



BCA2533BU

# Licensing Oracle and SQL Server on vSphere

Scott Salyer, VMware, Inc.  
Dave Welch, House of Brick

#vmworld #BCA2533BU

Make  
your  
mark

# Oracle on VMware Licensing

## Agenda:

Licensing rules

Oracle's tactics

Audit preparation

# House of Brick

Established in 1998

Industry leader in Oracle virtualization & licensing

Virtual Business Critical Application  
performance transparency

## Key services

- ❑ Oracle and SQL Server specialties
- ❑ Managed License Support Services
- ❑ Oracle license review & audit defense
- ❑ Managed Consulting Services
- ❑ Cloud architectures
- ❑ RISC replatforming to vSphere



## Dave Welch – CTO, Chief Evangelist



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@ORAvbca

Oracle license executive team member

System architect

1994 DBA

# Polling



# Oracle Contract's Licensing Level

Enterprise?

vCenter?

Cluster?

Sub-Cluster?

**Processor:** shall be defined as all processors where the Oracle programs are installed and/or running. Programs licensed on a processor basis may be accessed by your internal users (including agents and contractors) and by your third party users. The number of required licenses shall be determined by multiplying the total number of cores of the processor by a core processor licensing factor specified on the Oracle Processor Core Factor Table which can be accessed at <http://oracle.com/contracts>. All cores on all multicore chips for each licensed program are to be aggregated before multiplying by the appropriate core processor licensing factor and all fractions of a number are to be rounded up to the next whole number. When licensing Oracle programs with Standard Edition One or Standard Edition in the product name, a processor is counted equivalent to an occupied socket; however, in the case of multi-chip modules, each chip in the multi-chip module is counted as one occupied socket.



OLSA\_V121510\_US\_OPN.DOC

“Processor: shall be defined as all processors where the Oracle programs are installed and/or running.”

# Oracle Java Licensing – The Challenge

## Oracle JDK aka Oracle Java SE

- ❑ Requires license for commercial use
- ❑ January 2019: Java 8 public support stopped
- ❑ April 2019: Oracle Java commercial use = license

## Concerns

- ❑ Inadvertent liabilities
- ❑ Security
- ❑ Patching/re-testing

## Both OpenJDK (Open Source) and Oracle Java maintained by Oracle

- ❑ Restricted OpenJDK patching frequency

## RedHat is stepping up to OpenJDK

- ❑ Frequent patching cycle

House of Brick's 8 February 2019 blog post <http://houseofbrick.com/what-you-need-to-know-about-changes-to-java-licensing/>

# Oracle License Options in AWS

AWS Deployment Option	DB SE Bundle	Oracle Cloud Env Policy	Core-Based License	ULA
RDS				
EC2 Compute				
VMware Cloud on AWS				
Dedicated Hosts on EC2				
EC2 Bare Metal Instances				

<http://houseofbrick.com/oracle-and-sql-server-on-the-vmware-cloud-on-aws/>



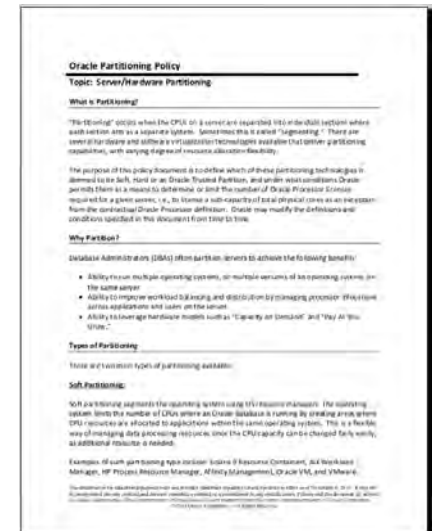
# Oracle Partitioning Policy

Soft Partitioning: ... limits the number of CPUs where an Oracle database is running ...

...

Examples ... include: ... VMware.

**Soft partitioning is not permitted as a means to determine or limit the number of software licenses required for any given server.**



<http://www.oracle.com/us/corporate/pricing/partitioning-070609.pdf>

Capability = License Event?



# Class Action Lawsuits

## City of Sunrise Florida Firefighters Pension Fund

10 August 2018

8 March 2019 -> Securities Class Complaint

### Allegations:

- By nine former employees (most director/+ level)
- Sustained misrepresentation of Oracle's cloud revenue and installed base
- Stock price manipulation
- Oracle's audit and sales tactics to inflate cloud revenue numbers

## City of Providence Rhode Island

6 May 2019

Securities Class Complaint integrated by reference

### Allegations:

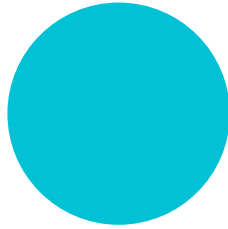
- Oracle Corp has been victimized by the executive team
- Excessive stock buy-back during the period
- Inflated stock price in the NetSuite purchase

<http://houseofbrick.com/securities-class-complaint-and-city-of-providence-filing-re-oracle-cloud-revenue-statements-and-oracle-stock-price-manipulation-a-laymans-analysis/>

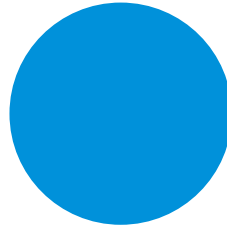
## Class Action Lawsuits (con't)



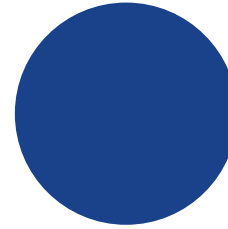
...the sales teams  
and LMS closely  
coordinated...



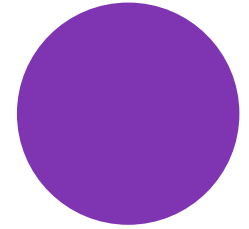
...sales would direct  
LMS to target  
clients for audit.



...the sales team  
would “identify  
large clients they  
thought they could  
get more money  
out of and threaten  
them with audits,”  
instructing LMS to  
say the Company  
had suspicions that  
they were out of  
compliance.



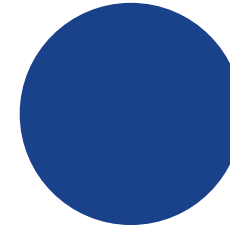
...frequently, neither sales  
nor LMS had real  
evidence that customers  
targeted for audits were  
noncompliant, but that  
the mere threat of an  
audit would put the  
customers under so  
much pressure, because  
of the enormity of the  
potential penalties, that  
customers had no choice  
but to agree to Oracle’s  
demands...



...any statements  
from Oracle that  
LMS was  
independent from  
sales are a lie.

<http://houseofbrick.com/securities-class-complaint-and-city-of-providence-filing-re-oracle-cloud-revenue-statements-and-oracle-stock-price-manipulation-a-laymans-analysis/>

## Class Action Lawsuits (con't)



...frequently, neither sales nor LMS had real evidence that customers targeted for audits were noncompliant, but that the mere threat of an audit would put the customers under so much pressure, because of the enormity of the potential penalties, that customers had no choice but to agree to Oracle's demands...

<http://houseofbrick.com/securities-class-complaint-and-city-of-providence-filing-re-oracle-cloud-revenue-statements-and-oracle-stock-price-manipulation-a-laymans-analysis/>

# Oracle directors: Shareholders can go ahead with billion-dollar derivative suit

Alison Frankel

10 MIN READ



A special committee of three Oracle board members – independent directors including former U.S. Defense Secretary Leon Panetta – sent a letter to Vice-Chancellor Glasscock, advising him that the committee wants the (St. Louis) Firemen’s (Retirement) fund to push on with claims on behalf of Oracle against Ellison, Oracle CEO Safra Catz and potentially other board members.

[reuters.com/article/otc-oracle-idUSKCN1V91UJ](https://reuters.com/article/otc-oracle-idUSKCN1V91UJ)

# vSphere 5.5 Extended Support

July 2019 announcement: Now offered through September 2020

If motivated by Oracle:

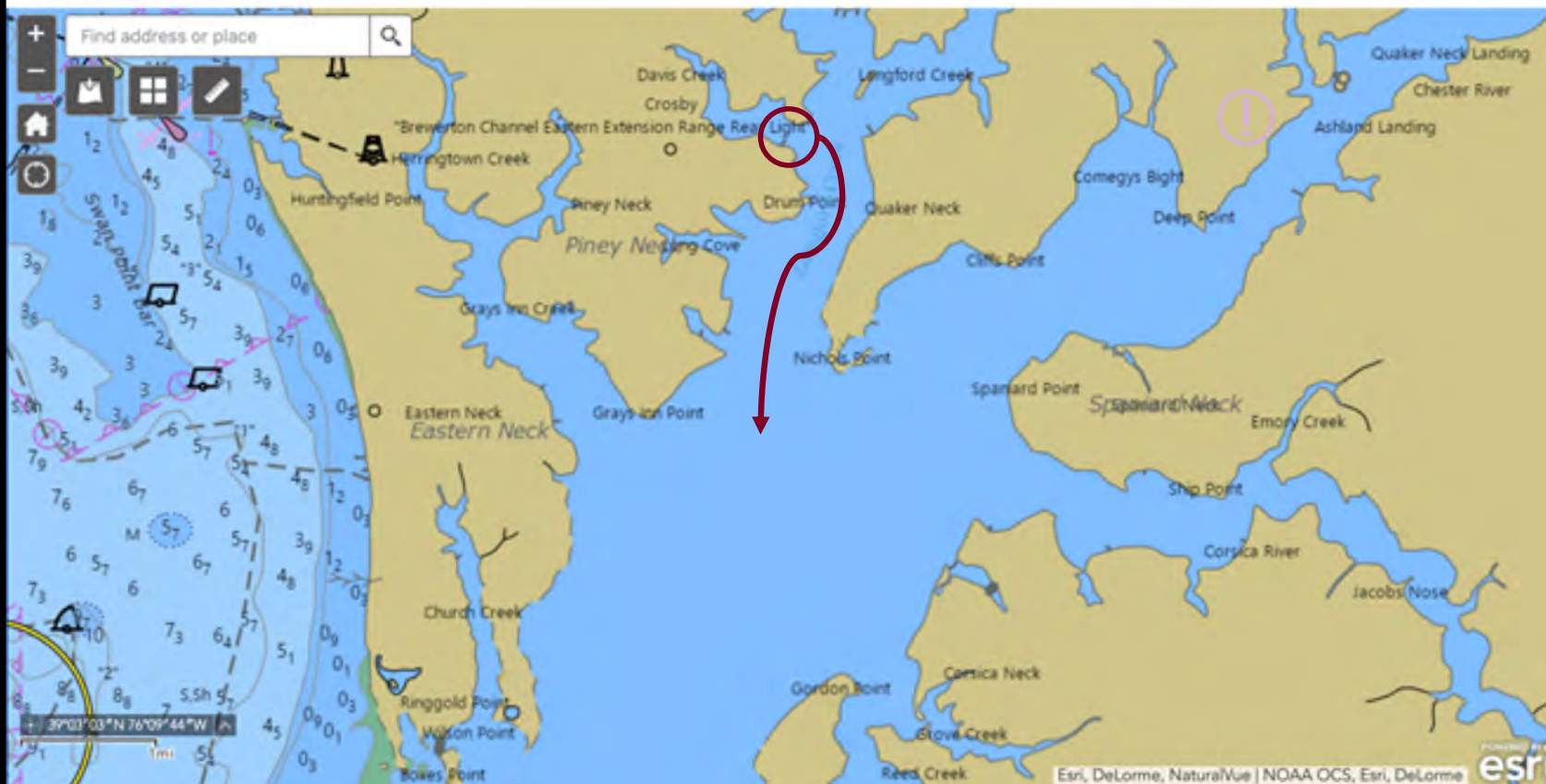
- ❑ Dirty money VMware doesn't want?

Amend with non-standard terms?

<http://houseofbrick.com/vsphere-5-5-extended-support-ends-in-september-now-what-or-so-what/>







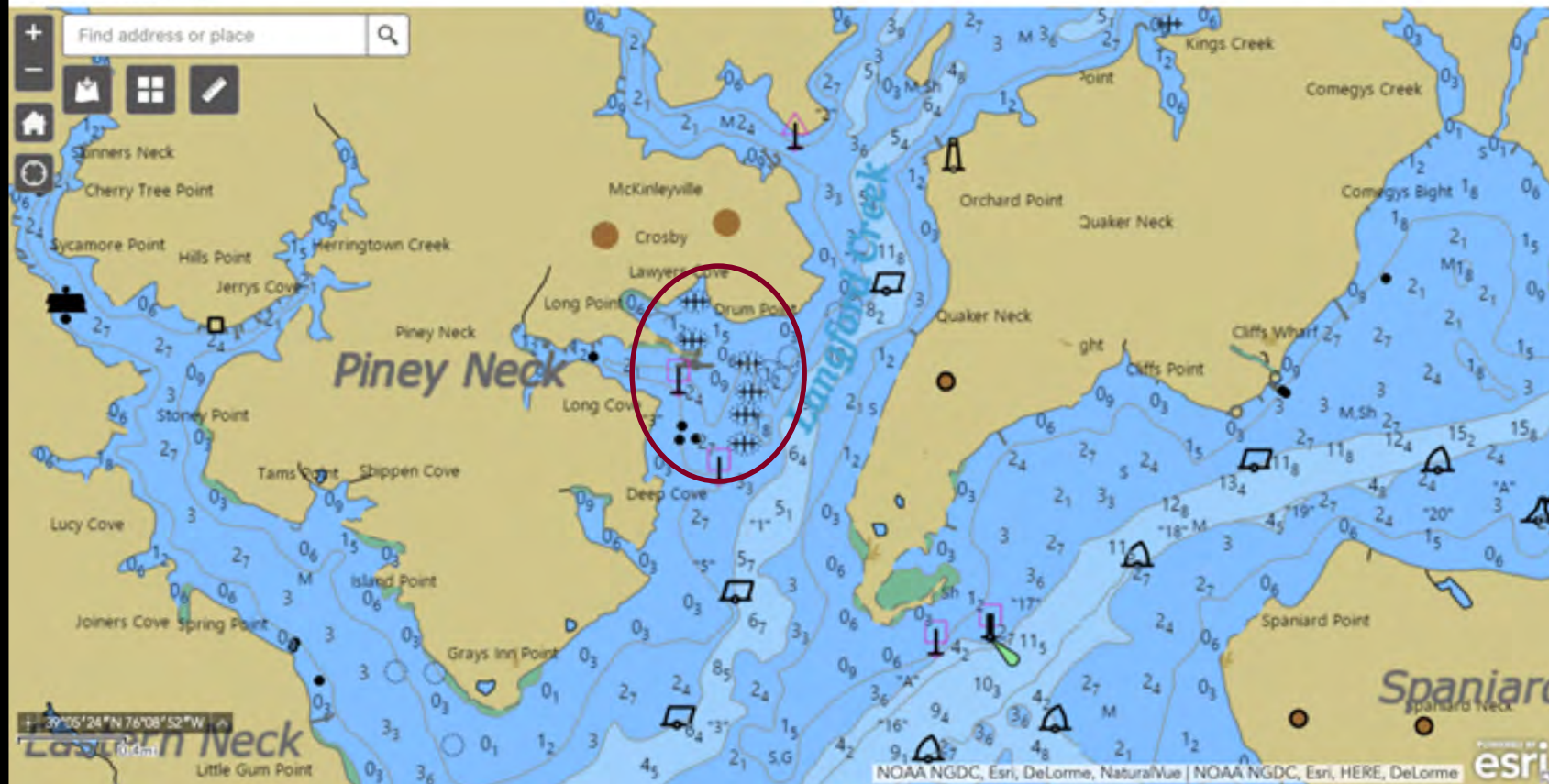
# Current Cut Rock – U.S. Virgin Islands



Image courtesy Maryland School of Sailing and Seamanship



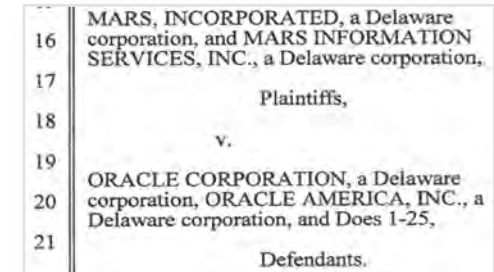
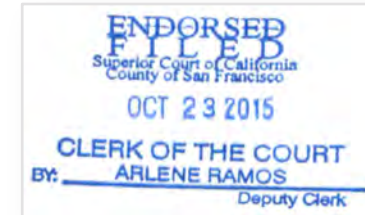




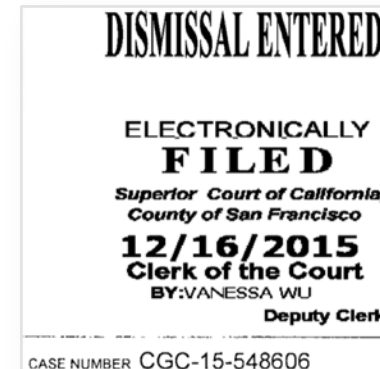
# Mars v. Oracle Lawsuit

“Oracle programs are installed on any processors where the programs are available for use. Third-party VMware technology specifically is designed for the purpose of allowing live migration of programs to all processors across the entire environment.”

Chad Russell, Oracle Corporate Counsel 25 Sep 2015 to Khaled Rabbani, Mars General Counsel (Declaration of Eloise Backer, exhibit 11)



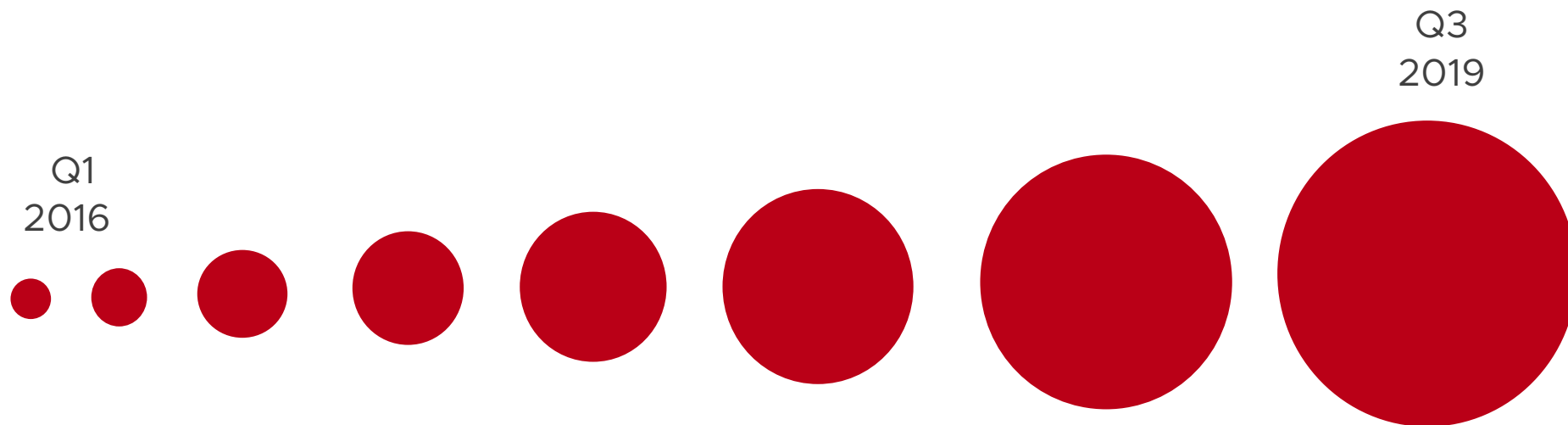
## Mars' Motion to Dismiss with Prejudice



# Oracle Corp-Filed Lawsuits Re: VMware “Installed”

Case law search results:

Time Since Mars





# Oracle Java Licensing – The Solution

Inventory

Get it in writing

No leaching

Limit & Approve

House of Brick's 8 February 2019 blog post <http://houseofbrick.com/what-you-need-to-know-about-changes-to-java-licensing/>

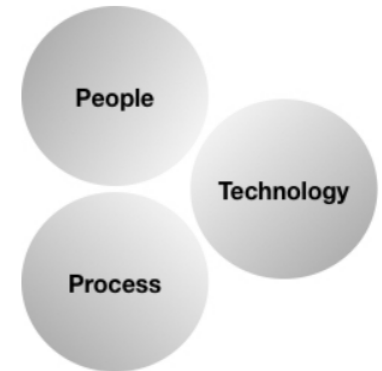
# Proactive Approach

## Oracle License Review

- ❑ Baseline compliance
- ❑ Optimization analysis—license, architecture
- ❑ Support spend reduction
- ❑ Unlimited License Amendment exit analysis

## Managed License Support Services

- ❑ On-going monitoring
- ❑ Unlimited audit support



# Other Oracle Licensing Resources

Navigating Oracle Audits – 2 August, 2019

<http://houseofbrick.com/navigating-oracle-audits/>

The Sound of Silence: Celebrating the Three Year Anniversary of the Dismissal of Mars v. Oracle – 16 December, 2019

<http://houseofbrick.com/celebrating-the-three-year-anniversary-of-the-dismissal-of-mars-v-oracle/>

[VMware Virtualization and the Oracle Audit: What Every Oracle Customer Needs to Know About the "Installed and/or Running" Language of the Processor Definition](#) 6 July, 2017 – Tactical Law Group

Mars v. Oracle: Learn About Oracle Audits from the Experts & Attorneys

<https://videos.vmworld.com/global/2018/videoplayer/22501> VMworld 2018 U.S – HoB, Crowell & Moring

[https://www.youtube.com/watch?v=4OHFO5T\\_MIE&feature=youtu.be](https://www.youtube.com/watch?v=4OHFO5T_MIE&feature=youtu.be) VMworld 2017 U.S. – HoB, Arent Fox

Oracle on VMware Customer Experience Panel – VMworld U.S.

<https://www.youtube.com/watch?v=B7QPvTjnNgo> 2014

<https://www.youtube.com/watch?v=KreFutmwGZs> 2013

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# House of Brick's VMworld Sessions



## Mars v. Oracle – Oracle Audits

Presented by Nathan Biggs, CEO (HoB); Art Beeman, Partner (Crowell & Moring)

**Monday August 26**  
**3:30 pm – 4:30 pm**



## Scottish Gov't VMC on AWS

Presented by Nick Walter, Principal Architect (HoB); Neill Smith, Head of IT Infrastructure (Scottish Government)

**Tuesday, August 27**  
**11:30 am – 12:30 pm**



## Licensing Oracle & SQL Server on vSphere

Presented by Dave Welch CTO (HoB); Scott Salyer, Director Global Systems Engineering Enablement (VMware)

**Tuesday, August 27**  
**2:30 pm – 3:30 pm**



## SQL Server Architecture on vSphere

**PANEL**  
Panelist: Shawn Meyers, Principal Architect (HoB);

**Tuesday, August 27**  
**5:30 pm – 6:30 pm**



## Shared VMDK for SQL Server Without RDMS

Presented by Shawn Meyers, Principal Architect (HoB); Rob Girard, Principal Technical Mkt Engineer (Tintri by DDN)

**Wednesday, August 28**  
**11:00 am – 12:00 pm**



## Meet the Experts Sessions

Navigating Oracle Audits  
Tues. August 27 5:15 pm - 6:00 pm  
Dave Welch, CTO

Licensing Oracle on VMware Cloud on AWS  
Wed. August 28 10:00 am - 10:45 am  
Nathan Biggs, CEO

# Contact

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# Call to Action

# Question & Answer

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Thank you!

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Your  
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