Written by Bob Snyder 17 February 2011

With 32 quarters of year-to-year growth, IBM under CEO Sam Palmisano has known success. But Palmisano's message at

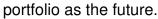
## **IBM PartnerWorld Leadership Conference**

is clear: "Success is perishable. You won't exist in 2015 if you don't start investing in innovation now."

Palmisano explained to 1300+ attendees that IBM's current success rests upon strategic decisions he made as far back as 2002. Then Palmisano says IBM faced three macro changes: shifts in world markets (re-balancing of the global economy), the commoditization of the PC, and the shift to services and integration.

Palmisano calls getting out of the PC business "the easiest decision he ever took." But at the time, press called his Lenovo deal a sweetheart deal for the Chinese.

Today IBM wants its partners to invest in skills, to focus on customer outcomes and to develop leadership infrastructure capabilities. IBM says partners should "embrace" the IBM software





With that in mind, IBM launches the IBM Cloud Computing Specialty to better enable five types of cloud channel partners:

## IBM Warns Partners: Success is Perishable

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- 1. **Cloud Application Providers** who deliver business apps via a subscription model through the cloud or Software as a Service.
- 2. **Cloud Builders** who design, build and manage clients' cloud needs, (integrating with existing infrastructure and public, private and hybrid clouds).
- 3. **Cloud Infrastructure Providers** who provide a public cloud infrastructure or PaaS so providers and companies can host offerings.
- 4. Cloud Services Solution Providers who resell multiple public cloud services (and offer complementary services such as training and integration).
- 5. **Cloud Technology Providers** who provide cloud tools, services, and technologies (e.g, cloud management, billing metering and monitoring)

The company also introduced its **first IBM Cloud Computing Authorization** as an extension of the IBM Software Value Plus program.

IBM won't be the only vendor this year to launch a range of go-to-market cloud partner programs. But remember that old FUD dictum: No one ever got fired buying IBM. We don't really hear that any more but oddly enough it would still seem to be true after the last 32 business guarters.

You could do a lot worse than watching IBM closely. IBM builds markets. Now IBM is focused on: growth in emerging regions, analytics (sensors, tags etc), cloud computing and Smarter Planet. That seems right: the world is becoming instrumented, interconnected and intelligent...and we in the channel have to lead, follow or get out of the way.

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