

CFO IT Analysis

LEXINGTON, Massachusetts (April 12, 2008) – WinterGreen Research announces a new CFO study on IT spending alternatives and services oriented architecture (SOA). SOA in combination with the IBM System z mainframe represents a fundamental change in the way automated process is delivered to business to permit replacement of manual process. It is anticipated that HP Superdome and Fujitsu Siemens will also position to feature service enabling code in large shared workload environments in a response to the need for IT to adapt to market changes.

The competitive market opportunity and risk to any enterprise organization comes from outside that organization. There are market forces represented by customers, technologies, outsourcers external to the organization that need to be managed as well as possible. IT iterations are used to be responsive to these market forces, creating new value based on automation of business process that permits offering quality products and services. CIOs understand how to create the enterprise market positioning via automated process responsive to direction from the CEO and the Board of Directors.

The CFO ability to manage IT cost forces inside the organization has been limited. For good reason does the CFO eschew controlling or implementing micro management of IT spending. The decisions are complex and the risk of failure high because mistakes in judgment can destroy the enterprise. The CIO comes with special experience and training that is very specialized.

IT is a world of its own. According to Susan Eustis, primary author of the study, “There is a big But.: According to Susan, “Changes in the market warrant CFOs taking a new look at IT decision making process because the cost structures have become so dramatically differentiated. Now it is possible for the CFO to take a high level look at the cost of a distributed server data centers vs. the cost of System z implementations, because the costs are different by a factor of 10.”

IBM dominates SOA with 64% of the market, the rest of market is divided between 12 other participants with measurable market share, none of whom have even been able to garner as much as 8% of the market. IBM sets the defacto SOA industry standard. IBM dominates the SOA infrastructure markets because it has highly evolved integration infrastructure offerings that can be used by IT to achieve modular code reuse. Integration is significant because IT departments are heterogeneous environments.



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**WINTERGREEN** RESEARCH

SOA services support flexible response to changing business conditions, permitting the large enterprises to change their business model.

IBM stands alone as a leader in SOA, inventing the concept of refining reusable

WinterGreen Research is an independent research organization funded by the sale of market research studies all over the world and by the implementation of ROI models that are used to calculate the total cost of ownership of equipment, services, and software.

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