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Impressions from IBM's "Think on Tour" in Frankfurt: all about hybrid cloud and watsonx AI (and qubits)

PAC attended IBM's "Think on Tour" event in Frankfurt/Main; "on Tour" because it is part of a series of local offshoots of IBM's flagship customer event, "Think", which took place in Orlando, USA, in May 2023.

Like the day before at ["Think Paris" – see PAC's comments](#) – the focus was on two technologies that, according to IBM, will help solve today's biggest challenges, such as increasing global threats or climate change: hybrid cloud and AI. IBM further broke down the two technologies into topics at whose core they are, such as security, automation, and sustainability. Plus, quantum technology, which is expected to heavily impact IT infrastructures and artificial intelligence in the not-too-distant future, received much attention. Lastly, IBM further sharpened its positioning and go-to-market within its strengthened partner ecosystem.

Hybrid cloud

Hybrid cloud has been at the core of IBM's go-to-market for years. Its value propositions are flexibility, security, and user-friendliness, and it promises independence from one single technology platform or cloud vendor. The most important building blocks are IBM's own hardware products, extended by (mostly) third-party, public cloud platforms and the management and software layer from Red Hat, whose integration in 2019 has paid off in this respect.

watsonx AI platform

The IBM watsonx AI platform, unveiled in May 2023 at IBM Think in Orlando, was at the heart of most sessions. It consists of three main product sets:

- watsonx.ai – a next-generation enterprise studio for AI builders to train, test, tune, and deploy traditional machine learning as well as new generative AI capabilities powered by foundation models.
- watsonx.data – a purpose-built data store based on open lakehouse architecture optimized for governed data and AI workloads, supported by querying, governance, and open data formats to access and share data.
- watsonx.governance – an AI governance toolkit to enable trusted AI workflows.

The offering, which will become generally available in the coming months, aims to differentiate itself from other offerings by fully focusing on the needs of enterprises. Portability, scalability, security, data privacy, compliance with regulations, and data ownership

are therefore essential characteristics. Generative AI should be made available for an enterprise context, integrating into all common IT architectures and based on trusted data, thus leading to the most exact results.

IBM's foundation models are considered as major building blocks for customer-specific models. Enterprises can train their own models by using IBM's or open-source foundation models.

In the AI space, IBM mainly addresses four use cases: customer interaction, repetitive tasks (stressing "human-friendly" AI and automation), software coding (Watson Code Assistant, e.g., makes automatic suggestions for optimized code, thus helping to fight the omnipresent skill shortage in the IT sector), and cybersecurity. Also, sustainability is considered to be closely linked to AI, as the complexity, quality, and large volumes of data cannot be managed without consistent automation and AI technologies.

Quantum computing

Another technology area where IBM is investing heavily, and that is expected to have a massive impact on the aforementioned technologies, is quantum computing.

Here, IBM is looking forward to the opening of its first Europe-based quantum data center in 2024, located at an IBM facility in Ehningen that will serve as IBM Quantum's European cloud region. IBM aims to deploy a quantum-centric supercomputer powered by 100,000 qubits by 2033. The roadmap schedules to reach 1,000 qubit of processors this year and 4,000 qubits within two years.

Even though the technology is not fully available for broad adoption as yet, IBM is proud to already have quantum-ready encryption in place down to the hardware level, which means it is well-prepared for potential future threats. According to the company, the IBM Quantum Network currently has more than 60 European organizations accessing IBM's quantum hardware and software via the cloud, including German organizations like Bosch, Bundeswehr University, Targobank, Deutsches Elektronen-Synchrotron (DESY), the European Organization for Nuclear Research (CERN), Fraunhofer-Gesellschaft, as well as T-Systems, the recently announced IBM partner in the quantum computing space.

Consulting

As hybrid cloud and AI go hand in hand when it comes to digitization strategies, IBM feels well-positioned with its comprehensive portfolio of hardware, software, and consulting services. Despite the spin-off of the infrastructure services business, IBM remains a leader in the consulting and systems integration (C&SI) services market, with a broad spectrum of expertise; in PAC's vendor rankings for the German market, IBM ranked third in application-related C&SI and seventh in infrastructure-related C&SI in 2022.

However, more than ever, IBM is stressing the importance of its ecosystem. IBM Consulting, for instance, strictly positions itself as an independent advisor that is not bound to a specific technology and has adopted collaborative engagement models and co-creation. "IBM Client Engineering" is a co-creation approach that brings together multidisciplinary IBM experts and customer teams to co-develop user-centric solutions and move ideas faster from the pilot to the project phase.

Positioning within the ecosystem

IBM is certainly still going through a challenging transformation process. However, the company has further sharpened its positioning since the spin-off of the infrastructure services business; it is now a technology provider with a strong R&D DNA that is part of an agile ecosystem of technology and services partners that together possess the necessary competencies to help enterprises and public authorities address today's main challenges through the intelligent use of technologies.

SAP is one of IBM's most important – and, with 50 years, oldest partners. At the event, the software giant discussed its recently announced plans to integrate IBM's watsonx AI into its own portfolio of software solutions to allow for AI-supported work throughout the enterprise.

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