



Viking NonStop User Group Event

September 6-7, 2006

SOA = Business critical!

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Agenda

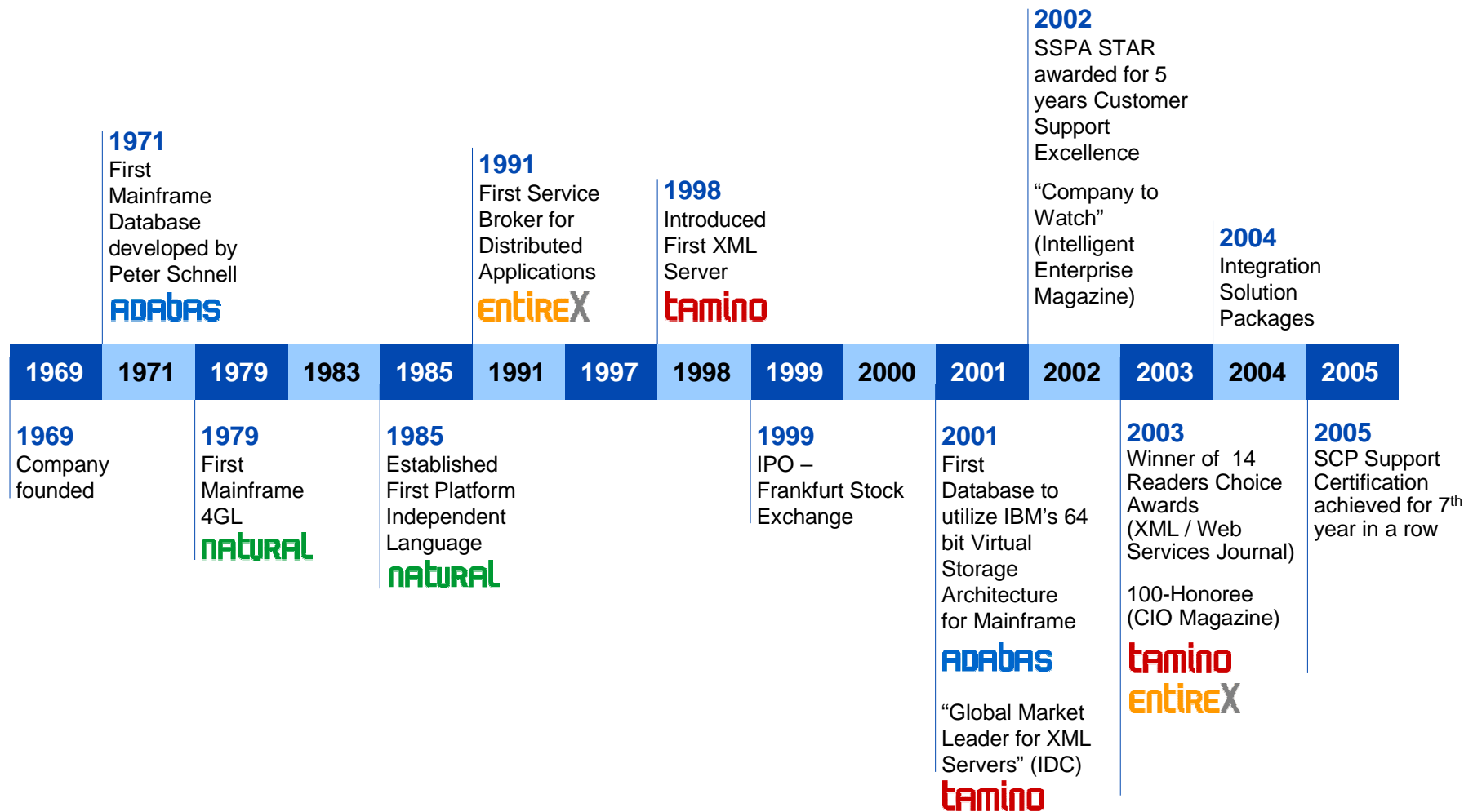
- n Software AG – a short company presentation
- n IT as a tool for business development
- n Examples of real business value

Software AG – in short

- n Founded in 1969 in Darmstadt, Tyskland
- n 100% software business
 - u Enterprise Transaction Systems
 - u XML Business Integration Suite
- n Europe's largest producer of system software and among world leading
- n Worldwide company
 - u 2.600+ employees
 - u 30 daughter companies
 - u Represented in 59 countries
- n 3.500+ customers with mission-critical systems
- n Primary customers are large organisations within private and public sectors
- n Listed on TecDAX index in Frankfurt
- n 2004: Revenue €411 mio. (3,08 mia. DKK)
- n 2005: Continued growth in revenue and margin

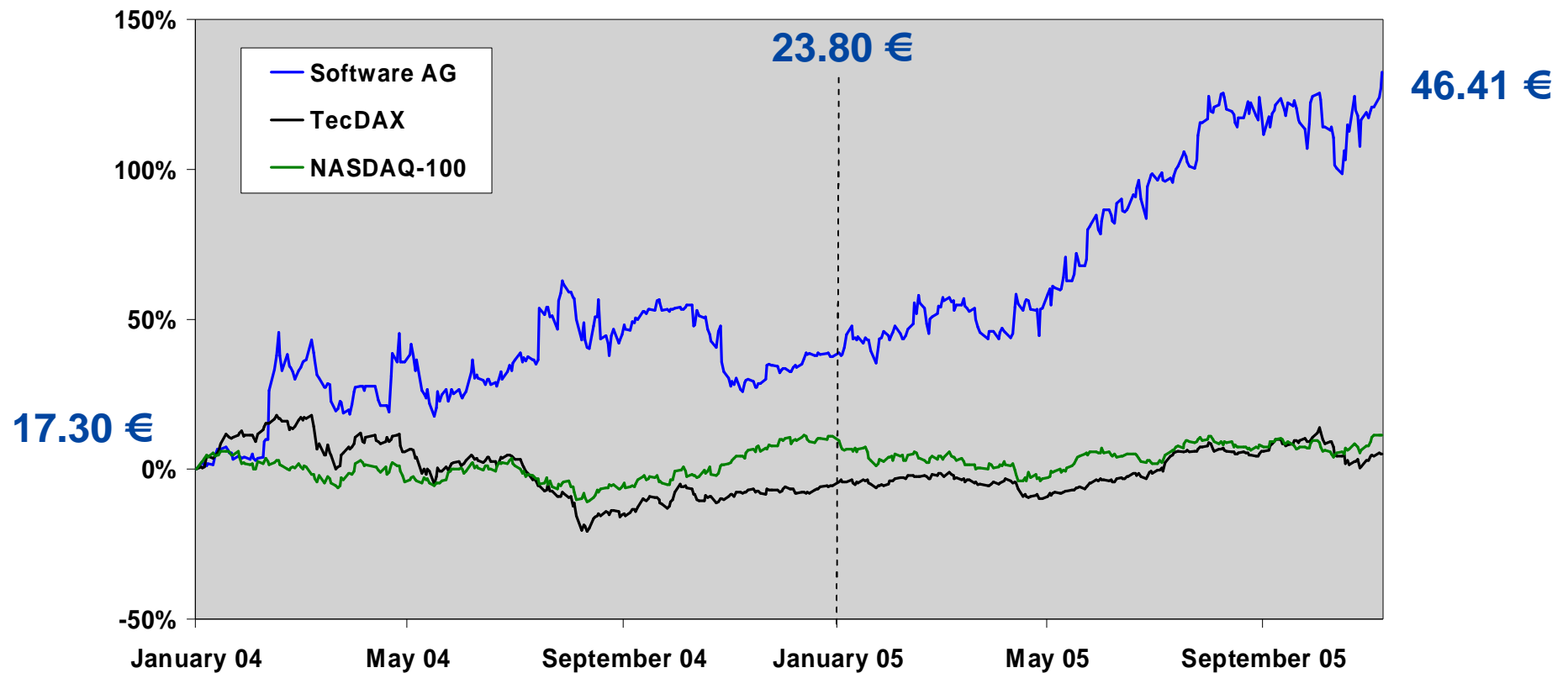


36 Years Heritage of Technology Leadership



Software AG Outperformer

Key Growth Drivers:
Product Innovation, Globalization, Customer-focused Strategy



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Challenges

Business

Lack of process transparency
Lack of customer satisfaction
Lack of resource efficiency

Late time to market
Lack of service level commitment

Overcome gap – how?

Non-Integrated
IT Systems
Need to support business
processes

Handle continuous and
sometimes unpredictable change
Replacement
Costs too High
Do more with less

IT

Business Needs

Business

Single View
of Information on Products
and Customers

Business Process
Automation
and Integration

Integration, Collaboration, Speed, Change
and Cost Optimization

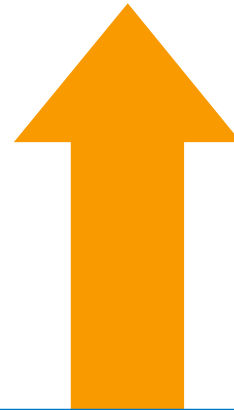
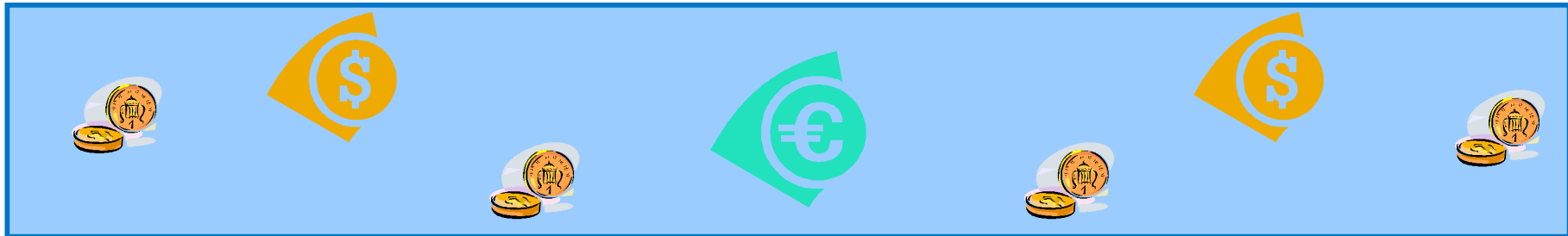


Flexibility and re-usability

Modernization Instead of
Replacement

IT

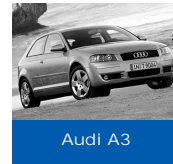
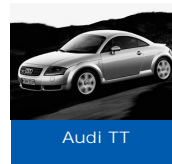
Market value



Re-use and create
market value – how?

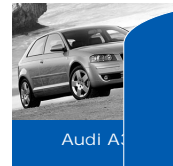
Components = Potential competitive strength

Learning from mature industries



∅ How to get from one model ...
... to a whole product family?

Learning from mature industries



STEP 2: INCREASE AGILITY
Leverage the platform to introduce new models quickly and at low cost

STEP 1: STANDARDIZE ALL COMPONENTS
Enable all parts to participate in a platform strategy



| Components | Engine | Chassis / Carriage | Interior | Electronics | Overall Vehicle |
|------------|--------|--------------------|----------|-------------|-----------------|
|------------|--------|--------------------|----------|-------------|-----------------|

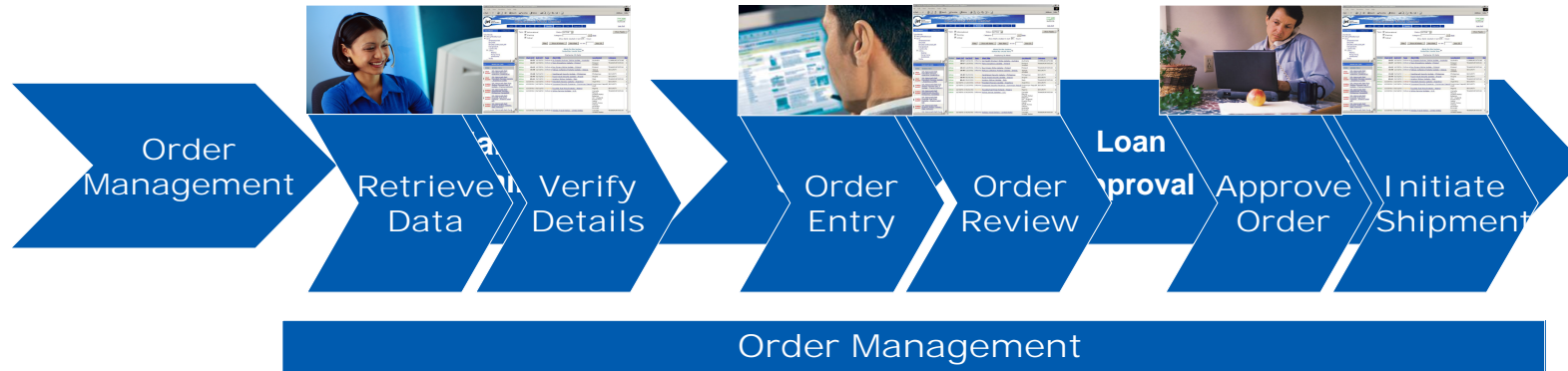
| | | | | | |
|----------------|-------------------|-----------|---------|--------------|--|
| Model | Engine Components | | | | |
| Front Mounts | Engine Design | | | | |
| Floor | Gearbox | | | | |
| Hatches | Actuators | | | | |
| Door Shell | Bearings | Wheels | Heating | Audio System | |
| Door Mechanism | Air-conditioning | Handbrake | Seats | Illumination | |
| Chassis | Engine Cooling | Steering | | | |
| Roof System | Coolant | | | | |
| Exterior Trim | Injector Manifold | | | | |

STEP 3: ACHIEVE BUSINESS EXCELLENCE
Manage and optimize the whole value chain

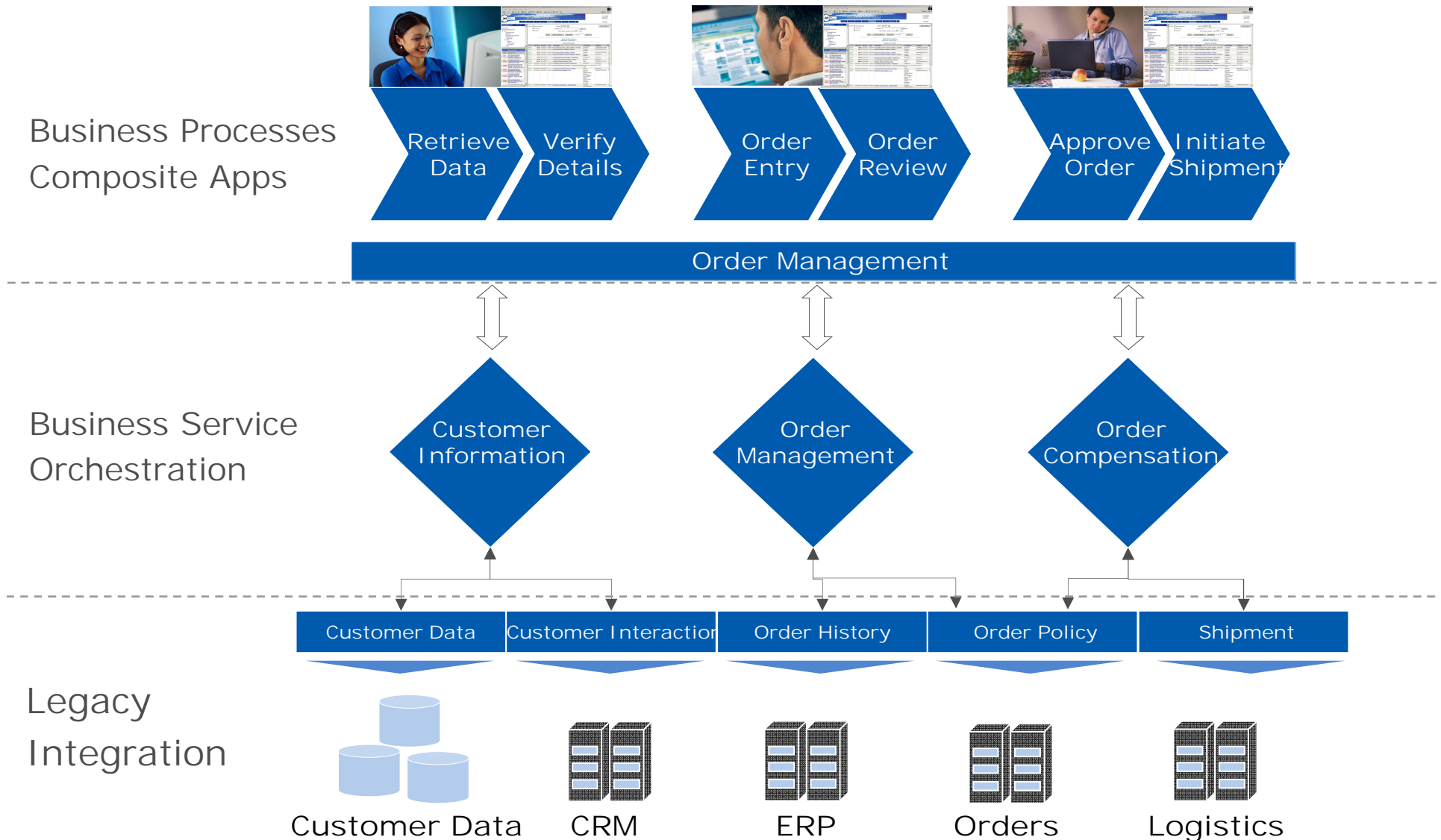
Translating the concept into SOA



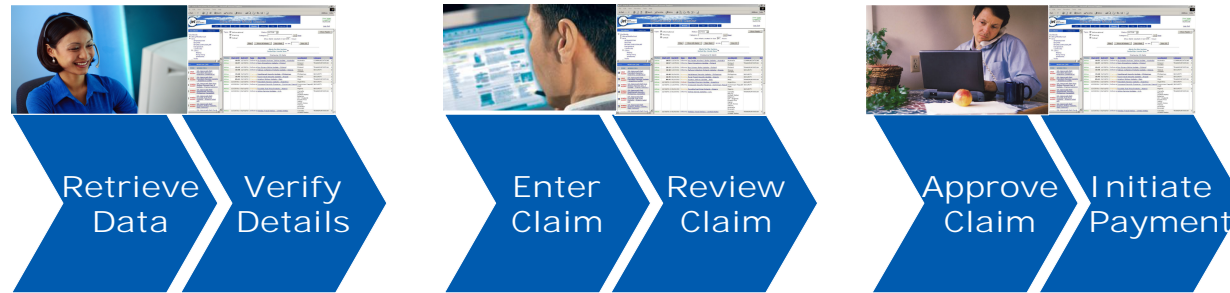
Translating the concept into SOA



Translating the concept into SOA



SOA Management and Governance



Your benefits

Evolution instead of Revolution

- n Integrate all IT assets based on the value they add
- n From Rip & Replace to Leverage, Extend and Innovate
- n From silos to an enterprise-wide architecture

Automated Processes

- n Automated business processes bring business transparency
- n Agility to adopt to changing market requirements
- n Across departments, partners and customers



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Transform

"New company"

- Smart outsourcing
- BPM
- Services on the net
- Etc...

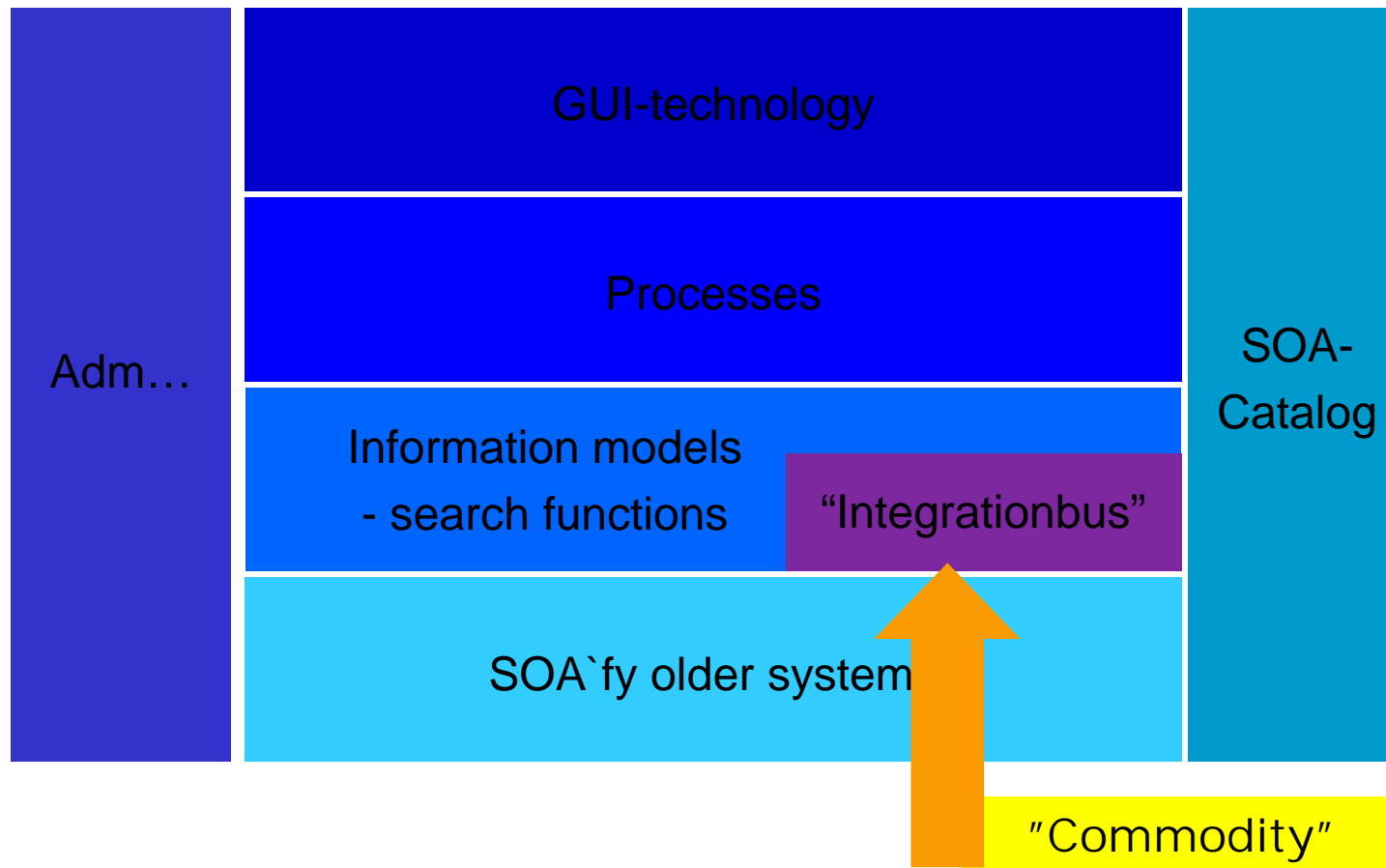
How can you transform?



"Old company"

- A lot of employees
- Old systems
- Silos
- Etc...

Second generation SOA



crossvision



CentraSite

Manage and govern the lifecycle of your enterprise wide service landscape.

crossvision application composer

Rapidly compose new business applications out of existing systems.

crossvision business process manager

Coordinate the flow of enterprise wide business processes.

crossvision information integrator

Combine data from different systems into a single user-friendly view.

crossvision service orchestrator

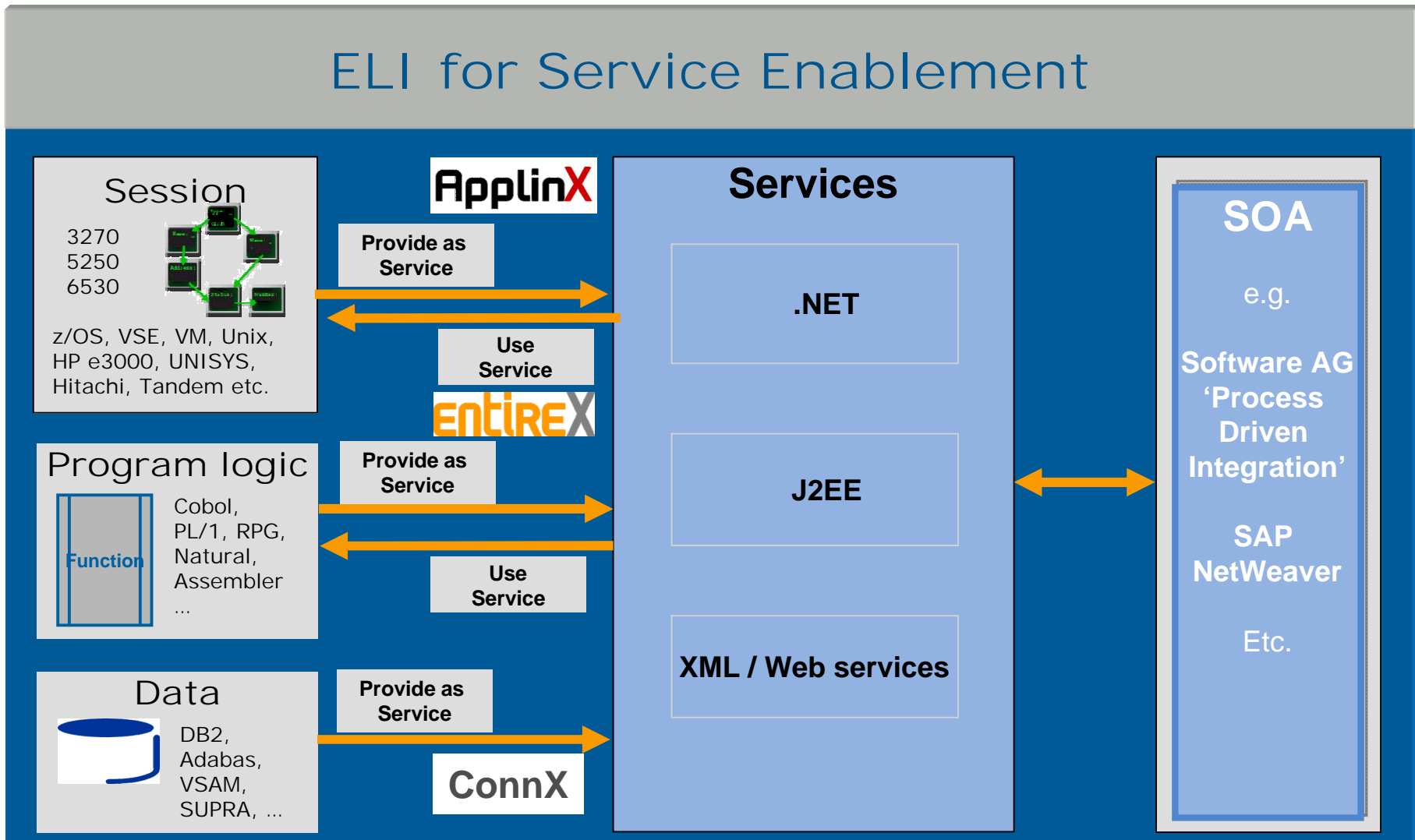
Compose and orchestrate high value business services.

crossvision legacy integrator

Create new services and value from existing systems without rip and replace.

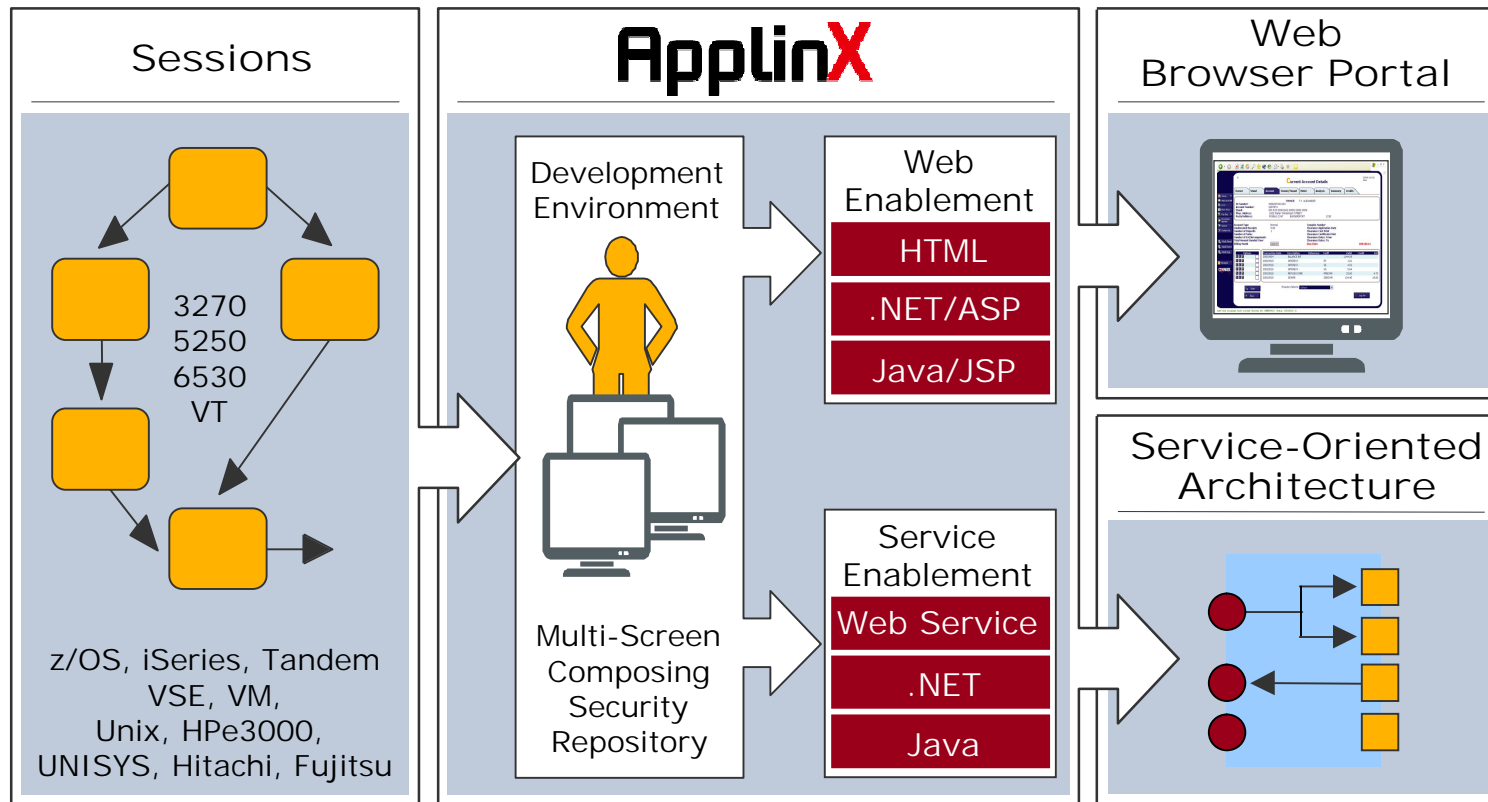
Service Enablement for SOA

ELI for Service Enablement

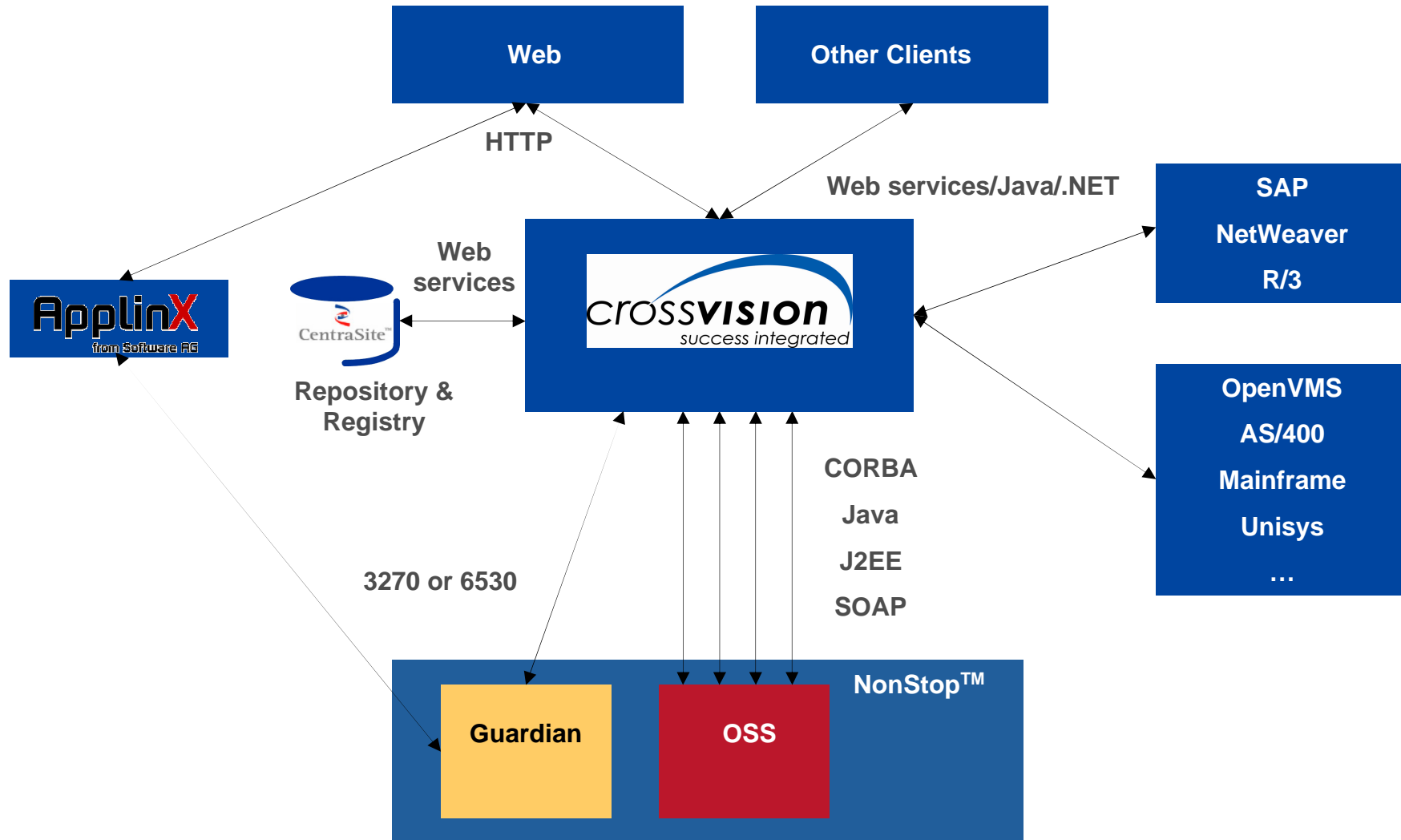


Low Risk Approach to Meeting Business Demands

LEGACY INTEGRATION AND MODERNIZATION



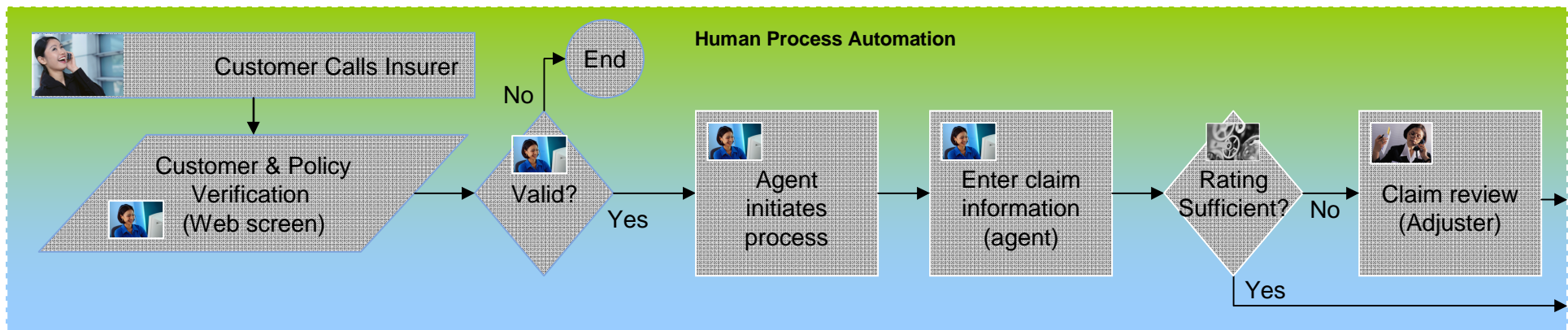
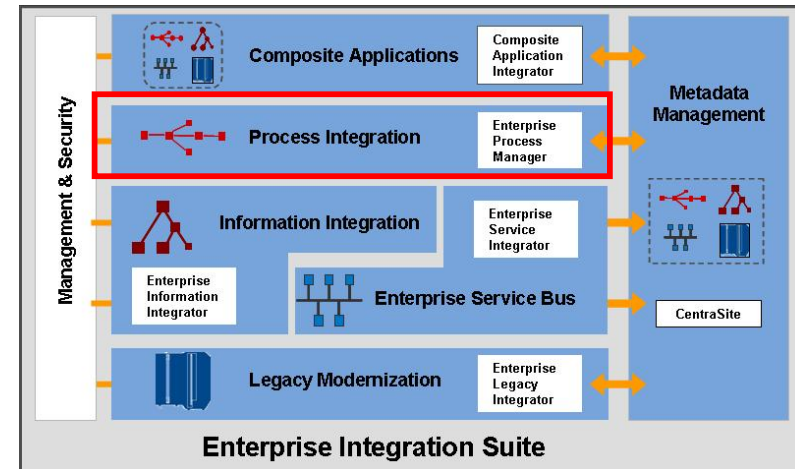
Service Enablement for SOA



Enterprise Process Manager

...maximizes business agility by automating and optimizing your business processes that include people and systems.

- u Model
- u Automate
- u Integrate
- u Manage
- u Optimize



Referenser

| | | <u>Process</u> | <u>Erfarenheter</u> |
|--------------------------|---|--|--|
| LF |  | Komponentbaserad arkitektur för säkrare leveranser | Förbättrad "time to market" |
| Sandvik |  | Förenkla lanseringen av nya e-tjänster och baserat på "legacy" | Dubblerat volymen av e-business |
| Elektroskandia |  | Exponering av e-tjänster till partners | Full re-use av mainframe tjänster genom "reuse" inte "replace" |
| Commerzbank |  | Plattform för att lansera nya tjänster baserat på bef. system | Kortat tiden från 3-9 månader till 2 veckor |
| North American Logistics |  | Inköp + route orders | Vid \$1 investerat, \$5.49 tillbaka. Besparingar år 1 \$300,000. |
| Nissan Motors |  | Supply chain | Halvering av lager-nivån. Sparat 500mEuro |

Glöm inte...

- n Förankring i ledningen
- n Metodik och Governance
- n Organisation
- n "Rätt process"
- n Bygg på det du har – komponenter
- n Standards och öppenhet
- n Repository – viktigt
- n Starta enkelt – men med en vision och strategi



 **SOFTWARE AG**