

## IBM Uses Linux to Capture More Mainframe Workloads

Mike Chuba, John R. Phelps

IBM's new Linux-only offering addresses the weaknesses of traditional mainframes. However, IBM must gain support from software vendors, prove that more applications will be available and clearly show cost benefits.

## NEWS ANALYSIS

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### Event

On 25 January 2002, IBM introduced a dedicated zSeries offering for Linux. The offering consists of one to four engines dedicated for Linux workloads, z/VM, and three years of hardware maintenance (including a one-year warranty) and z/VM software support. The offering will be available later in 1Q02. Until this announcement, acquiring an IBM mainframe to run a Linux workload required that a customer procure at least one S/390 or z/Architecture processor in the configuration.

### Analysis

Since 2001, Linux on the mainframe has moved from an outsider in the data center to a credible offering for select environments. IBM continues to invest heavily in the promotion of Linux on the mainframe as Linux represents IBM's best opportunity to capture new workloads for its mainframe business — both within the enterprise and with Internet service providers. This announcement represents a significant step toward seizing that opportunity. A stand-alone Linux system addresses, to some extent, the traditional mainframe's weak areas: packaged-application portfolios, cost of ownership and applicability to the midsize IS organization. Theoretically, this announcement takes "Linux on the mainframe" beyond the IBM installed customer base although it remains to be seen if IBM can effectively market outside this customer base.

Only customers ready to commit to Linux should consider this new package because this three-year offering has no exit upgrade path for the hardware to the z900. IBM will likely set entry price for a three-year z/Architecture Linux solution at less than \$400,000. This price represents a significant improvement over IBM's previous offerings and will appeal to its mainframe customer base. Gartner estimates that approximately 70 customers have production work running under Linux on the mainframe, with several hundred more in various stages of trials. Nonmainframe customers will be less impressed by that price unless IBM can show them the benefits of consolidating their workloads on this platform.

Gartner believes that, to achieve optimum results from its Linux-on-the-mainframe strategy, IBM must:

- Clearly show the unique total cost of ownership factors for each separate installation (including the personnel costs)
- Provide further evidence of a rapidly growing portfolio of applications
- Gain the support of independent software vendors (particularly those that price on a cost-per-unit or per-server basis) for situations where workloads are consolidated from tens or hundreds of servers down to one zServer

**Analytical Sources:** Mike Chuba and John Phelps, Enterprise Systems & Centralized Operations

### Need to Know: Recommended Reading and Reference Materials

"IBM Servers: Becoming a Family" (COM-14-7840) IBM's server family is truly becoming a family in organization structure, shared development expense, shared branding, and both the eLisa and the Linux initiatives. **By Thomas Bittman, John Enck, John Phelps and George Weiss**

"When and When Not to Consider Linux on the Mainframe" (P-13-7373) Gartner believes enterprises should consider Linux on the mainframe for only two environments. **By John Phelps**

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