Oracle brings its Bare Metal Cloud to the EU
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Ovum view

Summary
Oracle is rolling out bare-metal servers to its Frankfurt, Germany-based EU Oracle Cloud region. The infrastructure-as-a-service (IaaS) Bare Metal Cloud will be generally available to European customers from October 2017. This announcement is especially relevant for Oracle's large-enterprise customers and customers looking for high-performance compute (HPC) and high-availability (HA) database clusters such as Oracle Real Application Clusters (RAC) or Exadata database workloads.

Oracle focuses on enterprise-grade IaaS as its differentiator from AWS

This announcement is all about performance and delivering on-premise service levels and HA in a public cloud. Where the industry-leading public cloud service providers (Amazon Web Services and Microsoft) lead with low cost, convenience, and elastic scale-out architectures (distributed workloads across thousands of virtual machines), Oracle is leading with dedicated server power and enterprise-grade resilience in the cloud. Oracle customers have had access to its "modern" IaaS architecture served out of North American data centers since October 2016. From October 2017, European customers will have access to it from Oracle's Frankfurt cloud region.

This isn't just about removing the hypervisor from the IaaS software stack to give bare-metal performance. Oracle is surrounding its servers with new IaaS infrastructure: There are solid-state disks (of course), high-speed I/O, and a new flat, fast, and predictable cloud network with no more than two hops between nodes and 25Gbps bandwidth. The 100µs (that's microsecond, not millisecond) latency between hosts in an availability zone makes Oracle RAC and HA clusters a reality in Oracle's public cloud – just don't use the Internet to connect to your mission-critical enterprise applications and data. It makes "direct connect" services to Oracle’s Bare Metal Cloud almost mandatory.

Oracle was late to IaaS, so it needs to do something to differentiate itself from AWS and Microsoft. It missed the developer/start-up wave in the cloud, so it's focusing on the things it knows best: its enterprise customer base and customers who need performance for OLTP, real-time analytics, HPC, and similar workloads. Cloud is now at the center of Oracle’s strategic focus. Its enterprise customer base is moving to cloud, so whether it's SaaS, PaaS, or IaaS, Oracle has to ensure that their first choice is Oracle Cloud. With this announcement, Oracle is ensuring that lack of enterprise-grade performance and resilience are no longer barriers to IaaS adoption for EU customers as far as its platform is concerned.

Oracle Bare Metal Cloud is an enterprise play for established enterprise workloads, and it's designed to fend off AWS's attempts to take chunks out of Oracle's customer base. Oracle still needs to do more to go on the offensive against AWS and Microsoft in the developer and start-up space, and its PaaS portfolio needs enhancing. But for now, Oracle is delivering a differentiated enterprise-grade IaaS proposition that will attract enterprise customers, provided it ensures that pricing and licensing issues don't get in the way of easy adoption.
Appendix

Further reading
"IaaS moves into the spotlight as Oracle continues cloud growth," IT0022-000920 (March 2017)
"Oracle cloud database pricing prompts strategic choices from customers," IT0014-003249 (March 2017)

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