CASE STUDY

University of Manchester

University of Manchester saved 1/3rd of in year VMware licensing costs by converting from an Enterprise Licence Agreement to UKCloud's VMware Licensing Service (VLS)

About University of Manchester

The University of Manchester is a public research university in Manchester, England, formed in 2004 by the merger of the University of Manchester Institute of Science and Technology and the Victoria University of Manchester.

The university owns and operates major cultural assets such as the Manchester Museum, Whitworth Art Gallery, John Rylands Library and Jodrell Bank Observatory—a UNESCO World Heritage Site.

In 2018/19, the university had 40,250 students and 10,400 staff, making it the second largest university in the UK, and the largest single-site university. It is a member of the worldwide Universities Research Association, the Russell Group of British research universities, and the N8 Group.

The Challenge

The University of Manchester (UoM) were coming to the end of a 4 year enterprise licence agreement (ELA) with VMware and were facing a significant increase in ongoing support costs or the alternative of committing to another 3 year Agreement with its associated upfront cost profile. The University has a strategic underlying objective to move onto flexible subscription based OPEX models wherever possible and committing to another 3-year term with no possibility to vary requirements was inconsistent with this.

In addition, the University's technical requirements had evolved during the 4 year term of the existing ELA and various capabilities were no longer required. Unfortunately, there was no obvious option to reduce costs against these retired features despite a requirement to urgently achieve in-year savings to support the University during the impact of Covid-19. Hence, it was time to think differently about how VMware licencing was achieved.

The Solution

UKCloud and VMware worked in partnership to develop a service that lends itself to flexible licensing, cloud adoption and operational based costs. VMware recognised the challenges faced by education customers and looked to find an innovative solution that also met some of UoMs strategic aims. VMware referred the University of Manchester to UKCloud (the only organisation in the UK that has productised the VMware Licence Service (VLS) capability). By choosing VLS from UKCloud, the University of Manchester were able to start from scratch and choose the features and functionality that they needed today versus when they first made those choices 4 years ago at the start of their ELA, immediately reducing their footprint and cost profile.

Results Achieved:

1/3 Saved 1/3rd of costs in year

OPEX Moved to an OPEX model that supports future charge back introduction

Matched Licence features to today's requirements with no penalty

Future cost saving initiatives now immediately deliver results

Flexibility to instantly flex in licence quantity and type, even over short bursts.

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"UKCloud worked quickly to understand the challenges we face in Higher Education and identified how they could provide a solution that would both reduce costs in the short to medium term and also provide us with the flexibility to exploit the latest VMWare capabilities as we continue to expand and change our needs.

They are a UK based cloud organisation and are very focused on helping public sector and Higher Education exploit cloud services in the UK market — they have demonstrated their ability to help us and I am confident they could do the same for others in the UK Higher Education sector."

Malcolm Whitehouse
Chief Information Officer

"UKCloud impressed during our initial discovery meetings, they listened to all our requirements and answered all of our many questions intelligently and quickly.

They then recommended a solution that both met these requirements and was financially better than all other options available in the market.

Operationally the on boarding process was simple via the UK based service delivery team and UKCloud have stayed engaged with us and are continually looking to improve the service.

Through engaging with UKCloud we have been able to change to a consumption based license model that is both flexible and financially delivers value for money for the VMware hosting service.

I would recommend UKCloud to any customer who is looking to both modernise and maximise their investment in on premise VMware licensing."

Philip Twiss
Virtualisation Lead

Choice, Assurance, Flexibility

The University of Manchester can now add on features and licenses as needed and because it is a flexible pay-as-you-go model, they can scale up and down as required. UKCloud also monitor their usage monthly and make recommendations on how to optimise the platform in order to prevent any bill shock. Effective housekeeping, driven by the new visibility of costs, routinely turning down VM's during the weekend when not required and removing any existing licences held in reserve all contribute enormously to the additional cost saving expected as the new way of consuming VMware matures through the organisation.

Without the restrictive nature of a fixed rigid contract The University of Manchester are re-assured that there will be no future wasted payments, as all cost savings achieved, immediately impact the consumption rate, making the service go longer before requiring a top up.

The Outcome

UKCloud was able to save the University of Manchester money in year — around 1/3 of the cost of their renewal by moving to a subscription licensing model - and were able to enhance their service by providing a log management and analytics tool (vRealise Log Insight) as part of the new licensing bundle at no extra cost.

UKCloud has since developed a strategic relationship with UoM — advising on their journey to multi-cloud. This move to a subscription licensing model allows UoM to prepare their on-premises environment to move to the cloud thus removing another barrier to their long-term digital transformation goals.

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The University of Manchester

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