New Software Licensing for S/390

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What is XSLM?

www.XSLM.org

Product Installation
License Mgmt System
Reporting
License database & logs
Policy and System Administration
Application executes
Product library

One possibility

<table>
<thead>
<tr>
<th>IMS/DB2 current workload</th>
<th>S390 hardware</th>
</tr>
</thead>
<tbody>
<tr>
<td>DB2</td>
<td>SAP</td>
</tr>
<tr>
<td>Linux</td>
<td>Linux</td>
</tr>
<tr>
<td>PR/SM</td>
<td>S390 hardware</td>
</tr>
</tbody>
</table>

Breaks the link between system size and license charges

IMS/DB2 current workload

S390 hardware

But I’ll never run Linux

IBM’s promise to port Linux to all of its server platforms sounded like a platitude when the company made public its intentions earlier this year. But even IBM seems to be caught by surprise by the popularity of its Linux for S/390 port. Customers say they are finding the combination of the OS/390 operating system’s legacy transaction capabilities with Linux’s hosting strengths make for a powerful commerce platform. ZDNet News, 3/20/2000

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Basic elements of WLC

- Variable workload license charge
- zOS, DB2, IMS, CICS, SA, Domino, COBOL, MQSeries, PL1, Netview, OPC, QMF
- Flat priced by CEC
- Most everything else!
- Approx 500 mips level, no upgrade charges
- Managed by IBM License Manager
- XSLM based
- Requires zOS in 64 bit mode on zSeries server

Workload License Charge

Variable-Charge Products:
- $/MSU decreases as capacity increases
- Priced via 30 day License Charge
- Aggregation of MSUs
  - within a single system
  - across a qualified Parallel Sysplex

Flat-Charge Products:
- Single Price per Machine
- Priced via 30 day License Charge

WLC Example

<table>
<thead>
<tr>
<th>LPAR 1</th>
<th>LPAR 2</th>
<th>LPAR 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>zOS</td>
<td>zOS</td>
<td>zOS</td>
</tr>
<tr>
<td>CICS</td>
<td>IMS</td>
<td>CICS</td>
</tr>
<tr>
<td>IMS</td>
<td>IMS</td>
<td>IMS</td>
</tr>
<tr>
<td>200 MSUs</td>
<td>80 MSUs</td>
<td>50 MSUs</td>
</tr>
</tbody>
</table>

IBM Price Base On:
- zOS - 330 MSUs
- CICS - 250 MSUs
- IMS - 330 MSUs
- COBOL - 50 MSUs
Add a new workload

Prior Example Price Based On:
- zOS - 370 MSUs
- CICS - 290 MSUs
- IMS - 370 MSUs
- COBOL - 50 MSUs
- DB2 - 50 MSUs

This Example Price Based On:
- zOS - 420 MSUs
- CICS - 290 MSUs
- IMS - 370 MSUs
- COBOL - 50 MSUs
- DB2 - 50 MSUs

White space for added granularity and spiking

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e-business Spikes

Implications of XSLM for you

- Inventory and use data
- Common certificate admin tools
- Ts&Cs in certificate
- Electronic certificate
- Licensing metric flexibility
Ts&Cs for ISV "support"

- What does "support" really mean?
- WLC pricing structure
  - Separate from total system capacity
  - LPAR mips/MSUs to a max of SSI capacity
  - Call LM or license based upon related IBM product
  - Spikes allowed; spare capacity allowed
- Transition plan
  - How will existing MIPS contracts be converted?
- Max price guarantee
  - No more than equivalent G5/6 capacity
- Current products supported on zSeries & zOS

Summary

- License Manager breaks the link between system capacity and license charges
- WLC allows spikes to handle workload peaks
- You control the licensed capacity for each LPAR
- Work with your ISVs to get them on board too