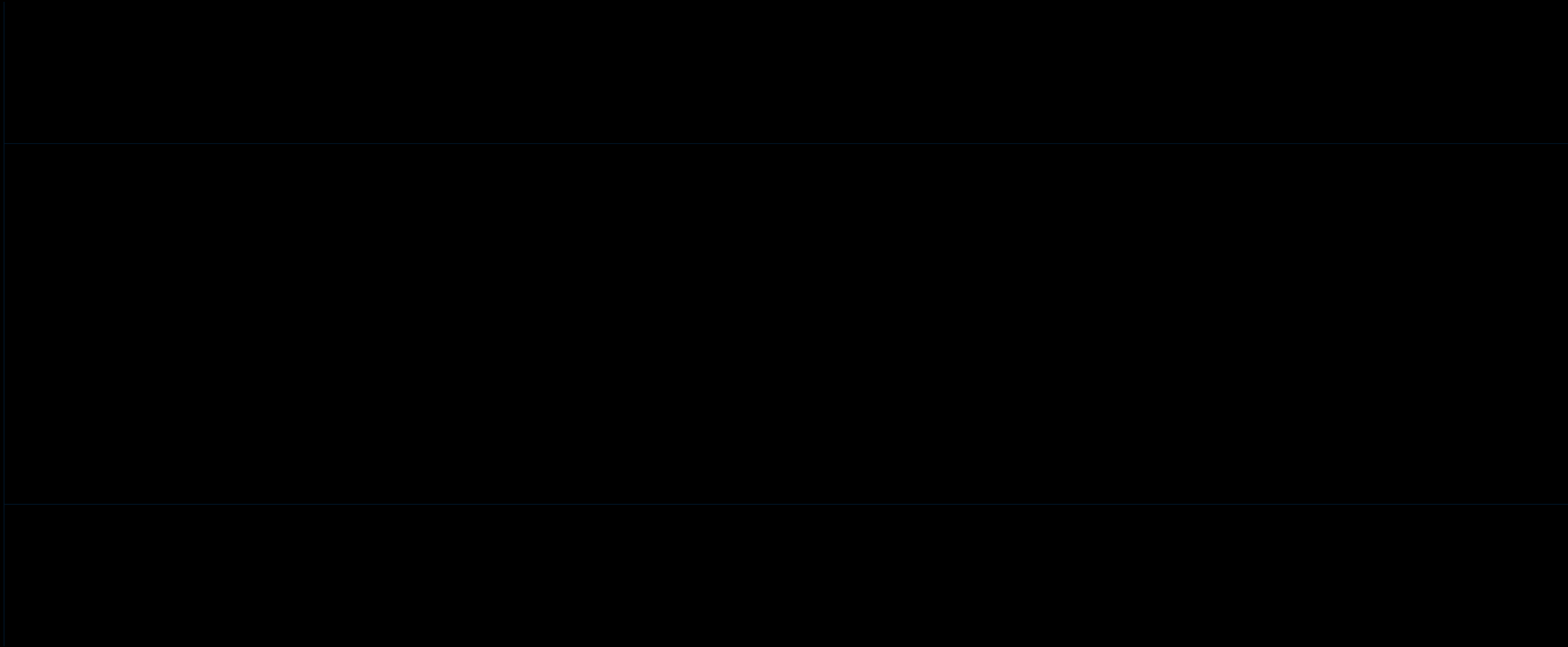|	Issue Management	Requirements Management	Software Configuration Management	Integration and Build	Environment Provisioning	Release Engineering	Test Case Management	Automated Testing	Manual Testing	Static Code Analysis	Peer Review
Atlassian	•	•	TPI	•	TPI	•	TPI	TPI	•	TPI	•
CollabNet	•	•	•	TPI	•	•	TPI	TPI	TPI	TPI	TPI
Digite	•	•	TPI	TPI	TPI	TPI	•	TPI	•	TPI	•
HP	•	•	TPI	TPI	•	•	•	•	•	•	NA
IBM	•	•	•	•	•	•	•	•	•	•	•
Inflectra	•	•	TPI	TPI	NA	•	•	•	•	NA	NA
Kovair	•	•	TPI	TPI	NA	•	•	TPI	•	TPI	NA
Micro Focus	•	•	•	•	NA	TPI	•	•	•	•	NA
Microsoft	•	•	•	•	•	•	•	•	•	•	TPI
Parasoft	•	•	TPI	TPI	•	TPI	•	•	•	•	•
PTC (MKS)	•	•	•	TPI	TPI	•	•	•	•	TPI	•
Rally Software	•	•	TPI	TPI	NA	TPI	•	TPI	•	NA	NA
Serena Software	•	•	•	•	•	•	•	TPI	TPI	TPI	TPI
SmartBear Software	•	•	TPI	•	NA	•	•	•	•	TPI	•
TechExcel	•	•	•	TPI	NA	TPI	•	TPI	•	NA	NA
ThoughtWorks	•	•	TPI	•	TPI	•	•	•	•	NA	NA
VersionOne	•	•	TPI	TPI	NA	TPI	•	TPI	•	NA	NA

Functionality Legend: • — Has Feature, TPI — Third-Party Integration, NA — Not Currently Available

Rational Tool Suite #1

- Over 1200 developers from around the world have selected IBM's Rational Tool Suite as the top development platform

- Users of IBM's Rational tool suite are more satisfied with its features and capabilities than users of any other major software development platform

- Rational was rated #1 in several categories

- Rational has been rated #1 in six of the last seven years

"IBM has shown significant insight into what developers want and need along with an impressive ability to execute."

- Janel Garvin, CEO of Evans Data Corporation

Evans Data Corporation

EDC

Press Release by Evans Data Corporation, SANTA CRUZ, Ca. May 29, 2012
Evans Data Corp's annual User's Choice for Software Development Platforms, April 2012
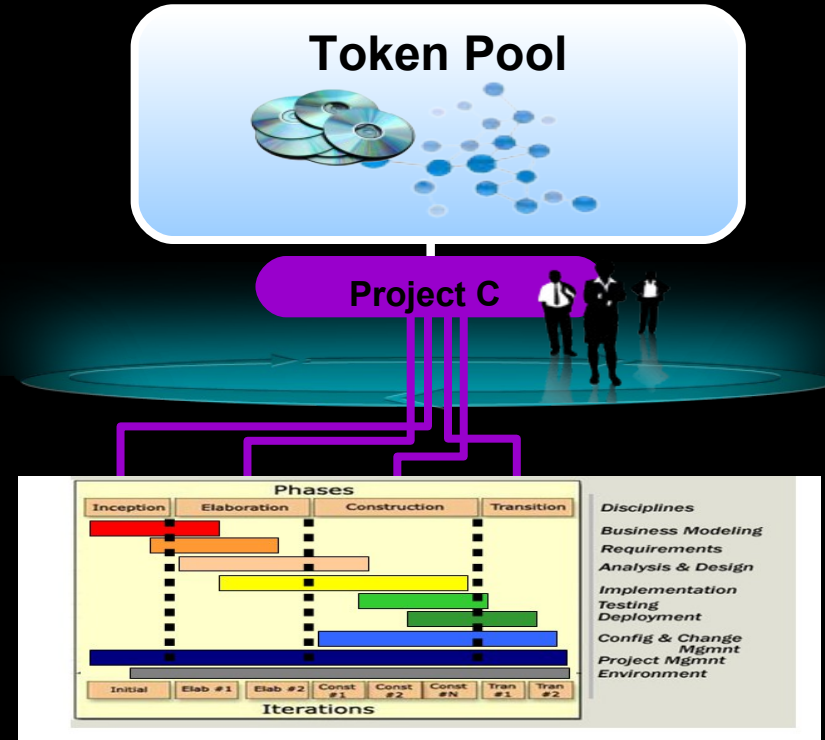
- The area that we decided to explore was a new way to license software:
    - Everybody care about software licensing
    - It is part of every software acquisition and as such impact every customer
    - Leverage the Rational strength, extensive and complete portfolio
    - There are many ALM software vendors but nobody has any innovative way to sell licenses

Token Pool

Project C

- **Token Licenses** are a form of *Fixed Term* license but are more flexible in that they allow the customer to mix the different products in real time.

- A "Token" is a base unit of license value

- Tokens can be exchanged for the right to use software that are Token enabled

- A Token Enabled software application requires a predefined number (1, 2 or more) of tokens to run

- Tokens float across products and users

Phases				Disciplines
Inception	Elaboration	Construction	Transition	Business Modeling
				Requirements
				Analysis & Design
				Implementation
				Testing
				Deployment
				Config & Change Mgmnt
				Project Mgmnt
Initial	Elab #1	Elab #2	Const #1	Const #2	Const #N	Tran #1	Tran #2	Environment
		Iterations						

IBM

	Technology evolution	License profile	Enterprise extension	Developer cost yearly (*)
Permanent Licenses		M&M	X	$9.000
Temporary licenses	X		X	$15.000
All you can eat				$6.000
Software as services	X			$10.000

(*) considering 5 Rational products for developers on a five years basis

Major breakthrough with this license model:
    - No needs to define the products used (Access to the full portfolio of the Rational brand (#1 market leader))
    - Licenses available to any further enterprise extension
    - Protection on technology obsolescence and evolution
    - Cost protection over 3-5 years period
    - Huge simplification in license/key management
    - Easier compliance management
    - Protection of the existing investment in Rational

...technology expands the 'art of the possible.'

"Cynics never do the impossible, achieve the improbable, take on the inadvisable.
Hope is the only path to extraordinary, success."

...today's 'unimaginable' is tomorrow's 'conventional wisdom.'