

Top 7 Reasons You're Getting Audited by Oracle

Let's face it if you're an Oracle® customer, you've heard about Oracle License Management Services (LMS), and you know they come in and perform Oracle software license compliance audits. If you have not been audited yet, rest assured they have you on the list. Here are common reasons your organization has skyrocketed to the top of the Oracle audit list.

Reason #1 - Oracle on VMware

Oracle LMS loves to target customers virtualizing Oracle on VMware® vSphere. If Oracle hears you are thinking of migrating onto VMware vSphere, it seems to be a quick way to make the audit list.

With VMware vSphere, it's effortless to migrate workloads to different hosts while the application is running, and Oracle LMS knows this. The latest versions of vSphere do predictive workload balancing automatically. It is very important that steps are taken to configure Oracle workloads, so they don't accidentally run on an unlicensed host.

To add to the problem, there is lots of fear, uncertainty and doubt (FUD) concerning the proper way to license Oracle on VMware. It's vital that you work with a firm that understands the appropriate way to architect and licenses Oracle on VMware.

A firm that can teach your staff the proper way to configure database workloads, so they can never run on an unlicensed host is invaluable. A component of the LicenseFortress® solution is educating your DBAs and system admins of the proper way to configure Oracle on VMware. LicenseFortress is one of three companies in the world identified by VMware as experts on how to properly license Oracle on VMware without licensing issues.

Reason #2 - Dismissal of Oracle Sales Recommendations

Oracle is very well known for its aggressive sales force. This sales force has been known to drop comments such as:

- "Oracle RAC is not supported on VMware."
- "You are on the audit list make 'X' purchase. I can take care of it."
- "You need to license every physical node in the cluster that Oracle might run on."

It should not surprise you to learn that rejecting an Oracle deal may trigger an Oracle LMS Audit. your results before presenting anything to Oracle.

Reason #3 - Merger and Acquisition or High Growth

Oracle pays attention to financial filings and the news. In our experience, a M&A event may trigger an audit. A company that makes headlines for high growth may trigger an audit. Oracle LMS equate rapid growth with the need for more Oracle licenses. If you meet with an Oracle sales representative, and they make a statement such as “We expected a company of your size to have more Oracle licenses.” That should be a red flag warning to get prepared for an audit.

Reason #4 – Customer Hardware Refresh

In the past two years, if you have undergone a hardware refresh cycle, then be prepared to be audited. Oracle LMS understands that a hardware refresh most likely means an increase in the processor counts. A standard way to license Oracle databases is by the processor. During a hardware refresh, it's common to increase the processor count.

If your organization changed the server types you were using, it's crucial to check the Oracle Processor Core Factor table to make sure you are applying the correct license requirements. It very common for customers to forget to do this. At LicenseFortress, we made education a standard part of our product offering. The better educated your DBA's and system admins are concerning licensing, the less likely you are to make a mistake.

Reason #5 – Currently Under an Oracle ULA

An Oracle ULA is an Unlimited Licensing Agreement to provide unlimited licenses for a specified period of time for a set of technology, products and/or applications. Oracle may audit you for products or applications not covered by the ULA. When an ULA is close to expiration, this may trigger an audit.

A common mistake made by an organization is not managing the use of technology when they are under the ULA agreement. It's imperative to know what and how many Oracle products you are using. Don't wait until the ULA is about to expire to figure it all out.

Reason #6 – Displacing an Oracle Solution in the last Two Years

Oracle does not want to lose any of your business. They will use the leverage of an Oracle LMS audit to discourage you from displacing an Oracle hardware and/or software solution. They will look to see if the use of third-party software triggered additional use of Oracle licenses. There is a lot of FUD concerning the proper way to license Oracle, such as statements like: “That solution is not certified by Oracle.”

Reason #7 – Being an Oracle Customer

Being an Oracle customer is what ALL Oracle audits have in common. It's not a matter of IF you will be audited by Oracle LMS, it's a matter of WHEN. Recent trends indicate software audits are on the rise. The motivation for increasing the number of audits performed each year is quite simple; audits are an easy source of additional revenue. To increase the number of audits that can be achieved each year, many vendors including Oracle are using authorizing third parties to perform the checks.