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GIVING POWER EDGE TO SMEs

Traditionally, the vendors have been positioning x86 servers with the SMEs, but the competition and power-hungry applications have compelled the SMEs to choose products with higher ROI with a slight higher TCO.

These days the market is different, customers understand the actual meaning of technologies including the complex technologies i.e. server and storage. So, only thing is that they expect ROI matrix basic of which they decide. In this scenario, whether it is x86 servers or non-x 86 servers, whether it is Windows, Linux or UNIX server does not stand as exciting to the customers. In this scenario, IBM finds there is a positive traction of Power processor with AIX OS. This sounds very good for IBM but from the overall market perspective, it is excellent.

From the evolution point of view, overall servers' number, compared to the earlier times, has increased. There has been sprawling of data centers across different locations in India. People have started consolidating the workloads and physical servers. That is why about 5-6 years back, Blade as an evolution was seen in the market. IBM was the first as an innovator to bring such technology. The best part of innovation was trying to consolidate not only the server infrastructure but also the infrastructure around the servers. While a lot of organizations were consolidating the compute, IBM actually went ahead to collapse the ecosystem outside the servers included networking and storage. It was physical consolidation where there was heterogeneity in the system with Wintel, Linux, Power Linux, AMD, etc. So, it was not that you were constrained to one particular technology so you could make the best of all.

Slowly and steadily from physical consolida-

tion, there came the era of virtualizations and it is still continues even today. Viswanath Ramaswamy, VP, Power Systems, Systems & Technology Group, IBM India/SA., says, "While virtualization was not new for IBM, it has been there for ages and decades much before from the days of mainframe inception, where hypervisor layer came in. It was not called virtualization as a word at that time and that got extended to Power platform and UNIX platform and x 86 platforms through VMware."

So, within the physical consolidation, how much more can one get was the next question. Now the servers are physically consolidated but how to crass hundreds of servers physically and pull out the maximum performance out of that? It is like with x number of horsepower of a Car, how much one can pull out of the engine is the most important thing. That is where virtualization really came into play. Here IBM unleashed the technology innovation of virtualization on its own way. So on the Power system front, IBM has Power VM, which has inbuilt virtualization engine or software. On the x86 front, customers also have choice of VMware and any other virtualization technology. The same virtualization has also been extended to IBM storage. The intention of the company is to offer the maximum of what the customers invest in terms of ROI.

Giving an example, Viswanath says, "One can invest in an aircraft and don't know how to fly or use that once in 10 years and then the investment will go down the drain. This is where virtualization comes to play. It enhances the potential of harness-

ing more power from the compute or from the infrastructure what you have invested in and we see the trend is going to continue further. If the CPU, the memory and the hard disk all of them together giving an X performance with only 30-35 % of utilization, now we can shift the bar to 60- 70% of utilization with maximum range of performance."

In bargain it offers a lot to the customer in terms of cost of ownership of many other things - be it software licensing, application workloads dynamically shifting, etc. There could be workloads which could be picking only in a particular part of the month for salary or Pay slip or HR whereas the rest of the month, it is sitting idle. Why one should dedicate a server for that particular department? It is better to use resources for other application including mail messaging, billing or invoices. This has been the level that technology has really grown. That is where IBM Technology on Power VM, x86, x5, etc. are all going towards that direction. That is coming up hugely as a trend. Now it is moving forward at a much better rate to each one of the departments.

There is common pull of resources and those are being shared with each one of them while IBM has not yet embarked on the public cloud but what IBM sees is the further trend on cloud technology. The kind of cloud offerings IBM has is vast the reason being they have the software stack in form of Analytic, InfoSphere, etc. IBM has also hardware technologies including Intel, Power, Mainframe, etc. which the customers can pick and choose. Plus on top of it they also have services. So



there are pre-packages which the customers can really embrace and embark on.

Cloud has been a very commonly used word today, but for most organization it is a myth. Giving a safe passage to the organizations to adopt cloud without any hassles, IBM has recently launched Cloud Starter Kit - an entry level software which can go along with Intel server along with Power server. Here the customers can start embracing the journey of Cloud. It has very minimal feature sets for smaller organization to taste on Cloud and then slowly graduate them into a much larger sphere. He adds, "We had earlier an offering called CloudBurst, which is now called Cloud Start Kit and it is picking up in the market in terms demand. As a box to the customers and with a little bit of customization, it is pretty simple to use. It has both x86 and Power variant."

As per Viswanath, POWER based system is much powerful with high RoI because the performance of one core of Power server is fundamentally 3-4 times minimum than the closest competitor. So if one compares one core of Power processor it is equivalent to the four cores of competitive processor. With the database licensing cost pretty high one can save a lot on the data base itself if one embraces Power platform. It means if the customer goes with non-Power environment and requires 32 cores on risk processor then he technically would pay for 32 licenses if it is Itanium and if it is normal Intel then he would pay for 16 licenses but the same 32 if convert for a Power platforms then it would need about 8-10

cores that means one would need about 8-10 data base license. It is an immediate saving. One's acquisition cost becomes lower and the management also becomes lower. The moment the acquisition cost become lower than running cost for infrastructure becomes lower automatically. The other good part is that one can embrace any database including Oracle, Informix, DB2, etc., saving a lot on that. So from cost economics perspective, it becomes all the more real meaningful sense and that is why people are really looking at the total cost of ownership for 3-5 years. In that software cost is the biggest component which can really hike the total investment on the infrastructure. Therefore the trend is also picking up in terms of customers really taking an infrastructure - related decision rather than a performance - based decisions.

This is probably the reason why a lot of customers are embracing Power systems. On a worldwide basis there is probably more than 3000 migrations have happened to Power systems. The customers moving from non-IBM platforms to IBM platforms really shows that the confidence, the trust, the performance and reliability coupled with the savings you get over a period of 3-5 years is much higher than going with the existing platform. Besides, there is a lot ecosystem support. So there is a huge amount of technology superiority in the box and customers are really looking at that.

Viswanath maintains, "A number of customers are asking us how to consolidate a number of x86 servers to a smaller footprint - be it on Power

or X5 of SMB. A lot of SMB customers are really embracing Power for their SAP because for SMB customers it is more critical that their investment is put on the right bucket. They are not giants that they keep on investing in IT every year. Once they invest on IT they typically need to last for 7 years because they are not fundamentally an IT organization. Therefore the whole of this year we saw a lot of SAP wins on Power and a lot of migrations have happened from either Oracle or HP Itanium."

He adds, "How we hand hold the customers? We have a huge team which is a migration factory - the IBM STG lab - residing in India helps customer migrates from one platform to other platform smoothly. We have done that for many banks, SMB customers, etc. and we see a success driving out of it. While some of the data base is IBM and some other is non-IBM but that also shows that customers still wanting to continue with the existing data base but want to move out to Power platform because they are able to get more power and performance from the IBM platform and IBM is there to help them seamlessly to migrate from platform A to B and that is really a big success."

Other than this, within SMB, there is a lot of channel acceptance. Supporting them IBM has started a lot of channel partner programmes on volume products of Power because the myth is that Power systems are not easy to sell so IBM had deliberately made the Power Unix system simple for the partners. Besides, IBM has created a lot of tool where the customers can make comparisons. To add to that, specially for the SMBs, in universities and colleges to pervade AIX amongst these students community and build a community out of it, IBM has launched AIX scholar programme in India. The company gives the universities server at low cost and its services arm trains the students. Out of the number of students the top 10 students get waiver off the certification fee.

Finally...

With all these initiatives on power, IBM has emerged as No.1 and is growing in terms of its market share. For last quarters the company is increasing the gap and continuing to be leader in the space. To add to this, the company has embarked on a lot ISV programmes. Today, the spread of Power system is not just restricted to banking, government or Telcos, it has presence in Retail, Pharma, Smaller Banks, Cellphone operators, Travel and transportation, FMCG, etc. segments. Because of the technological superiority, IBM Power Systems are way ahead of others - be it Oracle or HP and there is continuous upsurge in Power systems as far as overall business in India is concerned. **SME**