Our Services

Compliance Check & Optimization

Discover your compliance risks and ways to optimize your Oracle license inventory.

Audit Defense

Get expert help at any stage of an Oracle license audit from our team of ex-Oracle auditors.

ULA Service

Get the maximum value out of your ULA throughout its lifecycle – from initial sizing to certification.

Contracts & Advisory

Whether negotiating a contract, virtualizing or doing DR/backup, our advisory service can be tailored to meet any Oracle licensing need.

Oracle & VMware: Part I – What you can learn from Mars Vs. Oracle

Below is a very condensed version of a recent blog post. For the full post, head over to www.redwoodcompliance.com/pro-tip-blog/.

The subject of running Oracle software in VMware has been a contentious one for some time. Oracle's own contract language does not deal with it directly or explicitly. Oracle's position has been to essentially not recognize VMware as a means of reducing the licensing requirement. In short, according to Oracle, if you run Oracle software anywhere in a VCenter, you must license all the processors in the VCenter.

This position was finally challenged in court in 2015. Mars - maker of Mars candy bars - took Oracle to court after Oracle threatened to terminate the candy maker's entire Oracle license inventory. This was after Mars pushed back against Oracle's position on VMware in the course of an audit. Eventually, Oracle and Mars settled out of court. The key conclusion seems to be that Oracle's position on VMware is entirely indefensible. However, a detailed assessment of the case is important before making premature conclusions.

During the audit, Oracle LMS requested VCenter-level details on the VMware environment that contained a VMware cluster dedicated to Oracle.

Mars objected to Oracle's request for details of the entire VMware environment. Mars's position, per the court filing, was that it had extensive technical controls and limitations in the VMware environment that prevented the VMs with Oracle software to migrate into other parts of the VMware environment. Per Mars, Oracle's request for the additional data was beyond the scope and not relevant. Oracle, however, continued to persist on its position that, thanks to VMware's VMotion feature, all processors in the VMware environment required licensing.

Following more exchanges, Oracle concluded that Mars was not complying with its contractual commitment to "reasonably" assist with the audit, and was therefore in breach of the contract. Oracle threatened to terminate Mars's inventory of Oracle licenses. Mars responded by taking Oracle to court and requested a permanent injunction against Oracle to prevent Oracle from terminating Mars's licenses. Oracle essentially caved, and responded by agreeing to not terminate the licenses and closing out the audit without further threats of license termination. Due to the out-of-court settlement, we don't see any details around why Oracle gave in, unfortunately.

Our assessment is that Oracle's VMware position was indefensible and Oracle did not want a legal precedent that defeated its position on VMware. **However, jumping to a premature conclusion here is fraught with risks and hidden compliance traps. Check out our second post on the topic of "Oracle and VMware" to make sure you are aware of the key factors affecting Oracle compliance in VMware.**