

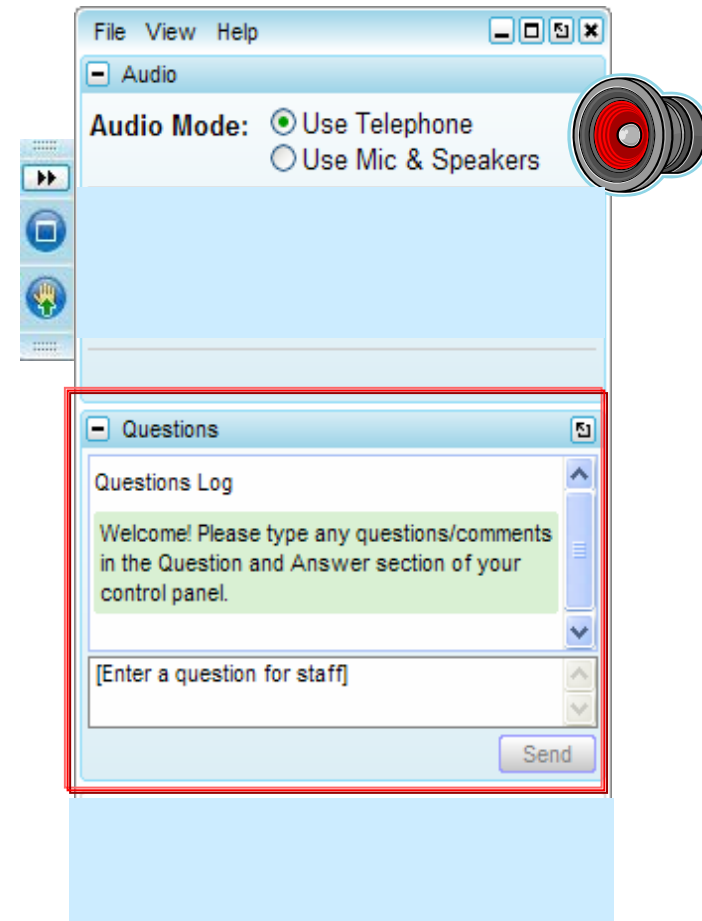
How Will Oracle's Strategy For Sun Impact Your IT Organization?

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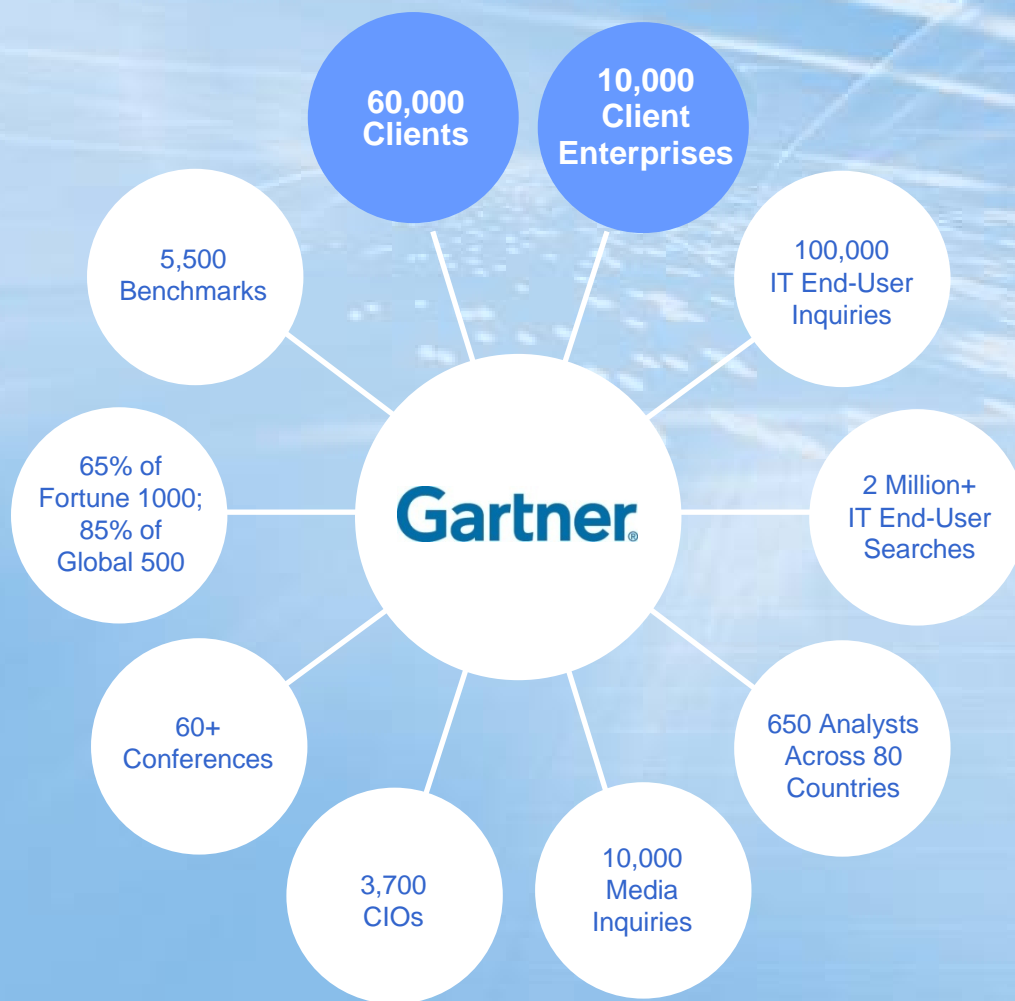
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Webinar Agenda

- The Event – Oracle Acquires Sun Microsystems
- Oracle (+Sun) Hardware Strategy
- Oracle (+Sun) Software Strategy
- Oracle (+Sun) Service Strategy
- Recommendations

The Event – Oracle Acquires Sun Microsystems

Key Milestones

- April 20, 2009 – Oracle announced that it had reached a definitive agreement to acquire Sun Microsystems.
- January 21, 2010 - The European Commission formally approved the Oracle planned acquisition of Sun Microsystems following approval from the U.S. Department of Justice in August 2009.
- January 27, 2010 - Oracle announced that it had completed the acquisition of Sun Microsystems.
- January 27, 2010 - Oracle unveiled integration plans for the Sun's product portfolio at an all-day live event in its Redwood Shores, CA headquarters.

Key Announcements

- Oracle will retain the Sun Microsystems brand
- Sun server and storage will be managed as an independent business unit.
- Oracle post-Sun strategy is to provide an “application-to-disk” integrated hardware+software stack
- Sun’s hardware and Oracle software (DBMS, Middleware, Systems Management, and Applications) will be designed, implemented, released and supported in an integrated fashion.
- The Oracle+Sun stack will continue to be based on open standards.
- Oracle will continue to compete in the “best of breed” hardware and software markets.

Oracle (+Sun) Hardware Strategy

- Sun SPARC processor technology will be strategic for Oracle:
 - The illustrated roadmap lacked specifics in some areas (e.g., Ultra SPARC. Collaboration with Fujitsu for SPARC 64)
- X86 Server business will be strategic for Oracle
 - Little visibility on x86-based product roadmaps
 - Oracle will not compete in the commoditized low-end server market
 - No mention of the role of the new Intel Nehalem-EX processor.
- 7000 ZFS Storage Appliance will be a strategic focus of Oracle :
 - No further roadmap details disclosed to date
- Sun Solaris and Oracle Enterprise Linux are both strategic
 - The future of OpenSolaris is uncertain.
- Sun's virtualization technology will be strategically supported
 - Oracle's challenge will be the consolidation of all virtualization to Oracle VM and all virtualization management to Oracle Enterprise Manager.

Oracle's focus will be on enterprise, business critical systems, not on the commodity x86 servers business

Oracle (+Sun) Software Strategy

- Integrated Systems
 - Hardware + Software Appliances for specific usage scenarios
 - The Sun Oracle Database Machine (Exadata V2)
 - Possible future examples:
 - Application Server Appliance
 - Identity Management Appliance
 - Integration/B2B appliances
- Java
 - Will remain an open standard technology
 - Oracle will work to revitalize the JCP
- Open Source
 - Oracle will not pursue the aggressive Sun's OSS strategy
 - Some Sun's OSS products will be strategically supported (e.g., MySQL, GlassFish Application Server)
 - Most Sun's OSS products will have to stand on their own.

Oracle will maintain the existing OOS business model

Strategic Implications

- **Java:**

- Oracle doesn't want to turn Java into a proprietary technology
- Loyalty of large Java players like IBM, SAP and Google is not assured

Fragmentation of the Java technology into partially compatible independent implementations is still possible

- **Open Source:**

- Sun's OSS strategy was not effective
- Oracle does not plan to aggregate a full OSS stack

Opportunity for RedHat/JBoss, MuleSoft, SpringSource

Oracle (+Sun) Software Strategy cont'd

- Sun's Software Product Futures:
 - **Strategic**, integrated in the “applications-to-disk” stack (e.g., Solaris, Java, Sun Ops Center)
 - **Strategic**, not integrated in the “applications-to-disk” stack (e.g., MySQL, Sun Master Index)
 - “**Continue and Converge**”, will be combined with Oracle equivalents (e.g.: Sun Identity Manager and Sun OpenSSO Enterprise)
 - “**Maintenance and Support**” will be supported for a number of years, but at some point Oracle will recommend migrations to Oracle's equivalent (e.g., Sun Java CAPS)

Few Sun Software products will replace equivalent Oracle one (counter to what happen with the acquisition of BEA Systems)

MySQL

- Oracle made certain commitments about MySQL licensing, support and technology plans in response to the European Commission concerns
 - Oracle will continue to support the MySQL open source community.
 - Oracle will not change pricing or support policies over the next five years
- Dual DBMS strategy:
 - Oracle DBMS for enterprise-grade applications
 - MySQL for web applications and against Microsoft SQL Server and other OSS DBMSs

Recommendation: Business as usual

Sun Java CAPS

- Came to Sun through the SeeBeyond acquisition in 2005
- Since then Sun released only one major version of the product, which lost momentum and installed-based
- Java CAPS overlaps with Oracle's products (Oracle SOA Suite) in part deriving from the BEA Systems acquisition
- Oracle is going to put Java CAPS in "maintenance and support". Java CAPS support will be provided for the next 5 years (less for older ex-SeeBeyond products).
- Oracle will encourage migration to Oracle SOA Suite

Recommendation: No need to panic, however avoid massive new investments and plan for a migration to an alternative (Oracle's or not) in the next three/five years.

GlassFish Application Server

- It is the Reference Implementation for Java EE
- Despite of a reputation of good technical quality, it never gained significant users and third-party support.
- Oracle is going to continue to support GlassFish AS as the RI for Java EE and as a low-end alternative to Oracle WebLogic Server, but will not integrate the product in the “applications-to-disk” stack.
- Some GlassFish AS technologies may be incorporated in WLS in the future (and vice-versa)

Recommendation: Avoid large new investments on GlassFish AS and plan for a migration to an alternative (from Oracle or others) over the next two/three years.

Other Sun's Software Products

- Identity and Access Management
 - Sun Directory Server Enterprise Edition will be strategically supported along with Oracle Internet Directory
 - Sun Identity Manager will converge with Oracle Identity Manager
 - Sun OpenSSO will converge with Oracle Access Manager
 - Sun Role Manager will be the strategic product for Identity Governance (and becomes Oracle Identity Analytics)
- IT Operations Management
 - Sun Ops Center will be integrated with Oracle Enterprise Manager
- Development Tools
 - NetBeans will continue to be supported, positioned as a “lightweight” Java IDE and primarily focused at mobile Java application developments
 - Oracle JDeveloper remains Oracle's strategic integrated development toolset for OFM-based applications.

Oracle (+Sun) Service Strategy

- Oracle replaces Sun tiered model with Oracle Premier Support for Systems (12% of hardware purchase price) and Oracle Premier Support for Operating Systems (8% of the hardware purchase price).
- Oracle takes a bold and aggressive pricing approach which offers high-end support at up to 50% below the current market rate.
- Service strategy is meant to drive customers from third-party maintenance providers (TPM) back to Oracle.
- Impact on OEMs and TPMs could be significant

Review your Sun hardware portfolio and consider Oracle support. Ensure that arrangements include vendor-backed support for your operating system.

Recommendations

- **Users of Sun's products now strategic for Oracle:**
 - Business as usual.
 - Grandfathered price list for add-on purchases
 - Expect possible changes in licensing and support policies for Sun products as they get aligned to Oracle's current practices.
- **Users of Sun's products not strategic for Oracle:**
 - Don't panic - support will be provided (typically for the next five years and indefinitely under Sustaining Support)
 - Ask Oracle to unveil detailed migration plans to strategic alternatives and just in case, look at alternatives.

Recommended Research

- ✓ Oracle Software Strategy After Sun: 'Software as Hardware' (G00175124)
- ✓ Oracle Maps a Future for SPARC, x86 and Solaris (G00174268)
- ✓ Oracle and Sun: What Are My Next Server Options? (G00174683)
- ✓ Oracle Will Support but Not Evolve Sun's Java CAPS (G00174617)

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