

2 years of VMware Exodus

Our perspective as a recognized Open-Source virtualization alternative

apachecloudstack[™]
open source cloud computing



VATES

Open Infrastructure made simple

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Who I am

- Olivier Lambert, CEO/co-founder of Vates
- Former sysadmin, using Open Source virtualization since 2005
- Open Source advocate and optimistic entrepreneur
- Personal blog: <https://virtualize.sh>

Vates

- French company from the Alps (Grenoble) <https://vates.tech>
 - Vates America Corp
 - Vates Italia
- Software vendor (ISV) specialized in Open Source Virtualization



Core business: our expertise through our professional support & services

Not just incidents response: architecture advice, deep platform knowledge...



VATES

Open Infrastructure made simple



A true European leader in server virtualization:

- Vates is one of the only 2 EU companies in the "Top 20 keys players" worldwide



Gartner Market Virtualization Guide 2022/2023/2024

- Committed to provide a 100% European stack (including with our hardware & software partners)
- Entirely independent vendor ensuring that our customers have access to a secure and reliable partner that is not subject to potential geopolitical tensions.

The stack

- Agnostic & flexible: runs on almost any x86 machine with any kind of storage
- Our focus on security and isolation with monthly patches ensure the safety and protection of our customers' data and infrastructure
- Easy to install/deploy/use/update
- Integrated stack from virtualization platform to centralized management & backup
- Capable of traditional usage but also "cloud-enabled" capabilities
- Compatible with CloudStack (on top of XCP-ng)

Vates VMS

Virtualization & Management Stack

100% integrated

- Turnkey platform → XCP-ng/XO Lite
- Centralized management → Xen Orchestra
- Complete backup suite → Xen Orchestra
- Hyperconverged storage → XOSTOR

User friendly

- Xen Orchestra
- XO Lite

Modern & Open

- API exposing all features
- IaC (Terraform/Packer...)
- 100% Open Source



Xen Orchestra

Management
Administration
Backup
Network management



XOSTOR
(HCI)



XO LITE

XO LITE



XCP-ng
(Xen)

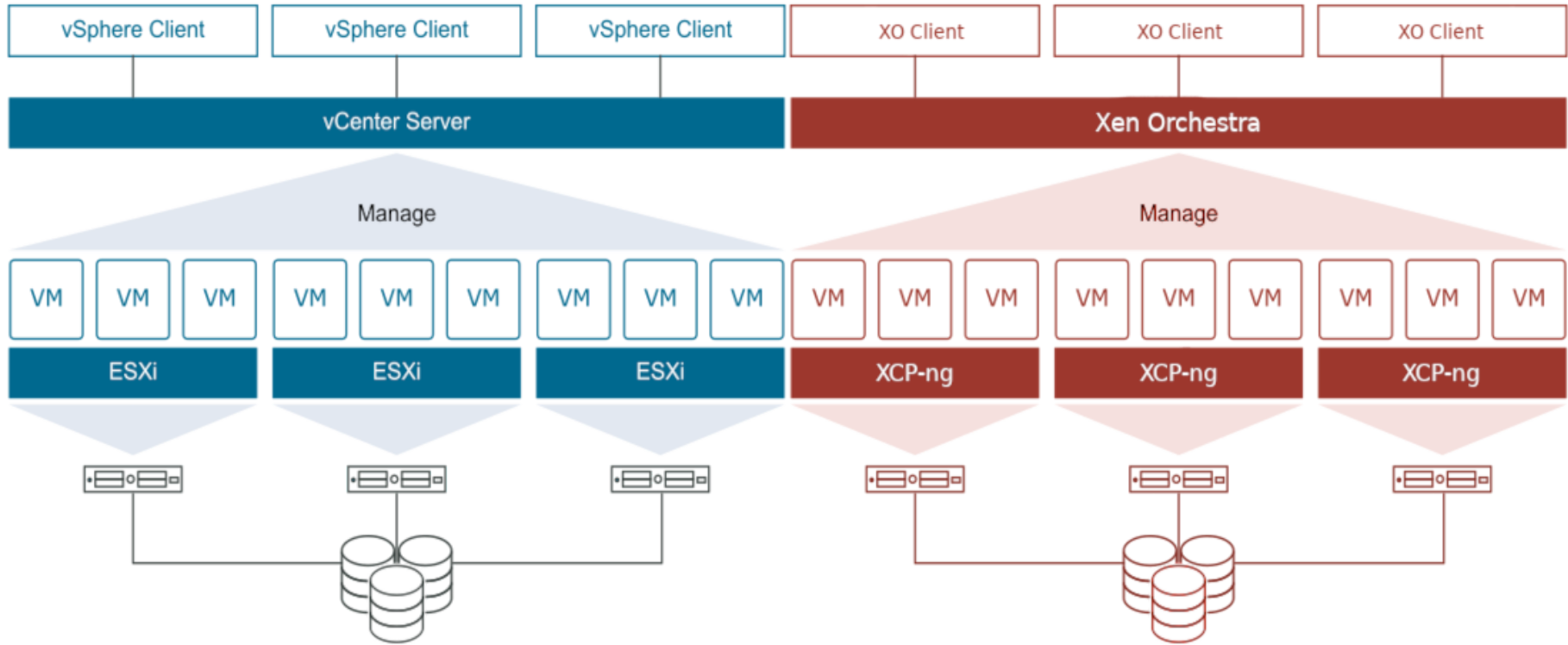
XCP-ng
(Xen)

Server 1

Server 2



Similar architecture: Vates Stack vs VMware



Answering key questions

- Is there truly a "VMware Exodus"?
- If so, why is it happening?
- Why are we uniquely positioned to witness this?
- Is this an opportunity for all of us?
- What is the role of Open Source in this shift?



Is there truly a "VMware Exodus"?

From our perspective, **yes**:

- 100% of new customers since 2023 have migrated from VMware
- Significant increase in Fortune 500 clients in 2024
 - infrastructure sizes averaging 3 to 4 times larger than before.
- Over 100% growth in the U.S. market
- Rapid expansion of Vates' team:
 - 2022: ~20 FTE
 - 2023: ~40
 - 2024: ~70
 - 2025: projected to reach 100

Notable shift from VMware to our solutions.

Why is it happening?

VMware's loyal users feel betrayed after 20 years.

The "Broadcom Effect":

- Loss of confidence: trust is eroding.
- Uncertainty: the future feels unclear.
- Brutal decisions: partners left stranded.
- Pricing: costs are soaring.

But the true effect is...

Mourning



https://en.wikipedia.org/wiki/Five_stages_of_grief

Why are we uniquely positioned to witness this?

What our users say:

1. "Because it works" (eg: reliable updates + being turnkey)
2. Small gap from VMware (minimal training needed)
3. Pricing
4. Security-first approach
5. Complete stack mastery as the software vendor
6. Truly Open Source

We can do even better and we need YOU to build a great ecosystem together!

☀ Is this an opportunity for all of us?

YES: if we collaborate effectively!

- Unite specialists in hardware and software:
 - Storage, VDI, PaaS platforms, and more
 - Service providers are also key in this success
 - As far as possible: consolidate expertise into clear, identifiable offers
- The market is huge and fragmented: collaboration ensures we all benefit.
- Stay relevant: working together is our best chance against industry juggernauts.

About those juggernauts

Fragmented focus creates opportunities:

- Microsoft: Prioritizing Azure for higher margins.
- Nutanix: Price hikes (+50%) and VC/fund ownership.
- Citrix: Focused solely on Virtual Desktop Infrastructure.
- Red Hat/IBM: Centered on app orchestration to drive consulting.

Recent change: MS & HPE reconsidering the potential market (good news!)



What is the role of Open Source in this shift?

Not an obstacle to revenue: Open Source fits perfectly into this changing market

What VMware users want:

- A decent, integrated product (not just pieces of software).
- Comprehensive services (e.g., TAM).
- A solution that makes them feel at home.

Open Source is a bonus: not the primary driver: but it's an added value.

Focus on migration: even if users don't fully appreciate Open Source, adoption matters.

What's next?

Scaling up to serve ex-VMware users:

- Deliver more value: new features, services, and partnerships
 - Boost R&D: innovations driven internally and through collaborations
 - Grow fast: expanding beyond 100 people to maintain momentum

Catalyzing the European ecosystem:

- Forge new partnerships: collaborate more with EU tech leaders (e.g., Kalray, SiPearl, 2CRSi, Clever Cloud, Cloud Temple, VyOS, ShapeBlue, UDS and more).
- Build expertise: strengthen Europe's system expertise and business networks.
- Expand reseller network: empower partners, consultants, and integrators. Join us!

Investing even more in R&D leadership:

- Lead on innovation: Projects like AMD-SEV+Xen, RISC-V porting, and beyond
- Advance key technologies: many exciting developments in the pipes

 By the way...

<https://vates.tech/careers>

 Questions?



Bonus slides



Feedback on current migration projects

Names from some customers: Projet « Exodus », « HyperSwitch »...

The usual way:

From few hundreds to thousand hosts : 6 months at least, 1y or more in general. Often needs project management expertise.

1. Densification of the existing VMware infrastructure (less hosts used with more VMs on it)
2. Mapping the existing apps and services
3. Use the free hardware to build a PoC
4. Migrating services by order of criticality (V2V, in place, OVA...)
5. Full or partial migration depending on the target

Less than one hundred hosts: less steps, doable in 6 months or less

Few hosts : we've seen 1 week!

A quick example for a public Cloud provider

CloudTemple

1. June 2024: decision to add another backend for their public cloud (VMware for now)
2. October 2024: launch the commercial offer with our stack in the backend

It took only 3 months to make it real, because it's simple (and with our assistance)