

INTERVIEW WITH ALEX CABANES

Andrew Verdesca: Hello everyone, my name is Andrew Verdesca and I'd like to welcome you to another IBM podcast in our series, Smarter Systems for a Smarter Planet. Joining us today to discuss the topic, Saving on Oracle Software Licenses and Maintenance Costs by Leveraging IBM Virtualization Solutions, is Alex Cabanes, Program Director for Virtualization Strategy in IBM's Systems Software organization. Alex is responsible for strategy development for virtualization and cloud computing, ensuring that IBM offers virtualization solutions and capabilities that correspond to customer needs and address what clients are looking for. And so without further ado, let's get started. Alex, welcome.

Alex Cabanes: Thank you Andrew, good to be here.

Andrew Verdesca: So to level set our audience today, before I ask specifically about consolidation, virtualization capabilities to help save on Oracle licenses and maintenance costs, can you take us back in just to give a basic overview of what consolidation and virtualization from IBM's perspective even means?

Alex Cabanes: Sure Andrew. At IBM, we really view virtualization as a journey. IBM uses virtualization with integrated service management to help our customers improve their business agility. And this journey typically has different stages, ranging from consolidation of IT resources, managing workloads, automating processes and optimizing delivery or what prominently is referred to as cloud computing. We've seen many studies by various analysts in the industry that estimate that typical x86 servers are only utilized about 20% of their overall capacity. So, by consolidating these server workloads and able to increase those utilization rates to as high as 80%, not only are you able to reduce your power consumption and reduce your cooling expenses, but more importantly, you're able to improve your capital expenditure.

Andrew Verdesca: Oh, I didn't realize that. I had no idea that the analysts cite that so many servers are only utilized 20%. So okay, thank you. So as we start to explore this notion of saving on Oracle software licenses and maintenance costs through leveraging IBM consolidation and virtualization capabilities, can you tell us a little bit about the general difference between IBM and Oracle, when it comes to virtualization capabilities?

Alex Cabanes: Software licensing is definitely a major IT cost component. So to the extent that you can do the same workload utilizing fewer

processor cores, that will have a dramatic impact on your software licensing and maintenance costs. And that's true regardless of whether you're using Oracle software or anyone else's software. So let me give you an example. We've had customers that have been able to save over 80% by using DB2 on IBM Power Systems, using say 8 cores and the equivalent Oracle/Sun combination required 64 cores. And so the dynamic between how much work you can actually drive on a processor core, has a dramatic impact on software licensing costs. We've had other customers that have been able to save 70% by consolidating multiple x86 servers. In one case there was a customer that was using I think something like 290 Oracle database distributed across x86 servers. They consolidated all of that into a single IBM System z and greatly reduced the complexity and greatly reduced their costs.

Andrew Verdesca: Wow, such dramatic differences, as you say. So on that note then, let's explore for our listeners now, the notion of a saving on licenses and maintenance costs. You mentioned PowerVM. Can you tell us about it and other technologies from IBM that can help address rising software and server costs?

Alex Cabanes: Sure. First and foremost, IBM is really focused on investment protection for our customers. And what we see is that our x86 customers, about 70% of them are actually running multiple hypervisors. And IBM can help them support and manage this multi-hypervisor mixed environment for x86. And unlike Oracle, we actually manage and support these various x86 hypervisors, ranging from VMware to HyperV to KVM. So we really are focused on helping our customers manage across what they have. In addition, we've taken the best of the virtualization technologies from our mainframe and our IBM System z and embedded that technology directly into PowerVM and that really allows us to run at a much higher scale than what you would be able to do on a typical x86 VM environment. In some cases, actually able to run 1,000 virtual machines on a particular Power System, versus a typical x86 environment.

Andrew Verdesca: I see, I see. Well, okay, as our final question then for today, I'd like for you to take a second maybe and summarize what we've talked about in terms of what the key things you'd like our listeners to remember about this subject of saving on Oracle licenses and maintenance fees through IBM's capabilities of virtualization and consolidation?

Alex Cabanes: Well, I think that customers are able to take advantage of IBM's extensive virtualization experience. If you look at the different capabilities that we're able to deliver to the market and to our customers around helping them consolidate their resources, effectively managing their workload, automating their processes, as well as optimizing delivery, no one else is able to deliver across that entire journey. And with IBM, customers can choose not only to start their journey at a particular stage that's unique to their particular needs, but we also are able to support the plethora of x86 hypervisors, ranging from VMware, HyperV, KVM. In addition, we're able to deliver on an advanced virtualization technology that are embedded in the PowerVM and IBM System z family of products. So, for customers that are seeking to really improve their bottom line and save on Oracle licensing costs, they're able to leverage IBM Power Systems. If they're looking specifically at a RISC-type architecture or we can help them go through this virtualization journey and accrue additional cost savings and improve their business agility, regardless of whether they're currently utilizing Oracle software or anyone else's.

Andrew Verdesca: And with that, I'd like to thank you, Alex, for participating in today's podcast. And for our listeners, thank you for joining today. You can always visit IBM.com/SmarterSystems for more information. And as always, stay tuned for more podcasts in this series. Until then, for Alex Cabanes, I'm Andrew Verdesca, the Smarter Systems for a Smarter Planet Marketing Team, wishing you all good listening and good luck.