Competing in the Content Management Market

. . . IBM Content Management

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Comments

- Content Management – 500+ Competitors
  - Database – Oracle, Microsoft

- You can’t possibly know very much about all these competitors
  - and if you only think about the top few, the small guys will beat you

- So, what do you need to know to compete?

- Objectives of this session
  - Understand key differentiators
  - Know a few of the top key competitors and their weaker areas
  - Understand key sales strategies that work with any competitor

- Disclaimer
  - This information is based on the best information we have. Products change and announcements are made over time. In no way should you ever attempt to disparage a competitor’s product or capabilities. This information is for your use to help you consider what to present and demo to put IBM’s solution in the best possible light.
Agenda

- Background
- IBM Key Differentiators
- The Competitors
- Strategies to Compete against any competitor
Steps IBM Took to be More Competitive

2002
- Records Management
- DB2 Content Manager V8.1
- Workplace for Business Controls and Reporting
- Forms Integration

2003
- Web Content Mgm’t, Doc Mgm’t & forms
- DB2 Content Manager V8.2
- DB2 Content Manager Express Edition

2004
- Information Integration
- WebSphere Portal V5.1 Embeds DB2 Content Manager Runtime Edition (JCR)
- Records Manager V4.1.1 A Dynamic RM Infrastructure
- Touchless Records Management

2005
- Tactical Fixes
  - DB2 Content Manager V8.3
    - Enhance Doc Routing
    - Enable BPM
    - Extend Integration Capabilities
    - Seamless RM
  - DB2 Document Manager V8.3
    - Seamless RM
    - Extending Native Language Support
  - DB2 CommonStore V8.3
    - Full-Text Search
    - Seamless RM
  - Workplace Web Content Management V2.5
    - Leveraging DB2 Content Manager WebSphere Portal Framework
Instability in ECM Market - Who do you want to buy from?

<table>
<thead>
<tr>
<th>Year</th>
<th>Acquirer → Target Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>Eastman Software → Wang Software</td>
</tr>
<tr>
<td>1997</td>
<td>iManage → FrontOffice</td>
</tr>
<tr>
<td>1999</td>
<td>Hummingbird → PC DOCS, EDUCOM</td>
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<tr>
<td>2001</td>
<td>Microsoft → NCompass Labs</td>
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<tr>
<td>2001-04</td>
<td>Documentum → Box Car, eRoom, BullDog, TrueArc, AskOnce</td>
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<tr>
<td>2002-03</td>
<td>IBM → Tarian, Aptrix, Green Pastures, Venetica</td>
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<tr>
<td>2001-04</td>
<td>eiStream → Eastman Software, Viewstar, Keyfile, Identitech (BPM)</td>
</tr>
<tr>
<td>1999-2004</td>
<td>Stellent → InfoAccess, INSO, Kinecta, Ancept, Optika</td>
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<tr>
<td>2003</td>
<td>Interwoven → iManage</td>
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<tr>
<td>2003</td>
<td>EMC → Legato, Documentum</td>
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<tr>
<td>2003</td>
<td>Open Text → Gauss, IXOS</td>
</tr>
<tr>
<td>2003/04</td>
<td>Vignette → Epicentric Intraspect, TOWER Tech</td>
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<tr>
<td>2004</td>
<td>HP → Persist</td>
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<tr>
<td>2004</td>
<td>Mobius → eManage</td>
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Next 3 to 5 years: Many more to come …
Who will Own the Content Management Market?

"IBM is the only powerhouse vendor that has a significant leadership position in ECM.

Its ECM product suite — a comprehensive and integrated solution for a business to build out its content infrastructure — is anchored by its DB2 Content Manager (instrumental for archival and fixed content applications), but has all the key ECM elements, including DB2 Records Manager for records management, DB2 Information Integrator for Content and Lotus External Search for collaboration.

IBM's WebSphere platform adds a distinct advantage to the product suite by enabling it to offer businesses an application infrastructure."

Gartner Publication Date: 10 May 2005 - ID Number: G00124410
IBM Differentiators

Differentiators only matter if the customer sees the value!
Key Differentiator - Content Breadth

- **What do we mean?**
  - We handle a broader breadth of formats than many companies
  - Imaging, Compound Document Management, Enterprise Report Management, Streaming Video and Audio, high volume e-mail archival, e-forms, all with records management controls

- **Who cares?**
  - Companies who want to link business transactions to virtual folders that contain every possible type of supporting business content

- **Our competition**
  - FileNet ignores streaming Video and Audio – as do most firms.
  - FileNet has weak support for Enterprise Report Management (ERM)
  - Documentum uses 3rd party ERM
  - Oracle does not have Compound Document Management, ERM or streaming Video and Audio

- **You must**
  - Create the vision of a need for a virtual folder with all supporting content types in order to set the bar higher and avoid niche competitors
Key Differentiator - Platform Support

- **What do you mean?**
  - IBM supports iSeries, Windows, AIX, z/OS, Linux, Sun, and HP (OnDemand only)

- **Who cares?**
  - Companies who already prefer a specific platform, like iSeries or zOS, or Linux
  - Large companies who commonly acquire others, like platform breadth

- **Our competition**
  - No other company supports z/OS to the extent we do
  - Most do not support iSeries
  - Many do not support Linux yet

- **You must**
  - Find out the customer’s bias or preference
  - Help the customer understand the value of a variety of platforms for flexibility or sticking to a single platform such as iSeries to leverage their skill set
Key Differentiator - Scalability

- **What do you mean?**
  - Vertical scalability from PC to mainframe
  - Horizontal scalability via multiple resource managers or federation
  - Proven scalability such as ViewPointe Archive Services
    - 40 million retrievals per month, 60 billion items stored
    - 36 million objects stored per day with a single system

- **Who cares?**
  - Only companies who are growing through organic or merger / acquisition type activity – not small firms

- **Our Competition**
  - Many smaller competitors are Windows only
  - Some actually change products as they go from one platform to another – e.g. eiStream

- **You must**
  - Find out the customer’s volumes, need for growth or acquisition history
  - Help the customer understand the value of our scalability
Key Differentiator – Flexibility of Deployment

- What do we mean?
  - Architecture separates metadata (Library Server) from objects (Resource Manager)
    - Platforms can be mixed or matched – i.e. z/OS library server with resource manager on z/OS or Linux, or Sun or AIX or any combination
    - Any storage hierarchy can be connected to any resource manager local or remote

- Who cares?
  - Companies with a variety of platforms or who merge, acquire
  - Companies who want a distributed environment – such as smaller systems in branches and larger systems in the corporate datacenter

- Our competition
  - Some of course only support Windows
  - Many don’t support z/OS

- You must
  - Help the customer to realize the value of a distributed environment with potentially mixed systems platforms
Key Differentiator – Storage Management

What do we mean?

- Hierarchical Storage Management based on Tivoli Storage Manager technology – 25,000+ companies
- Far more multi-vendor device support for optical, tape and magnetic than any other firm and completely flexible migration
- Open architected for compliance device support vs proprietary approaches that lock you in – e.g. Centera from EMC
- TSM as a direct archive repository for CommonStore – nobody else does this.

Who cares?

- Companies who realize that Content is BIG / Huge, and having a highly functional tightly integrated HSM system is critical
- Companies who understand that IBM’s open support for devices means they have more choice and therefore may be able to reduce costs via competition

Our Competition

- Many use Centera – a proprietary lock-in solution
- FileNET has mix. Some proprietary and some 3rd party
- Documentum has no HSM within its solution – can use Centera
- No other competitor can store direct to TSM – e-mail archive or SAP archive

You must

- Help companies understand the value of open & tightly integrated HSM
Key Differentiator – Information Integration

- **What do we mean?**
  - II-Content Edition allows single search across a set of IBM and other repositories – Documentum, FileNet, OpenText, Stellent, Hummingbird, Interwoven, iXOS and more.
  - Includes read and write capability
  - Federated Records Management – allows Records Management across any connected repository

- **Who cares?**
  - Customers who have more than one repository – there are lots of them
  - Customers who want a single consistent Records Management approach

- **Our competition**
  - FileNet OEMs part of our code but is still working on the RM aspects – limits integration to within the P8 interface. OpenText also OEMs connectors from us.
  - Documentum uses Enterprise Content Integration Services (ECI Services) – read only and very limited repositories.
  - Most others – no solution

- **You must**
  - Help customers understand the need for Federated Records Mgmt
  - Instill a need for the full value of Read and Write
Key Differentiator – IBM Packaging and Support

- What do we mean?
  - DB2 Database, Web Application Server, and Hierarchical Storage Management bundled at no additional charge
  - CM Express Option – Lower cost Content Manager option

- Who cares?
  - SMB customers because it is all together, tested and supported by one company, with potentially lower costs because of packaging
  - Large customers – integration testing improves availability, reduces risk and support costs

- Our competition
  - Only Oracle and Microsoft can claim they also own the database
  - Only Microsoft can also claim they own a web application server
  - Only IBM provides the database at no charge

- You must
  - Ensure the customer understands the value of IBM and its support – these are complex solutions and this is where IBM shines best
The Competitors

. . . just a few

DB2 Information Management Software
Competitors - Key Names to Know

- Oracle
- EMC – Documentum
- FileNet
- Microsoft
Oracle

- Oracle announced Tsunami – basic document management in January 2005

- What do we do that they don’t do?
  - IBM has 12,000+ customers already
  - Production document imaging at thousands for doing heads down work
  - Enterprise report management – with AFP, PDF and Xerox
  - Information integration across repositories
  - Automated high volume e-mail mailbox management and compliance solutions
  - Seamless certified integration with SAP and Siebel
  - Tight integration with engineering applications such as AutoCad
  - Integrated Hierarchical Storage Management
  - Packaged with Web Application Server
  - Tight streaming video and audio integration
  - Federated Records Management
EMC Documentum

- Built a strong reputation based on complex document management, pharmaceutical and industrial process document management with document publishing on the web.

- What does IBM do that they don’t
  - ERM is far more scalable and richer in function – we are really good in this area
  - Far more document imaging and work management references
  - Bundling of database and web application server
  - Better client function for general purpose case management and workflow
  - Better reputation in the Digital Media space
  - Better information integration for overall content solution
  - Document Manager (100% Web client) is more easily customized without writing code
  - Better hierarchical storage management with TSM vs EMC proprietary approach
  - Our Records Manager is integrated with our e-mail archive, EMC Legatto is not
  - IBM announced support at AIIM 2005 for JSR-170 – open standard for repository access – Documentum, while a committee member, has not announced support
  - The ability to perform authorized read and writes when content is being accessed in other federated repositories
FileNet

- Built a strong reputation based on document imaging and workflow

- What does IBM do that they don’t
  - ERM is far more scalable and richer in function – we are really good in this area
  - Bundling of database and web application server
  - We do digital media applications; they don’t think this is important
  - Our data model is much richer in function – example: FileNet’s Imaging Server (still an add-on to their new P8, can only have a single attribute to define a folder, no versioning,
  - Better hierarchical storage management across the portfolio with TSM
  - Our pricing is much less. We have authorized user pricing, they have concurrent. They position themselves as the high end solution with associated pricing.
  - Maintenance based on list versus discounted pricing – for installations not on P8 (their latest code) – a replacement with IBM CM can be done just based on maintenance costs
Microsoft

- Approaches market from departmental angle with pure office document management – typically not head to head competitor on ECM solutions

- What does IBM do that they don’t
  - We have an ERM solution
  - We have high end document imaging capabilities
  - We have comprehensive compound document management support
  - We have an information integration strategy
  - We have hierarchical storage management
  - We have the ability to run on processors other than PC
  - We have enterprise scalability
  - We have integrated Records Management
Strategies to Compete Against any Competitor

DB2 Information Management Software

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Competitive Strategies

- Understand the customer’s business and application
- Build a relationship with the customer
- Create a vision around a set of capabilities that fits IBM’s strengths
- Help the customer create their own ROI
Understand the customer’s business and application

- Probably the single most important thing you can do
- Conduct a “Walkthrough” at the customer and gather information specific to their process
- When you present
  - Show knowledge of current situation and issues
  - Only present relevant capabilities
  - All benefits should be quotes from customer personnel
- When you demo
  - Use their documents, their work processes, their terminology
  - Only demo capabilities that are important and relevant to them

Resource: “How to Conduct a Content Management Walkthrough”
Build a relationship with the customer

- Sounds too basic to even be said – but yet frequently we only answer RFPs and have arms length relationships
- Understanding the business (previous slide) is best way to build the relationship
  - Requires time with the customer
  - Builds credibility
  - Shows that you care
- Most times there are multiple vendors that can solve the customer’s problems – you need an edge
Create a vision that fits IBM’s strengths

- Selling a single point solution to a single problem – 500 competitors
- Selling a vision of a virtual folder with all content supporting a business transaction
  - Full breadth of content; images, docs, e-mail, audio, video, e-forms
  - Accessed with ease by a user, from one repository or many
  - Stored into an open HSM system
  - With records management controls
  - On a wide breadth of platforms
  - With great WebSphere Portal support
  - Supported by the IBM company
Help the customer create their own ROI

- Over the past 5 years, the number one issue that analysts in our field say that we fail at is helping customers with a Return on Investment.

- The ROINow! tool from CIOview is licensed to IBM
  - Includes hundreds of data points on costs and benefits
    - Helps you to capture costs / benefits
  - Presents results for executive decision
  - Enables “What-if” type analysis with instant response
  - Produces 30+ page report

- Obtaining the tool for a specific opportunity
  - Business partners contact Gordon Sears at gsears@us.ibm.com
  - IBMers contact Tim Robertson in the UK
Summary

- #1 most important – Follow the competitive sales strategy
- Leveraging the major IBM differentiators can help you, in general, against any competitor
- Use these resources
  - ROINow! tool
  - Presentation on “How to Conduct a Content Management Walkthrough”
  - Presentation – “Best Practices for Content Management Selling”

The above presentations are posted on the Avnet Channel Connection under Software Sales Tools
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