

Clash of the Itans

The ongoing legal battle surrounding Itanium exemplifies 'old computing'. Does it signal the end of an era?

June 28, 2011

Keep an eye out for typos.

Details are at the bottom of this newsletter's content.

An Itanic Waste

The ever-widening breach between Oracle and HP has gotten particularly nasty recently, as documented in fantastic detail in <u>this post</u> at The Register from earlier this month.

End-of-service-life (EOSL) theatre at its finest, the strangely silent partner in the whole matter has been Intel, who is in fact the only party with sole discretion over when, if ever, the Itanium chip is declared officially obsolete. Oracle's transparent play to boost hardware market share aside, the good ship Itanic has been in the process of sinking in the marketplace for years, as the above article mentions. Nevertheless, rumors and speculation aren't the same as an official announcement, and officially the Itanium chip, and by extension the hardware running it, are good to go at least through 2014.

Nevertheless, some 140,000 users are projected to be caught up in the dispute, because they are currently running Oracle software on HP Itaniumbased hardware despite Oracle Software price increases approaching 100% and all sorts of other headaches and decentives to go with it. The hardware systems are discrete and not easily swapped out for other chipsets; keeping the systems going past EOSL is one thing, but HP and Intel are both doing all they can to assure users that the systems are *not* in fact EOSL no matter what Oracle says. Oracle simply shrugs, alerts its lawyers, and raises prices.

The options for these 140,000 HP Oracle customers are to get out of the hardware (either now or soon), delay a decision as long as possible, or get out of the software (either now or soon). All of them are potentially costly, if not disastrous. The fear is that the choice you make is the one that turns out to be the wrong decision.

But what if they're ALL wrong?

Oracle is banking on the fact that it's easier to port data and apps to new (oracle) hardware than it is to port a business to new data and apps on the

same old hardware. HP is crying foul and hoping, probably in vain, that the legal system will force Oracle to change its ways without it finding an even more vicious way to blacken HP's eye in some other arena. But what both companies are overlooking is that the cheaper and better decision for businesses may be to clean the entire slate.

Companies running Itanium chipsets may already have been looking around for a better solution, and while some of them may have been evaluating Oracle, the truth is that no one wants to make a huge hardware investment just to maintain the status quo; it's not as if the switch to Oracle hardware is necessarily a great tactical improvement over the Itanium system. Few businesses will make such a switch with a smile on their faces or a song in their hearts. It's a concession to reality and an object lesson in the dangers of vendor lock, even for businesses that didn't realize they were locked until one of their two vendors started yanking the ropes

Celebrating 100 years of not getting people fired

Not surprisingly, IBM has been a bulwark of stability in the iceberg-laden marketplace of high-end datacenter hardware, thanks in large part to the constant fuss and flap coming out of Oracle on various legal fronts. The company is celebrating 100 years of business, a true and legitimate monument to doing a lot of things right in the technology space for a very long time. IBM goes through spurts of innovation from time to time, but the company's deeper strength may lie in its ability to remain relevant while other companies stumble over missteps: IBM has mastered the art of whispering when everyone else is shouting, and in so doing, getting everyone's attention other than the ones yelling over top of each other.

IBM isn't the only winner, either. The ongoing commoditization of data center hardware is driven by a number of interconnected forces, including the push towards private, public, and hybrid clouds; server, storage, and desktop virtualization; ever-increasing maintenance options from a vigorous third party hardware and software support ecosystem; the maturation of the open source community and their applications; and device-independent mobility. In the final analysis, just as the sinking of Titanic marked the end of the Edwardian era and the beginning of a newer, more dynamic and fast paced time, the slow and miserable demise of the Itanic chipset may mark the end of the dominance of a handful of major OEMs in favor of the extraordinarily diverse ecosystem of computing models and solutions already making their presence felt.

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