ORACLE ON RED HAT ENTERPRISE LINUX:

EXTRAORDINARY COST SAVINGS. UNPARALLELED ROI.

If you're seeking ways to carve out costs from your IT budget — as most businesses are these days — you don't have to look far. Migrating your enterprise applications from a proprietary RISC®/UNIX® platform to one based on Red Hat® Enterprise Linux® running on industry-standard Intel® Xeon®-powered Dell® PowerEdge® servers, and you can achieve your cost-cutting goals while maximizing performance and scalability.
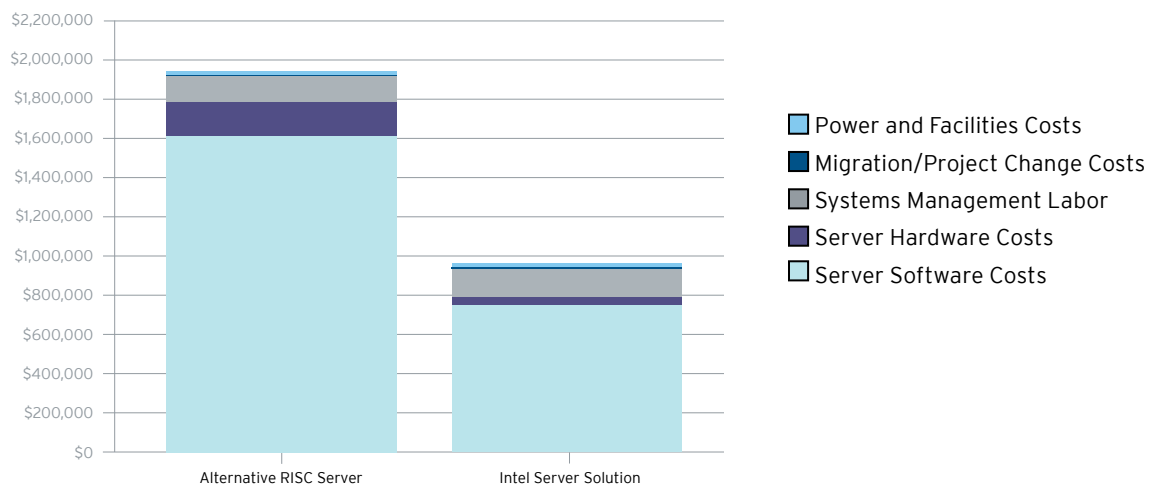
We moved an Oracle® Enterprise Edition® database from a Sun® SPARCstation® running Solaris® to an Intel Xeon-powered Dell PowerEdge server running Red Hat Enterprise Linux. Under this scenario, the Red Hat-Dell-Intel solution reduced overall costs by almost $1 million over a three-year period. This represented savings of nearly 50 percent over the alternative proprietary solution — making possible a return on investment (ROI) of 992 percent and a payback period of just three months.

MASSIVE DIRECT COST SAVINGS RESULT IN SIGNIFICANTLY LOWER TOTAL COST OF OWNERSHIP

First, the hard cost savings. The actual total cost of ownership (TCO) of deploying Oracle on proprietary RISC/UNIX platform is significantly higher than running the same application on an Intel-based Dell PowerEdge server under Red Hat Enterprise Linux (see Figure 1). Here's a summary of what the open source configuration allows businesses to achieve under a three-year scenario:

- **Significantly reduced server hardware costs.** Purchasing RISC hardware capable of running a large enterprise-class Oracle database ($170,000) costs more than 3.5 times what an Intel Xeon-based Dell PowerEdge server of comparable capacity ($46,000) would cost.

- **Lessened server software costs.** The total server software costs under the Red Hat-Intel-Dell platform ($780,000) were less than half of what they were under the proprietary RISC/UNIX platform ($1.6 million).

- **Decreased power and facilities expenses.** Because of the energy efficiencies enabled by the new Intel Xeon processors, enterprises moving to the Dell PowerEdge servers running Red Hat Enterprise Linux can cut their power and facilities costs by nearly one-third — in this example power costs decreased from $12,000 to $8,500.

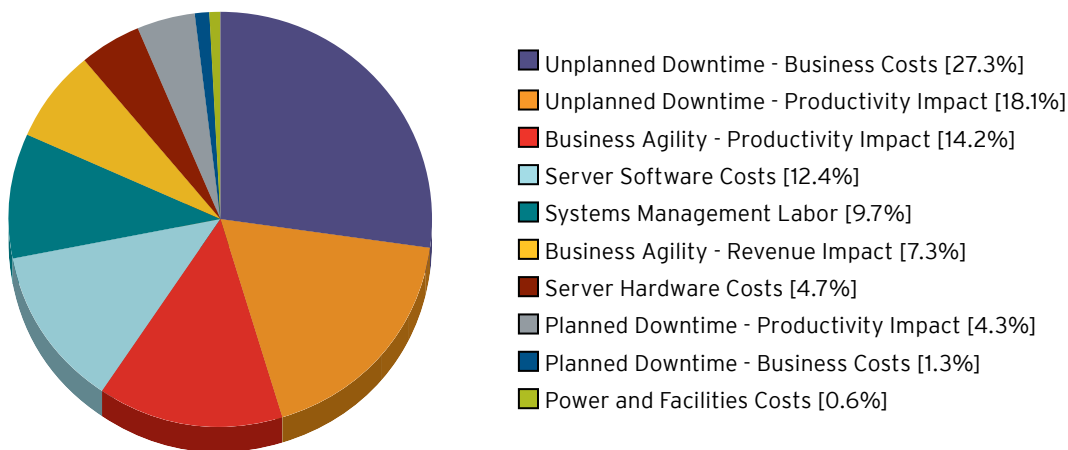**FIGURE 1: COMPARABLE TCOS OF RISC/UNIX AND RED HAT-DELL-INTEL PLATFORM**

EVEN MORE IMPRESSIVE BENEFITS DERIVED INDIRECTLY

Moving beyond a simple TCO analysis to one that compares the total benefits—both direct and indirect returns delivered by the Red Hat-Dell-Intel solution when compared to the RISC/UNIX one—the advantages are even more dramatic. Implementing the new, industry-standard solution results in $9.2 million of three-year cumulative benefits. Of these projected benefits, $2.5 million were direct, or hard; $6.7 million were indirect, or soft.

- **Reduced downtime (both planned and unplanned).** The rock-solid reliability of Red Hat software and Intel-based Dell hardware means that planned downtime to perform routine maintenance, patches, and upgrades is substantially less than for proprietary RISC/UNIX environments. Additionally, unplanned downtime is significantly reduced for the same reasons. And of all the potential cost reductions/business benefits, minimizing unplanned downtime turns out to be the most valuable, accounting for more than 27 percent of the total ROI from migration (see Figure 2).

- **Improved business agility.** The flexibility and scalability of the Red Hat-Dell-Intel platform means you can easily add capacity as you grow, enabling you to respond more swiftly to changing business requirements. And the money you've saved by moving to this platform can be redirected to more strategic initiatives—both within IT and for the business as a whole—giving you an edge over the competition.

- **Increased productivity.** The ease of use of the industry-standard Red Hat-Dell-Intel platform coupled with the large base of workers skilled in both the hardware and the operating system makes your IT workers more productive than under the RISC/UNIX scenario. Plus, end users are also more productive because downtime has been reduced and they don't have to worry about having access to the tools they need to get their jobs done.

FIGURE 2: TOP BENEFITS CONTRIBUTING TO THE ROI OF MIGRATION TO THE RED HAT-DELL-INTEL PLATFORM

- Unplanned Downtime - Business Costs [27.3%]
- Unplanned Downtime - Productivity Impact [18.1%]
- Business Agility - Productivity Impact [14.2%]
- Server Software Costs [12.4%]
- Systems Management Labor [9.7%]
- Business Agility - Revenue Impact [7.3%]
- Server Hardware Costs [4.7%]
- Planned Downtime - Productivity Impact [4.3%]
- Planned Downtime - Business Costs [1.3%]
- Power and Facilities Costs [0.6%]

EXPERT MIGRATION ASSISTANCE

Are you currently stuck with a proprietary platform and unsure how to proceed? We provide pre-sale engineering validation and configuration services designed to help you migrate from UNIX to Red Hat Enterprise Linux. This complete migration service offers scoping, planning, and implementation assistance for end-to-end streamlining of the entire process. We have also created step-by-step guides for performing the migration in-house or with the help of your preferred professional services vendor.

Call your Intel, Dell, or Red Hat account representative or services representative today for more information on the Red Hat Enterprise Linux and Dell solution. Contact us at Dell-Sales@redhat.com or visit us at www.redhat.com/intelligence/dell.

METHODOLOGY/CONFIGURATION USED IN THIS ANALYSIS

These figures were calculated using the Intel RISC Migration TCO Calculator alongside industry research metrics and financial calculations contained in Alinean ROI Analyst™ software, an independent financial modeling tool developed by the leading worldwide independent ROI consultancy Alinean, The IT Value Experts (link to: http://www.alinean.com). The TCO analysis compared the following two alternative solutions:

RED HAT-DELL-INTEL SOLUTION:

- Server : Dell R900 Xeon 7460 2.66Ghz (4ch/24co)

- Number of servers: 1

- Operating system: Red Hat Enterprise Linux

- Database: Oracle EE

- Application server: JBoss

- System management software: none

RISC/UNIX SERVER SOLUTION:

- Server : Sun T5440 1.4GHz (4ch/32co)

- Number of servers: 1

- Operating system: Sun Solaris

- Database: Oracle EE

- Application server: IBM WebSphere

- System management software: none

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