

System z

UPGRADE MYTHS

FROM THE DATA CENTER

IBM
7

Common Misconceptions that
Shouldn't Stand Between You
and a New IBM System z

System z10

PSR



System z

UPGRADE MYTHS

FROM THE DATA CENTER

What keeps you from moving your data center forward to new IBM System z technology? The fear of an endless upgrade engagement? Rumors of supposedly less-expensive platforms? Stories of cost overruns and nasty technical problems that can bust your budget and paralyze your business?

Every day at PSR we talk to data center managers who have put off CPU upgrades because they're convinced these and other bad things are par for the course. And every day we convince them that, with the right partner and the right approach, an upgrade isn't something to avoid—it's a manageable, risk-free opportunity to maximize the return on their mainframe dollar.

Read on to see what we mean.

"A CPU upgrade means a higher monthly payment. And that's something I can't justify to management."

Reality: In many cases, it means exactly the opposite. The truth is that the longer you've stayed with your older hardware, the more likely it is that you're paying outdated, higher software rates—and throwing away money on older technology. How can you be sure? With an IBM System z partner, like PSR, who takes a comprehensive view of your data center—a partner who looks beyond simple hardware costs to take into account fluctuating software rates, available IBM discounts and promotions, your changing capacity needs, and more.

By taking this approach, PSR has helped many data centers move to the latest System z technology for the same monthly hardware and software maintenance payments they were making before—sometimes less. We wouldn't be surprised if we could do the same for you.



2 UPGRADE MYTH

“If we upgrade we’ll have to pay for MIPS we don’t need now, just because we may need them later.”

Reality: *In fact, now you can pay only for the MIPS you use, regardless of your new CPU’s capacity.* Today IBM offers subcapacity pricing on its System z systems—you pay only for the capacity you use, so you can grow into your system cost-effectively, at your own pace. Of course, IBM also offers periodic promotions and discounts that may let you purchase as many MIPS as you’ll ever need. What you need is a System z partner who can help you research both options and pick the best arrangement for you.

Actually, IBM has offered subcapacity pricing on System z for years. Is this the first you’ve heard of it? You’re not alone—many System z partners never propose it to their customers. At PSR it’s just one of the many pricing options we explore to be sure we’re giving you the best possible deal on a System z purchase or upgrade.



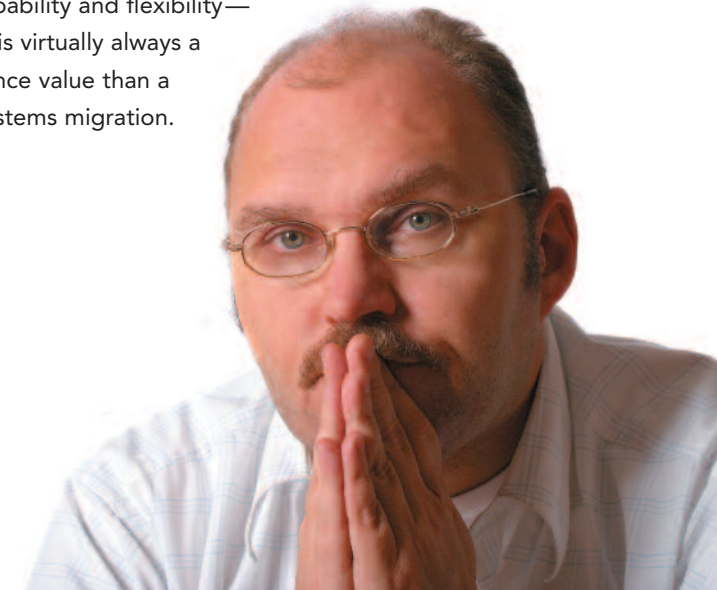
3 UPGRADE MYTH

“I can save money by moving my legacy applications off the mainframe.”

Reality: *The case for mainframe-to-open systems migration is counterintuitive—and rarely stands up to thorough cost-benefit analysis.*

At a time when most open-systems shops are desperate to consolidate servers, it’s truly surprising that some mainframe shops are tempted to dissipate capacity across scores or even hundreds of less-powerful boxes. One explanation is that these shops dramatically underestimate the cost of the added management complexity and wasted computing capacity that result from a mainframe-to-open systems migration. Another is that they don’t factor in the expense of continuing to operate their mainframe during the months—or years—it takes to make the switch.

In the meantime, IBM continues to reduce mainframe total cost of ownership, or TCO. Starting with the MP2000 each new processor has introduced double-digit TCO reductions; a new IBM System z promises the greatest reductions yet. Given this trend—and the mainframe’s continued superior capability and flexibility—a mainframe upgrade is virtually always a better price/performance value than a mainframe-to-open systems migration.



4 UPGRADE MYTH

“There’s no such thing as a CPU upgrade without long hours, corporate trauma and unplanned downtime.”

Reality: There is such a thing—it’s called PSR ServerAssure. If you’ve read this far, you’re probably starting to understand that PSR approaches CPU upgrades differently from other System z partners. But the biggest difference we offer, by far, is our patented PSR ServerAssure process—a process by which we install, configure, and let you thoroughly test your new System z at our site, before we install it in your data center.

Here’s how ServerAssure works: PSR takes delivery of your new hardware at our data center, where we restore your system to it—OS, applications, connections, everything. We do our own testing, to make sure the system is functioning properly. And then we let you perform acceptance testing yourself—either by visiting us at our site, or by running your tests remotely from your location, over a secure Internet connection. You can even train your staff on the hardware remotely, if you like. The results:

No nasty surprises. With ServerAssure, together we work out all the kinks and solve all the problems before we install your new CPU. You can be confident that all OS maintenance and all your third-party software keys have been applied. Your system is ready to run, and run right, the moment you switch it on.

No unplanned downtime. The 1980s are long gone: Today your customers won’t tolerate downtime, and neither should you. And with ServerAssure you don’t have to: You’re down only for the time it takes to physically connect your new CPU and turn it on—as little as 45 minutes.

No traumatic, lengthy onsite engagement. Because your new CPU arrives ready to run, in most cases we can complete the cutover in a few hours. (We’re on site for your cutover, and to train your operators if needed.)

No paying for hardware you’re testing, not using. With other partners, billing for your new System z begins the moment it arrives at your site, even though it might take weeks or months to test it and put it in production. With PSR all the testing takes place at our site—you start paying only when we deliver it to your data center, ready to use.

What’s the best thing about PSR ServerAssure? It’s included with every new System z we sell and install. It’s not a special service. It’s the way we do business.



5 UPGRADE MYTH

"I'm in an existing lease, so it doesn't make financial sense to terminate it so I can upgrade."

Reality: You may be able to terminate your existing lease, move to new technology, and still save money or get more MIPS. The only way to know for sure is with PSR's comprehensive upgrade analysis—a detailed assessment of your data center and your account that compares your current costs with the best hardware rates, software rates and lease terms available on new hardware and software. You may not be able to upgrade immediately, but chances are good there's a date at which you can terminate your lease before its end, move to new technology, and actually reduce your monthly payments.



6 UPGRADE MYTH

"You can't bank on an upgrade proposal. There are always hidden or unforeseen costs."

Reality: If the estimate is thorough, there should be no surprises. How can you tell if a proposal from your System z partner is thorough? For starters, it should run longer than two pages—a lot longer. It should lay out the details—technical and financial—of your new hardware configuration, your new software, your new software rates and terms, your financing terms, the discounts applied, the follow-up services you'll receive, and your monthly and annual charges. Anything less isn't a proposal; it's a price tag. When you receive a System z upgrade proposal from PSR, you're getting a complete technical and financial blueprint for your upgrade. And you'll know exactly what that upgrade will cost—unless we can find a way to make it cost less.



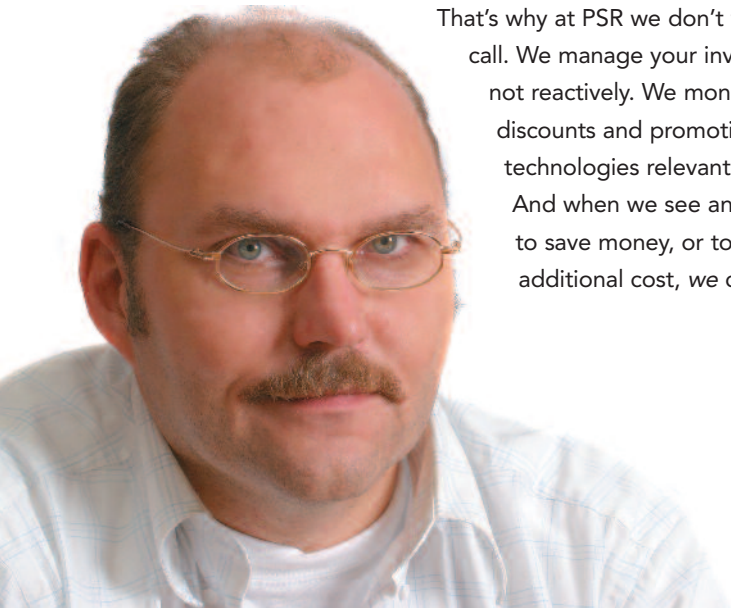
7 UPGRADE MYTH

*"I've been dealing with IBM for years—
I know when to call for pricing on a
new mainframe."*

Reality: Your System z partner has access to more technical and financial information than you do—and should call you when an upgrade works to your advantage. Granted, you know your data center and the terms of your current mainframe contract like the back of your hand. But only your IBM System z partner has access to up-to-date information about IBM discounts, special promotions, changing software rates, and emerging technologies—particularly as they pertain to your data center, and to your current and projected usage levels.

All of which means two things. First, without your partner's input, you can't reliably determine when an upgrade makes sound financial or strategic sense. And second, if your partner waits for you to call and ask about an upgrade, you may have already missed opportunities to save money, to get more capacity for your money, or both.

That's why at PSR we don't wait for your call. We manage your inventory proactively, not reactively. We monitor, constantly, all discounts and promotions and rates and technologies relevant to your data center. And when we see an opportunity for you to save money, or to upgrade without additional cost, we call you.



The PSR Reality:

**A trouble-free, cost-effective System z upgrade.
And a better way of doing business.**

At PSR our unique approach to IBM System z sales and service—honed over 25 years at hundreds of customer sites—eliminates the risks, the disruption, and the needlessly high cost of System z upgrades. When you upgrade with PSR you get a comprehensive proposal, and a firm quote that you can take to management with confidence. You get a rapid, trouble-free implementation, thanks to our exclusive ServerAssure process. And you can count on always getting the best value for your mainframe dollar—because we constantly audit your account for opportunities to apply discounts, promotions, and new technologies that can save you money.

Call PSR today to learn just how easy it can be to move your data center to the latest System z technology. See for yourself how we bust the System z upgrade myths—and why our customers routinely call their PSR upgrade engagements the smoothest and smartest of their careers.

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