

IBM-Oracle: Similarities in CPU based licensing

Description

Similarities between Oracle and IBM CPU-based licensing

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(link to original post at the end of this article, posted here through WordPress share)

IBM earnings missed their quarter. IBM's CEO, Virginia Rometty, had an internal IBM session asking employees to 'step up' and 'work faster'. I read about it online from the *Wall Street Journal*. I'm puzzled, I've seen the IBM employee work ethic first-hand. Conference calls at 10pm, emails at 1 or 2 am, staying up all night to get data together for a 9am meeting are all typical. I even learned a new role because an employee planned to vacation in Tahiti and was worried about her laptop's ability to connect.

I don't like Sales in general, but I do like IBM Sales because I supported the SMB Sales group for years. They kept me busy. They made deals and it didn't even have to involve IBM hardware, software, maintenance or labor. IBM is also a massive reseller. They sold what the customer wanted to buy. I recall one client account I was on insisted on Sun hardware, and IBM put Sun hardware into the project plan for me to price.

Is it still the same after Oracle has purchased Sun? One of the first things I noticed after the similarity between IBM and Oracle's CPU-based software licensing – both base the licensing on cores – I noticed Oracle skews their software core factor table to favor Sun hardware. IBM doesn't reduce the software licensing if a client runs their software on an IBM box.

Since I enjoy working out hard-partitioned, sub-capacity licensing (huge math geek), I found that the licensing disparity is most evident here. And since Oracle's known for databases, let's say it's Oracle Enterprise and IBM's DB2.

The IBM calculation for PVU licenses needed for the DB2 product slightly favors the Sparc, and that's only based on IBM's core multiplier found online – http://www-01.ibm.com/software/lotus/passportadvantage/pvu licensing for customers.html

Everything else about the two configs I made up is the same.

| HW | LPARs Used | Processors | Cores | Core Multiplier | IBM DB2 n |
|-------------|------------|------------|-------|-----------------|--------------|
| Power 7 770 | 2 | 2 | 8 | 120 | 3840 |



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|-----|------------|---|---|---|-----|------|
| - 1 | Sparc T5-4 | 2 | 2 | 8 | 100 | 3200 |

When I compare the same hardware and talk about licensing Oracle Database Enterprise, the core multiplier from Oracle is half that of the IBM machine. Current one at http://www.oracle.com/us/corporate/contracts/processor-core-factor-table-070634.pdf

Although we could kid around and say a Power7 is twice the machine a SparcT5 is, when it comes to the cost of licensing software, Oracle is stacking the deck by suggesting there is significant savings if you run Oracle software on Sun hardware.

| HW | LPARs Used | Processors | Cores | Core Multiplier | Oracl licens |
|-------------|------------|------------|-------|-----------------|-----------------|
| Power 7 770 | 2 | 2 | 8 | 1.0 | 32 |
| Sparc T5-4 | 2 | 2 | 8 | 0.5 | 16 |

Don't worry – I've noticed some licensing quirks that are in IBM's favor, and I'll be blogging about them as I dig deeper.

http://www.miroconsulting.com/blog/index.php/2013/05/similarities-between-oracle-and-ibm-cpu-based-licensing/

https://rythium.com/

You might want to read more about our CEO <u>Sheshagiri Anegondi (Sheshu)</u>. He is amongst the foremost Oracle License Experts globally.

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