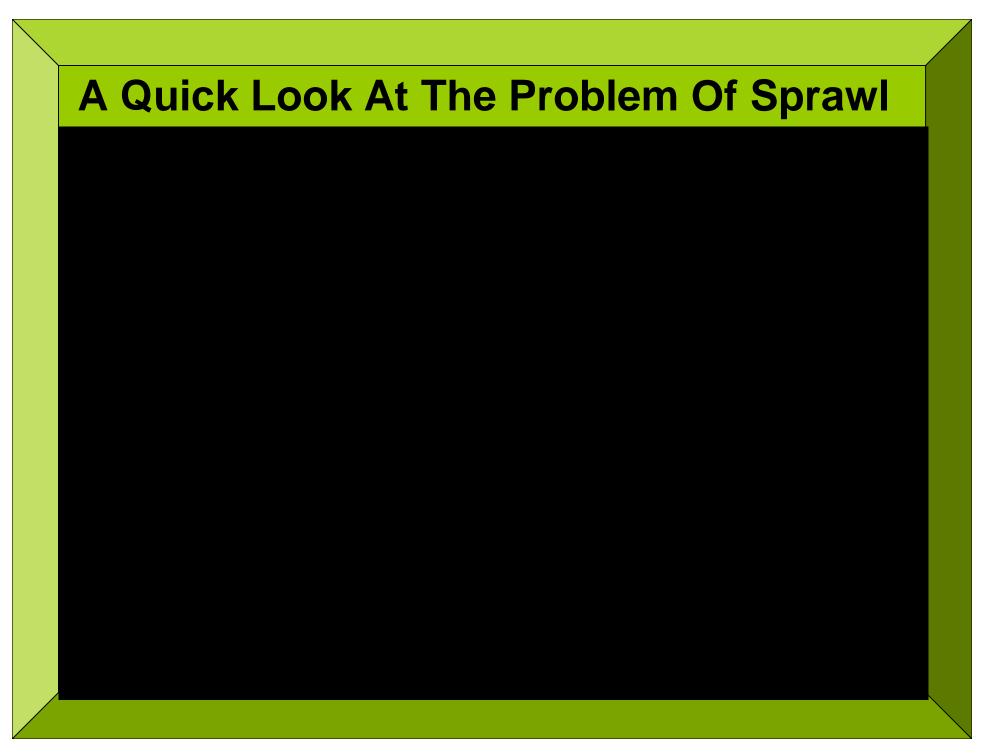
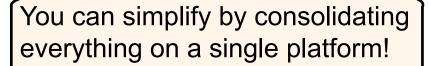
zEnterprise – The Ideal Platform For Smarter Computing

Consolidating Server Infrastructure



Simplifying Hardware Infrastructure Dramatically Reduces The Cost Per Workload

Our front end infrastructure is too complex...



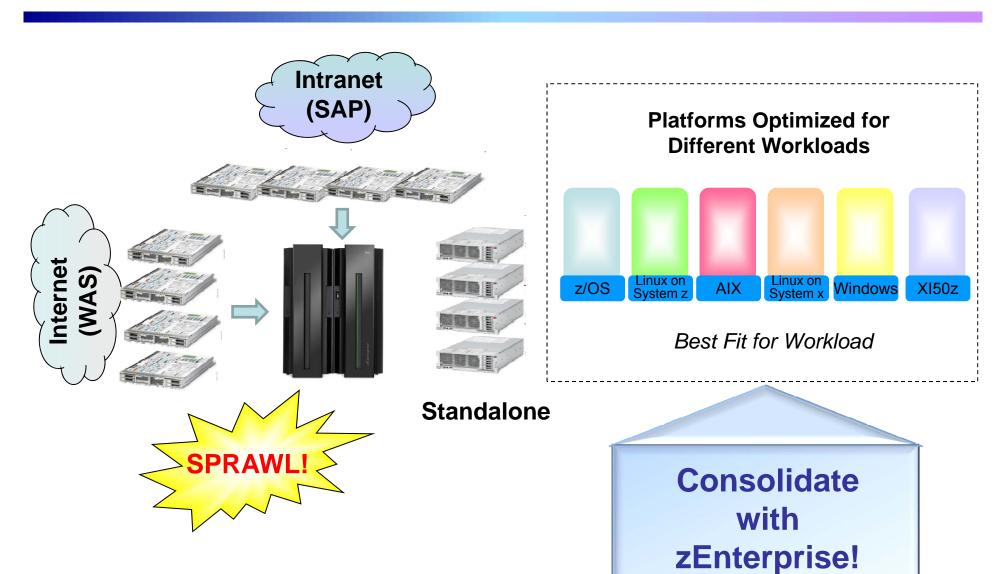


CIO

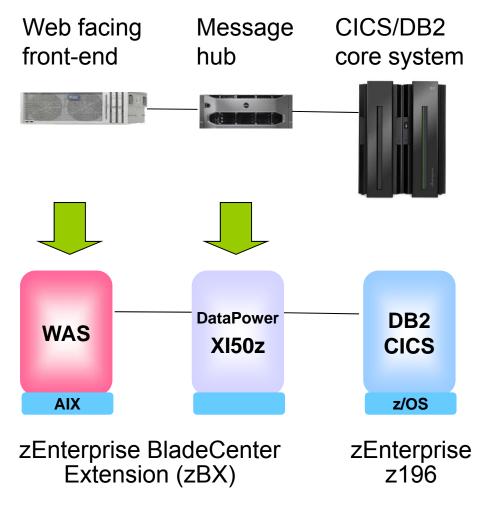


03 - Consolidating Server Infrastructure V1.2

Eliminate Sprawl With zEnterprise Multi-Architecture Environment



Run Web Front End Workloads On zEnterprise Platform



- Run as ensemble of virtual servers
- Unified management of virtual machines
- Manage ensemble as a single workload with service goals
- Dynamic adjustment of CPU resources drives 10% higher utilization
- Assign best fit to Power blade and XI50z for lowest cost per workload
- Embedded pre-configured data network

Web Front Ends Cost 58% Less On zEnterprise

Web front-end workloads

Each workload

driving 1975 tps

Web Facing Message Driven

28
workloads

Competitive App Server

57 Sun T3-1B blades in Sun racks2 HP DL380 servers (for ESB)936 cores total



Deploy on new SPARC T3 hardware

\$11.7M (3yr TCA)

WebSphere App Server 28 POWER7 blades 2 DataPower XI50z

in zBX

240 cores total



Power blades on zBX

\$4.9M (3yr TCA)

Web Front Ends Cost 58% Less On zEnterprise

Why?

- WAS on PS701 delivers 1.84x processing capacity
 - Competitive Application Server cannot effectively utilize the threads available in T3 blade
- DataPower better price/performance
- Need to over provision SPARC T3 since no zManager

Competitive App Server

57 Sun T3-1B blades in Sun racks2 HP DL380 servers (for ESB)936 cores total



Deploy on new SPARC T3 hardware

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WebSphere App Server 28 POWER7 blades 2 DataPower XI50z in zBX

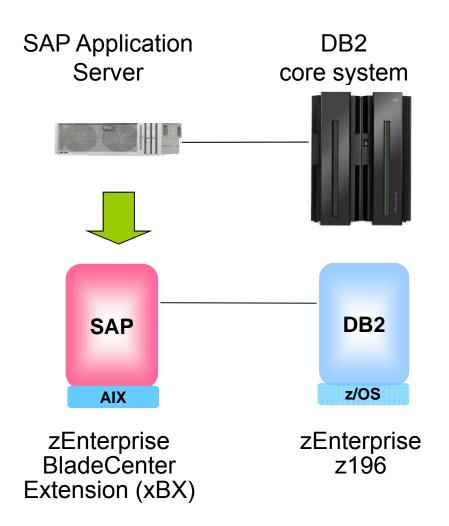
240 cores total

Power blades on zBX

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> \$4.9M (3yr TCA)

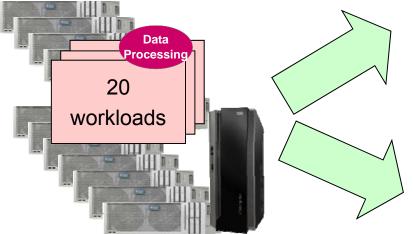
Run SAP Front End Applications On zEnterprise Platform



- Run as ensemble of virtual servers
- Unified management of virtual machines
- Manage ensemble as a single workload with service goals
- Dynamic adjustment of CPU resources drives 10% higher utilization
- Assign best fit to Power blade for lowest cost per workload
- Embedded pre-configured data network

SAP Applications Cost 20% Less On zEnterprise

SAP applications



38 Sun T3-1B blades in Sun rack 608 cores total



Upgrade to new SPARC T3 hardware



\$1.2M (3yr TCA)

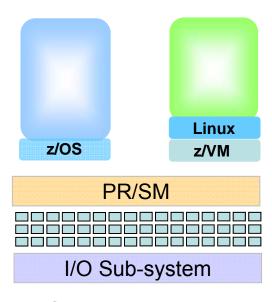
23 POWER7 blades in zBX
184 cores total



Consolidate on zEnterprise

\$0.97M (3yr TCA)

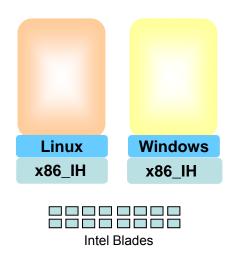
A Closer Look At Fit-For-Purpose Workload Assignment



- Scale up to 80 cores in a frame (z/OS clusters with sysplex)
- Dedicated I/O subsystem
- Superior qualities of service

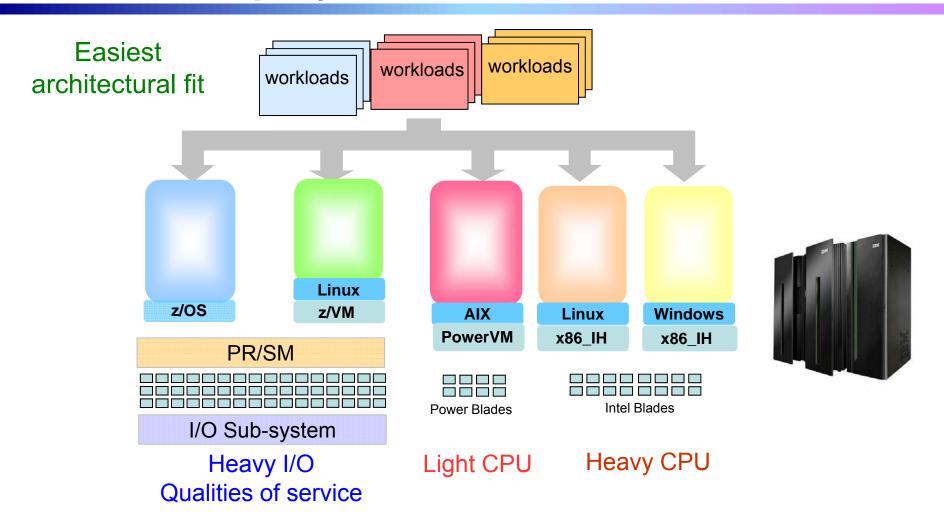


- Scales to 8 cores per blade
- 4 fast processing threads per core
- Floating point accelerators



- Scales to 16 cores per blade
- 2 fast processing threads per core
- Commodity I/O
- Modest qualities of service

Workload Characteristics Influence The Best Fit Deployment Decision



Deploy or consolidate workloads on the environment best suited for each workload to yield lowest cost

Deploying Stand Alone Workloads With **Heavy I/O Requirements**

Benchmark to determine which platform provides the lowest TCA over 3 years Heavy I/O workloads IBM WebSphere ND

1 workload per Intel blade



Virtualized on Intel 16 core HX5 Blade **\$380,046** per workload

1 workload per POWER7 blade



PowerVM on PS701 8 core POWER7 Blade **\$204,036** per workload

- Monitoring software
- On 4 core "Older" Intel

Online banking workloads, each driving 22 transactions per second, with 1 MB I/O

per transaction

40 workloads per 32-way z/VM



I/O bandwidth large scale pool

z/VM on zEnterprise CPC 32 IFI s

\$84,985 per workload

Best Fit

Consolidation ratios derived from IBM internal studies. HX5 2.13GHz 2ch/16co performance projected from x3550 2.66GHz 2ch/12co measurements. zBX with x blades is a statement of direction only. Results may vary based on customer workload profiles/characteristics. Prices will vary by country.

Deploying Stand Alone Workloads With Heavy CPU Requirements

Benchmark to
determine which
platform provides
the lowest TCA over
3 years

1 workload
per POWER7 blade



Scale to 16 cores

Virtualized on Intel 16 core HX5 Blade \$190,023 per workload

Best Fit



PowerVM on PS701 8 core POWER7 Blade \$204,036 per workload

Online banking workloads, each driving **460** transactions per second with light I/O

Monitoring softwareOn 8 core Nehalem

servers

10 workloads per 32-way z/VM



z/VM on zEnterprise CPC 32 IFLs

\$339,939 per workload

Consolidation ratios derived from IBM internal studies. HX5 2.13GHz 2ch/16co performance projected from x3550 2.66GHz 2ch/12co measurements. zBX with x blades is a statement of direction only. Results may vary based on customer workload profiles/characteristics. Prices will vary by country.

Deploying Stand Alone Workloads With Light CPU Requirements

Benchmark to determine which platform provides the lowest TCA over 3 years

47 workloads per Intel blade



Virtualized on Intel 16 core HX5 Blade \$8,086 per workload

Light workloads

IBM WebSphere ND

Monitoring softwareOn 4 core "Older" Intel

28 workload per POWER7 blade



Fast low cost threads

PowerVM on PS701 8 core POWER7 Blade \$7,287 per workload Best Fit

Online banking workloads, each driving **22** transactions per second with light I/O

155 workloads per 32-way z/VM



z/VM on zEnterprise CPC 32 IFLs

\$21,932 per workload

Consolidation ratios derived from IBM internal studies. HX5 2.13GHz 2ch/16co performance projected from x3550 2.66GHz 2ch/12co measurements. zBX with x blades is a statement of direction only. Results may vary based on customer workload profiles/characteristics. Prices will vary by country.

Case Study – Consolidate 880 Standalone Workloads On zEnterprise

- Distributed workload profile is a mix of
 - 784 light
 - 56 heavy CPU
 - 40 heavy I/O
- What is the most cost effective way to consolidate/deploy all these workloads?

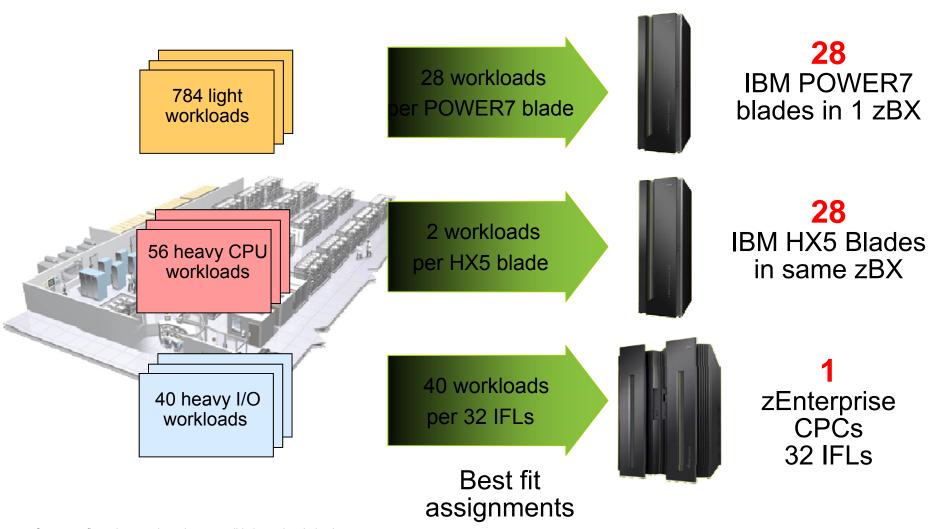
Sun Fire X4470



zEnterprise

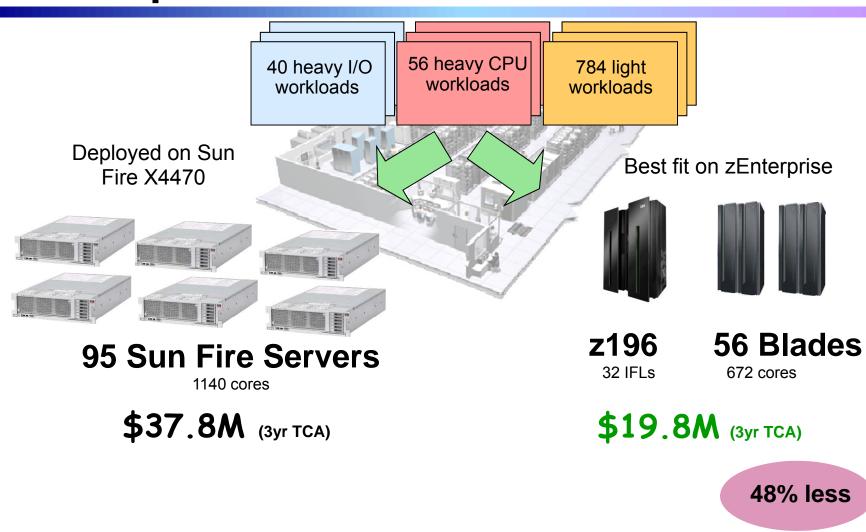


A Best Fit Assignment Of 880 Standalone Workloads On zEnterprise



Server configurations are based on consolidation ratios derived from IBM internal studies. Projected Sun Fire X4470 2.0GHz 2ch/16co from x3550 2.66GHz 2ch/12co measurements. Prices are in US currency, prices will vary by country

Standalone Workloads Cost 48% Less On zEnterprise

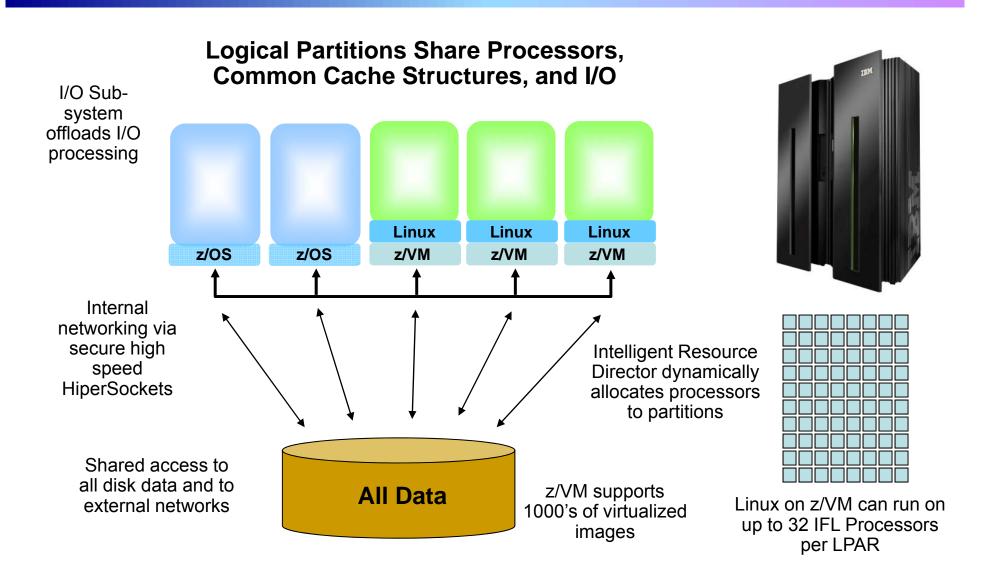


Server configurations are based on consolidation ratios derived from IBM internal studies. Projected Sun Fire X4470 2.0GHz 2ch/16co from x3550 2.66GHz 2ch/12co measurements. Prices are in US currency, prices will vary by country

A Deeper Look At Linux On z/VM Capabilities

- Cost benefit of Enterprise Linux Server Solution Edition pricing
 - Cost of IFL's
- Cost benefit of software pricing for IFL's
- Dedicated I/O Sub-system offloads I/O processing
- Greater I/O bandwidth
- Virtualization of I/O processing resources
- Superior Reliability, Serviceability, and Security
- Achieves lowest TCA for heavy I/O workloads

Linux On z/VM Is Designed For Efficient Virtualization And Consolidation



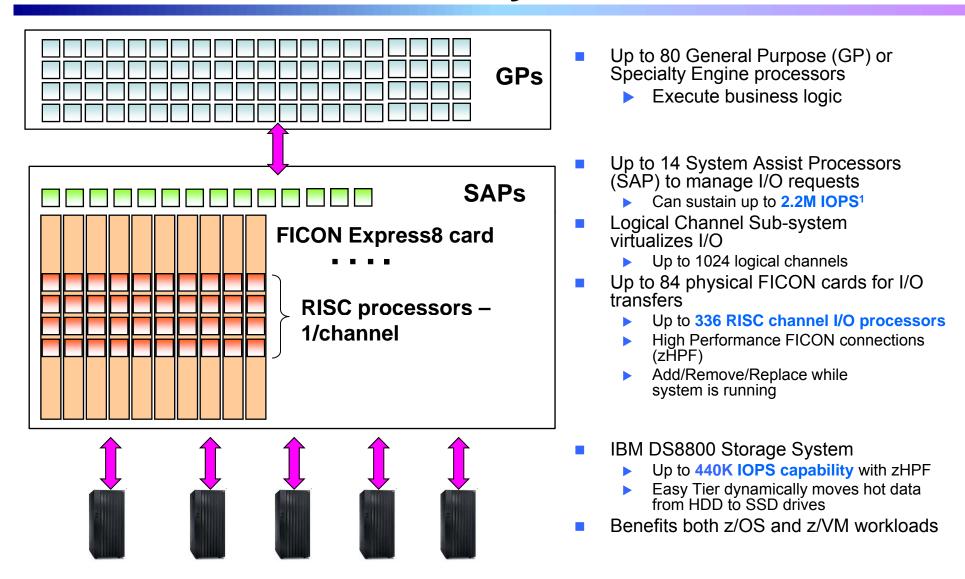
System z Solution Editions For Linux Offer Significant Cost Reductions

Special Package Prices

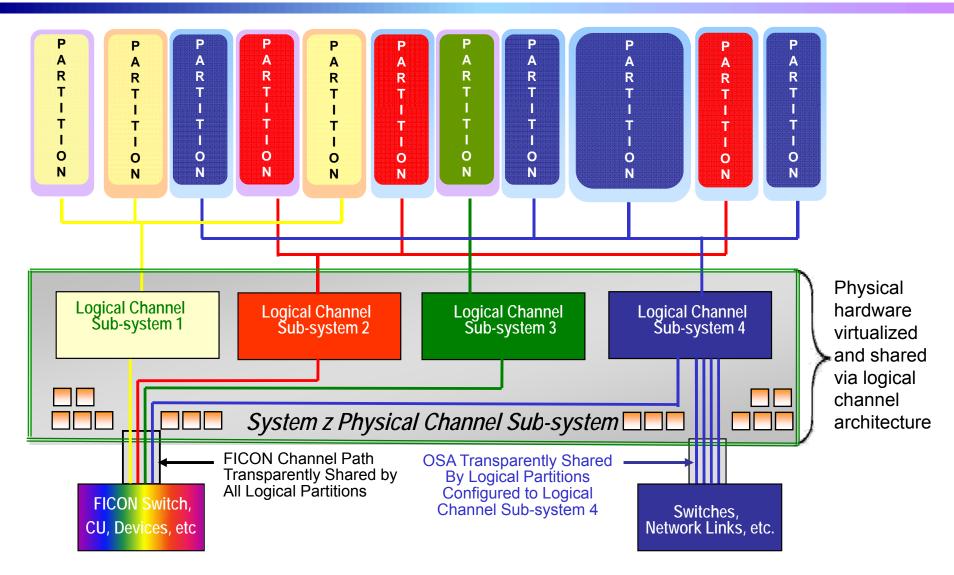
- System z Solution Edition for Enterprise Linux
 - Add Integrated Facility for Linux (IFL) processors, memory and z/VM to an existing mainframe
 - Hardware and software maintenance for three or five years
- Enterprise Linux Server
 - ► Standalone System zEnterprise server with IFLs, memory, I/O connectivity, and z/VM
 - Hardware and software maintenance for three or five years
- Linux on System z available from distribution partners



Linux On z/VM Benefits From High I/O Bandwidth Provided By z196



Linux On z/VM Benefits From Virtualized Logical Channel Sub System – Sharing And Failover



z/VM Security For Linux Workloads

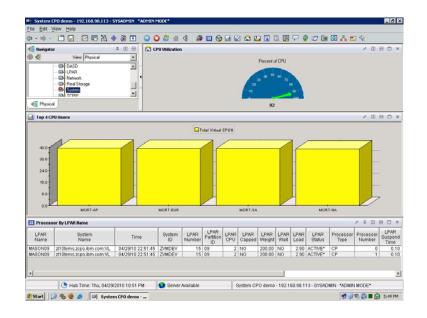
- Protects Linux virtual machines from each other
 - Operates without interference/harm from guest virtual machines
 - Virtual machines cannot circumvent system security features
 - z/VM certified at Common Criteria EAL4+
 - LPAR certified Common Criteria EAL5
- RACF Ensures that a user only has access to resources specifically permitted
 - Tracks who is accessing all system resources
- HiperSockets for highly secure internal networking
- Access to System z Crypto features
 - CPACF, CryptoExpress3

Linux On z/VM Workloads Inherit System z Qualities Of Service

- Reliability, availability, serviceability characteristics of System z
- Site failover for disaster recovery
- Capacity on demand upgrades
- Add physical processors to Linux environment without disruption

DEMO: Dynamically Add New Processor To z/VM LPAR To Handle Increased Workload

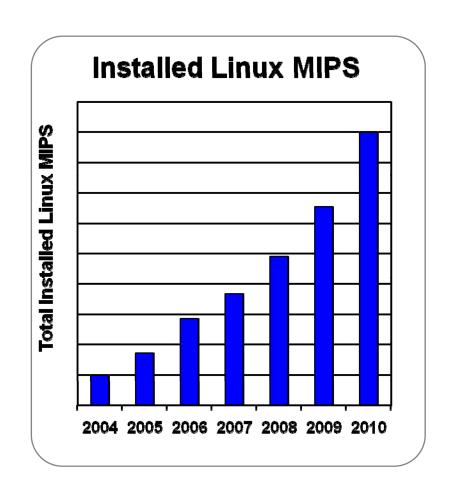
- A customer has in-house Risk Analysis program running on Linux on System z
- Increased workload to all 4 Linux guests is causing z/VM LPAR utilization of 90%+
- Customer determines this is a long term trend - additional physical capacity needed
- New capacity made available to LPAR as new Logical CPU, available for work
 - Without disruption in service



VMware can't recognize and take advantage of additional physical processors without bringing down and rebooting the system

Installed MIPS For Linux on z/VM Are Growing At 45% CAGR

- The momentum continues:
 - Shipped IFL MIPS increased 84% from YE08 to YE10
- Linux is 18% of the System z customer install base (MIPS)
- Over 80% of the top 100 System z clients are running Linux on the mainframe
- More than 3,100 applications available for Linux on System z

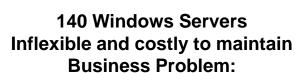


Blue Cross Blue Shield Of Minnesota Saves Up To 50% By Reducing Their Hardware Footprint



- Lead time for server provisioning reduced to 99%
- IT deploys new Linux Virtual Servers for test and dev within 20 mins
- Not a single incidence of unplanned downtime or underperformance







6 IFL processors for SUSE applications DB2 for z/OS

"We found that running a virtualized Linux environment on System z would be somewhere between 30 and 50 percent less expensive than a distributed architecture."

> — Ted Mansk, Director of Infrastructure Engineering and Databases at BCBSM

We've looked at hybrid and standalone workloads. Let's put it all together to see how much money zEnterprise can save!



Compare Server Hardware And Software Cost Of Acquisition

Deployed on Sun Fire X4470 + T3-1B Blades + DL380



95 Sun Fire

192 servers 2,684 cores

\$40.7M (3yr TCA)



95 T3-1B

1,520 cores



2 DL380

24 cores

Best fit on zEnterprise



z196 32 IFLs



109 Blades

1,096 cores

110 servers 1,128 cores

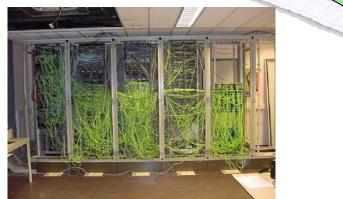
37% less

\$25.7M (3yr TCA)

Compare Network Cost Of Acquisition



Deployed on Sun Fire X4470 + T3-1B Blades + DL380



Additional network parts 23 switches 506 cables 420 adapters

949 total network parts

\$0.35M

Best fit on zEnterprise





Additional network parts

1 switch

10 cables

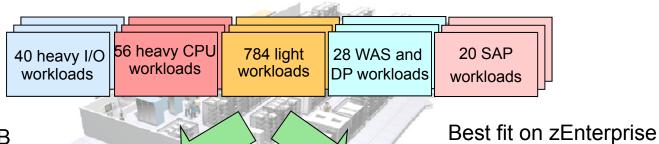
10 adapters

21 total network parts

87% less

\$0.03M

Compare Power Consumption



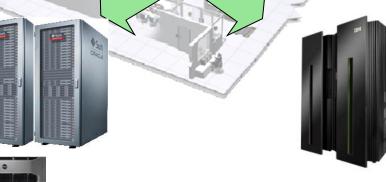
Deployed on Sun Fire X4470 + T3-1B Blades + DL380



192 servers **128.6 kW**

\$0.47M

3 years @ \$0.10 per kWh



110 servers **48.3 kW**

\$0.21M

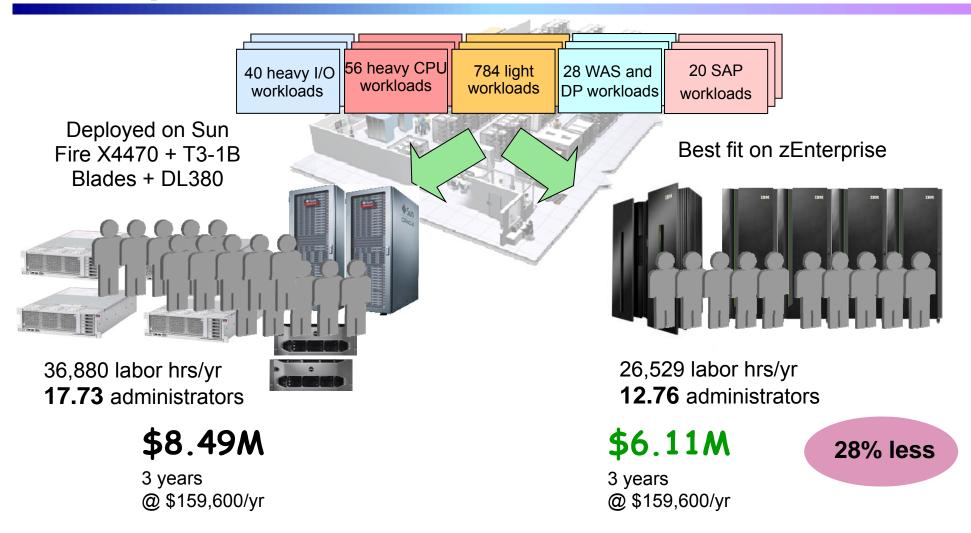
3 years

② \$0.10 per kWh

55% less

Server configurations are based on consolidation ratios derived from IBM internal studies. Prices are in US currency, prices will vary by country

Compare Server Infrastructure Labor Costs



Server configurations are based on consolidation ratios derived from IBM internal studies. Prices are in US currency, prices will vary by country

Compare Total Cost Of Ownership

