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IBM Announces New Regulatory Compliance Offering

By Charles King

IBM has announced the new TotalStorage Data Retention 450, a product targeted at clients who need to retain and preserve electronic business documents in compliance with government and business regulations including Sarbanes-Oxley, HIPAA, and SEC Regulation 17-a. According to IBM, the Data Retention 450 combines integrated storage, server, and software components in a single, securable cabinet. The new product is based on the new Tivoli Storage Manager for Data Retention, which is embedded in an IBM pSeries p615 server. The new Tivoli software uses policy-based management tools to determine and enforce data retention policies based on retention events or predetermined expiration dates. The software's retention enforcement feature can also be applied to data using deletion hold and release interfaces to hold data indefinitely during pending audits or investigations. In addition, the new software is designed to verify that data is written correctly, and to help ensure that data is not modified or deleted after it is stored. The TotalStorage Data Retention 450 supports IBM FAStT 600 ATA disk systems, as well as the company's Enterprise Tape Drive 3592 and Linear Tape Open (LTO) tape products. In addition, the company plans upcoming support for IBM's Write Once, Read Many (WORM) technology for the TotalStorage 3592. The new TotalStorage Data Retention 450 can be shipped with from 3.5TB to 56TB of storage, with prices beginning at $141,600. Availability is planned for March 2004.

It is somehow fitting that IBM's announcement of the TotalStorage Data Retention 450 arrived just as federal prosecutors were finalizing an indictment against Jeffery Skilling, former CEO of Enron. Enron's notorious distinction as the largest bankruptcy in U.S. history, along with its cavalier treatment of employees, investors, and a hodgepodge of state and federal regulations is well known. However, the company's systematic destruction of email and other electronic documents, the bits and bytes trail of its wrongdoings, also helped clarify the importance and tenuousness of digital information in increasingly computerized business processes. Enron and growing concerns about the security of electronic media helped spur a new generation of federal regulations including Sarbanes-Oxley and HIPAA, many of which become effective this year. As a result, a number of IT vendors have brought to market compliance-focused storage solutions, such as EMC's ATA-based Centera Compliance Edition.

So how does the TotalStorage Data Retention 450 stack up against the competition and compliance requirements? First, it should be mentioned that the 450 is hardly IBM's first compliance offering. The company has a long history in traditional, regulatory-compliant WORM-based tape and optical solutions. The differences in the 450 are the policy-based/automated retention processes offered in the new Tivoli Storage Manager Data Retention solution, the integrated secured cabinet design, and the addition of ATA disk drive media. From the looks of things, the Tivoli solution appears to offer the necessary bells and whistles for securing and automating electronic document management. Also interesting is the use of IBM's robust p615 server, especially given that platform's self-managing/self-healing autonomic capabilities. The addition of FAStT ATA drives is probably the biggest departure for IBM, which previously insisted that tape media were most appropriate for compliance solutions. That argument was not surprising, given the company's position in that area, but the notable success of EMC's

Centera solutions indicates that the regulatory market is ready for ATA, and vice versa. What the TotalStorage Data Retention 450 offers that ATA-specific solutions do not is a greater degree of choice. While disk drives provide faster performance than tape, and are reaching increasing levels of TCO price parity, traditionalists tend to prefer the solutions they are used to. For such customers, the Data Retention 450 offers a best of both worlds approach that is new enough to seem cutting edge and familiar enough to feel comfortable.

Popping Off On Pop-Ups

By Jim Balderston

Published reports indicate that Microsoft is in the process of phasing out pop-up ads worldwide on its MSN network. Microsoft officials indicated that the decision to do away with the ubiquitous ads was as a result of feedback from MSN members. The company also may plan to include a pop-up ad blocker in the next version of Internet Explorer. The decision to do away with pop-ups on MSN comes on the heels of a similar decision by AOL last year, in which it began phasing out third party pop-ups to its members. Meanwhile, in Europe, Dutch-based WebAds Interactive Advertising will cease selling pop-up ads for its clients in response to surveys that show more than 90% of Dutch users find the ads annoying.

Could we be seeing the final days of the ever-annoying pop-up ad? Perhaps, since not only are advertisers coming to understand that the technology is widely viewed as intrusive and offensive, it is also becoming increasingly clear that it is largely ineffective. Unviewed pop-up ads remaining at the end of a Web surfing session resemble much of the effluvia left beneath airplane seats on trans-Atlantic flights. Perhaps such junk was important once, but it has come to be largely discarded and unwanted. To pose the question a different way, if pop-up ads are effective, why did the company selling X-10 Cameras go out of business?

Pop-up ads, like their banner ad forebears, always seem to offer something too good to be true. The combination of inexpensive production and distribution costs with near galactic audience reach seemed to make them the Right Stuff of a new advertising age. Yet somewhere along the way to this marcom nirvana, reality stepped in, most notably in the form of sluggish audience response, if not outright hostility. ISPs of various stripes which once saw pop-up ads as an unending source of low-cost revenue (or at least revenue projections) slowly came to the realization that their customers reached months if not years ago; that the payment of monthly service fees includes the expectation of reliable connectivity and access to desired content, and leaves little room for the inclusion of force-fed non-essential information. For vendors of all stripes, the lesson is clear: you may think you have a way of deriving extra revenue from your customers through offerings or features that provide little or no value to them. You may even get away with it for a while. But sooner or later, customers are going to let you know that they are not happy with the situation, and will register their complaints by opting for vendors who keeps customer interests and needs more squarely at the center of their business value proposition. In other words, it seems like the New Age looks like the Old Age. Fancy that.

IBM Announces Global Healthcare Initiative

By Charles King

IBM has announced a major initiative designed to help healthcare providers and players manage costs, reduce errors, and improve patient care. The company will invest up to $250 million in its healthcare business for hiring industry specialists, developing solutions, R&D, business partner collaborations, and other projects. IBM announced new collaborations including one with Duke University to help speed development and delivery of new medical treatments, and a disease management system with the H. Lee Moffitt Cancer Center and Research Institute to screen and identify clinical trials participants. The company also announced plans to develop new consulting practices, information resources, and customized solutions. Among these will be simulation and modeling services to improve hospitals' business and clinical practices, and a solution to help healthcare providers analyze and manage clinical, research, and administrative data. In addition, the company is establishing the IBM Research Healthcare and Life Sciences Institute, which will work with IBM's eight global research labs to develop

new solutions; and the Information-Based Medicine Business Unit, which will focus on using information technologies to help doctors deliver more personalized treatment.

Healthcare is a curious anomaly in the current Age of IT. Hosts of tech-happy research scientists and industry professionals eagerly embrace the latest high tech solutions. But, most healthcare professionals move at a far slower pace, and incorporate technological innovations only after they have been fully tested and proven safe. There is a reasonable rationale behind this apparently stodgy attitude: doctors and nurses, after all, are dealing with peoples' lives. In addition, any healthcare professional with a modicum of experience or historical perspective can point to a score of surefire cures and can't miss solutions that fell by the wayside.

Fair enough, but while we will all end up tolerably moldy in the end, despite the best efforts of well meaning physicians, we believe that IBM's new healthcare initiative has a good deal to recommend it. First, the initiative follows a greater move by the company to meld its healthcare and life sciences groups into a single organization. That may seem reasonable on the surface, but aligning the efforts of researchers in the sometimes dreamy realms of life sciences and the doctors and nurses in the often bloody trenches of daily healthcare is not as easy as one might assume. However, the common element for every professional in these complimentary fields is information: reams, libraries, and city-blocks-worth of information. And dealing with information is something properly designed IT solutions can do tolerably or even extremely well. In fact, a glance through the projects and goals in IBM's new initiative reveals that most focus on streamlining or improving the collection, management, analysis, and practical applications of healthcare and life science information. This is not rocket science so much as it is using technology to help ease the tough jobs healthcare professionals face every day. Better informed doctors, researchers, nurses, and hospital administrators will result in healthier, happier patients. That is an equation even the stodgiest can understand, and is one IBM is well positioned to solve.

Dashing around Legal Restraints

By Jim Balderston

Lindows.com announced this week that it has opened a new Web site for customers in the Netherlands, Belgium, Luxembourg, and Sweden in response to a court order that ruled that the Lindows name was too similar to Microsoft's Windows' product moniker. As a result, Lindows has opened a site called Lindash.com, offering the same products to customers in those countries in which the Dutch court ruled that the Lindows name was a breach of trademark law. The court's ruling comes in a case brought forward by Microsoft concerning trademark violations. Microsoft has pursued similar legal action in courts around the world concerning the Lindows desktop Linux distribution. Microsoft has said its legal actions focused on trademark issues, not competing operating systems. Lindows claims the Lindash.com site meets all requirements set forth by the Dutch court ruling.

One has to admire, at least at first glance, the rather creative response of the Lindows folks, replacing the "dow" with a bit of "dash" and offering the same old products through their new site. Creative, and perhaps a bit cheeky, perhaps even to the point that the court may rule that such compliance violates the sprit, if not the letter, of its ruling. Be that as it may, what is really at issue here for Microsoft is not damage to its Windows products (we doubt seriously that customers might become as confused about a transposed "L" and "W" as Microsoft suggests) but its ability to inhibit the growth of Linux-based alternatives. To be clear, the company has claimed it is only protecting trademark, when in fact it is clear Redmond is only protecting their desktop franchise.

But inhibiting Linux will require a lot more than discrete legal actions against upstart vendors. Desktop alternatives to Windows are getting second and third looks from consumers and corporate customers, as Linux desktop distributions are making their way onto increasing numbers of low-cost consumer white boxes and businesses machines. When one adds in the fact that enterprise IT vendors like IBM are seriously considering Linux-based desktop offerings for their own myriad enterprise customers, there is no question that the folks in Redmond believe they have a more strenuous fight on their hands than the one offered up by Apple. When it comes to OS penetration, Linux in all its forms continues to gain momentum. It is consolidating a mature position in server rooms and datacenters, and is leveraging the familiarity gained there to create toeholds throughout the enterprise. While Microsoft tries to slow the spread of such offerings through legal actions and aggressive counter-

information campaigns, we suspect such attempts will largely be as effective stomping on smoke in an effort to contain it. In our minds, the agile, even cute strategy of Lindows.com reflects the fluidity, ubiquity, and cheeky amusement of Linux possibilities. Block its path here, it surfaces there. Stop it there, and it pops up in another place. For companies like Microsoft, whose continuing success relies on selling proprietary products whose capabilities are being challenged technologically and commercially by Open Source alternatives, amusement is turning increasingly to alarm.