



Maintaining continuity in your VMware practice

Protect revenue, restore margin predictability
and maintain control over your customer base

Partner Solution Guide



Contents

3	Situation overview and partner challenges	7	Continue VMware support with Equinix Managed Private Cloud
4	Charting your course	8	Designing and launching Managed Private Cloud services
5	Common considerations	9	Success story: HighPoint Technology Group
6	Financial modeling: The margin and cost equation	11	Final checklist

Situation overview

The Broadcom acquisition of VMware has transformed the partner channel, creating new challenges for many partners navigating the evolving landscape. Adjusting to updated operational models has raised compliance and business continuity concerns. These shifts, while necessary to align with Broadcom's strategic direction, require partners to adapt quickly to maintain stability and meet customer expectations.

This guide offers a framework to help partners address these challenges, protect client relationships and build a resilient, future-ready business.

Key impacts

Revenue pressure

The end of perpetual license reselling and back-end rebates erodes margins and disrupts predictable income.

Cost and compliance risk

Per-core subscription models and loss of VMware Cloud Service Provider (VCSP) status introduce financial unpredictability and potential noncompliance.

Customer retention challenges

Price hikes and service changes drive customers to seek alternatives, increasing churn risk.

Operational strain

Broadcom's bundle and support shifts force partners to rework service models, adding complexity.

STRATEGIZE: AN EXECUTIVE DECISION FRAMEWORK

Charting your course

Your organization faces a critical decision point. Regain control of your VMware practice and transition from a position of uncertainty to one of strategic confidence.

Decision criteria

- Customer workload requirements (performance, compliance, data gravity)
- Internal technical skill set and capacity
- Long-term profitability and revenue predictability
- Time-to-market for new service offerings



Common considerations

OPTION 1: REHOST Continue VMware support

Plan

Continue to support customers on the VMware stack by moving their environments to a fully managed private cloud infrastructure owned by Equinix. This approach minimizes immediate disruption for the end customer while shifting the underlying delivery model and ensuring compliance with Broadcom.

Best fit

Partners with customers that are deeply integrated with VMware, have critical legacy applications, or face strict compliance mandates and a near-term challenge with migration and replatforming.

Action

Transition customer environments to Equinix Managed Private Cloud. This provides a stable, licensed VMware environment with predictable OPEX costs, removing your exposure to hardware costs or licensing volatility.

Level of difficulty

Lower

OPTION 2: REPLATFORM Change your hypervisor

Plan

Transition workloads from VMware to an alternative hypervisor platform, which may offer perceived cost efficiencies or better alignment with specific customer infrastructure strategies.

Best fit

Partners with customers seeking to reduce VMware dependency or optimize their virtualization strategy without moving to a public cloud.

Action

Conduct a workload compatibility assessment. Plan and execute the migration to the new hypervisor, ensuring minimal disruption and leveraging Equinix interconnection for seamless integration.

Medium

OPTION 3: REFACTOR Transition to a new platform

Plan

Systematically migrate selected customer workloads away from VMware to alternative platforms in the public cloud.

Best fit

Partners with customers that have cloud-native applications, are seeking to modernize their application portfolio, or have workloads not tightly coupled to the vSphere hypervisor.

Action

Conduct a thorough workload assessment. Use Equinix Fabric® to establish low-latency, secure interconnection between your private infrastructure and hyperscalers—Amazon Web Services® (AWS®), Microsoft Azure®, Google Cloud™, Oracle Cloud®—to facilitate a seamless replatforming process.

High

CONSIDER COST DIFFERENTIALS

Financial modeling: The margin and cost equation

Your chosen path can fundamentally restructure your cost basis and margin predictability. Use this framework to compare scenarios.

Understanding the cost

This table provides a comparative analysis of key cost components across three distinct transition strategies. It evaluates the financial impact of licensing, hardware (CAPEX), infrastructure management, data center overhead and migration effort for alternative hypervisor, hyperscale and Equinix Managed Private Cloud (MPC) models.

Note how the MPC approach consolidates these line items into a predictable subscription, mitigating the up-front CAPEX of hypervisor alternatives and the consumption variability inherent in hyperscale solutions.

Optimize costs and accelerate value

Managed Private Cloud transitions your infrastructure spend to a predictable OPEX model, preserving capital by eliminating hardware CAPEX. Your subscription includes all licensing, data center overhead and complete infrastructure management. This reduces your operational workload and enables a lower-effort, like-for-like migration. The result is a more efficient cost structure and faster time-to-value for your modernization initiatives, allowing you to reallocate resources to strategic priorities.

Cost component	Option 1: Rehost	Option 2: Replatform	Option 3: Refactor
	Continue VMware support using Equinix Managed Private Cloud (MPC)	Move to an alternative hypervisor (e.g., Nutanix Acropolis)	Move to an alternative hyperscale platform (e.g., Microsoft, OpenShift)
Licensing	Included in MPC subscription	New hypervisor subscription costs	Included in consumption model
Hardware costs	OPEX only (included in MPC)	Significant CAPEX for new infrastructure	OPEX only (part of consumption price)
Infrastructure management	Managed by Equinix (up front or behind the scenes; partner's choice)	Dependent on service (cloud vs. private infrastructure)	Shared responsibility model fees
Data center overhead	Included in MPC subscription	Dependent on service (cloud vs. private infrastructure)	Included in consumption price
Migration effort/tools	Lower effort; like-for-like migration	High effort; requires new skill sets	Variable; potential for refactoring
Staff and training	No additional staff or training required	Training required; in-house expertise required for optimization and tuning	Requires cloud expertise and investment; resource-intensive

STABILIZE AND MAINTAIN SUPPORT

Continue VMware support with Equinix Managed Private Cloud

As a Broadcom Pinnacle Partner, Equinix offers private cloud environments with included VMware Cloud Foundation (VCF) licensing, which are fully managed and globally available. Maintain continuity in your VMware practice on a ready-to-use, compliant platform.

Get faster time-to-value

Remove infrastructure setup and licensing hurdles. Quickly launch new offerings, realize revenue sooner and focus resources on growth rather than operations.

Move to a predictable OPEX model

Shift away from capital-intensive DIY replatforming and hardware refreshes to a consistent, monthly subscription fee. This simplifies budgeting for you and your customers.

Offer single and multitenant options

Choose the deployment model that aligns with your customers' security, performance and cost requirements.

Optimize multicloud connectivity

Leverage Equinix Fabric® for private, secure and high-speed software-defined interconnection to all major hyperscalers and thousands of SaaS and network providers.

Enhance security and achieve compliance

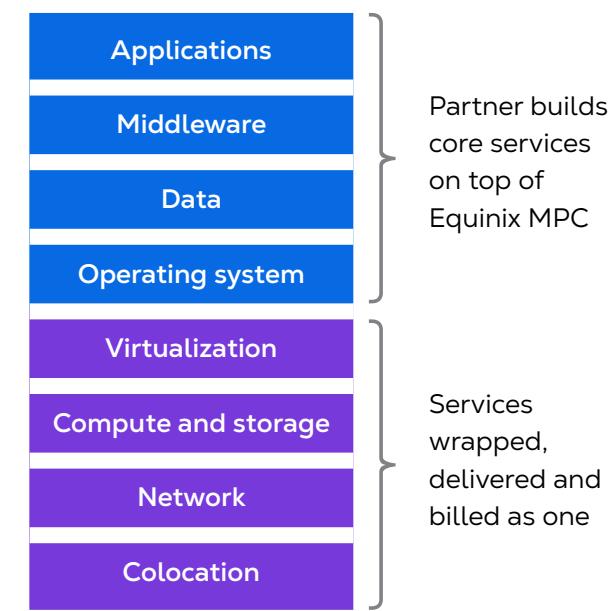
Meet stringent compliance standards, including ISO 27001 and SOC 2, helping your customers satisfy their regulatory requirements.

Extend your delivery footprint

Deploy and manage customer environments across Equinix's global data centers, ensuring resources are placed close to users and data to minimize latency.



Service stack



ENABLE GO-TO-MARKET SUCCESS

Designing and launching Managed Private Cloud services

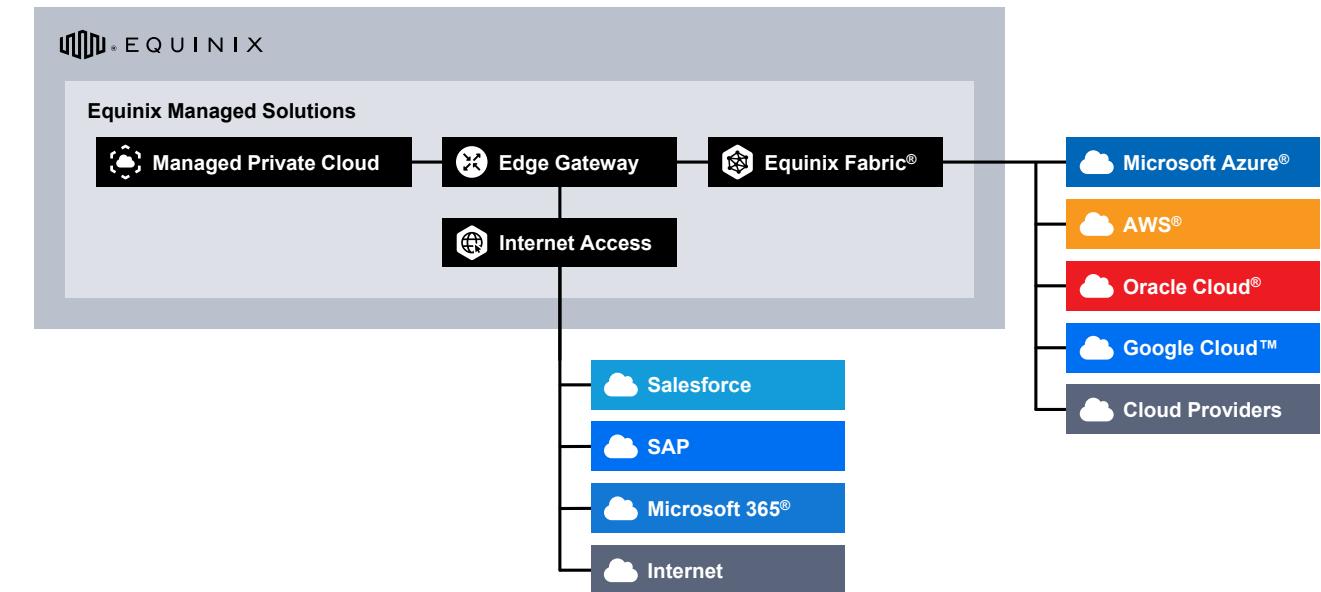
Accelerate your path-to-market by delivering MPC as a comprehensive solution for business continuity and hybrid multicloud integration.

Define the offer

Develop tiered managed services bundles (e.g., bronze, silver, gold) that combine MPC with your value-added offerings such as monitoring, security management, application support and life-cycle governance. Position your solution to address customers' needs for resilience, scalability and expert management.

Utilize integration capabilities

Leverage Equinix Fabric to seamlessly connect MPC environments to major cloud providers (AWS®, Microsoft Azure, Google Cloud, Oracle Cloud) and SaaS platforms (SAP, Salesforce, Office 365®). This integration supports hybrid multicloud architectures, enabling clients to access cloud resources and applications via secure, high-performance private interconnection—all within the Equinix ecosystem.



Optimize pricing and packaging

Bundle MPC with your managed services, and decide whether to resell MPC as part of your offering or direct clients to MPC as a referral partner. This flexibility empowers you to choose the approach that aligns best with your business model.



Due to the Broadcom cost increase, we would not have been profitable without switching to Equinix Managed Private Cloud. In addition, the new solution takes the burden off my staff, saves us a lot of headache and shortens our time-to-market by half. The partnership with Equinix opened up so many options to us, saved us a ton of money and dramatically boosted our flexibility.”

Steve Guistwite
CEO
HighPoint Technology Group

LEARN FROM PEERS

HighPoint Technology Group simplifies operations and reduces costs with MPC

HighPoint Technology Group, a VMware Cloud Service Provider, faced significant challenges after Broadcom's acquisition of VMware. Escalating hardware and licensing costs confronted its self-managed VMware Cloud Foundation (VCF) environment, introducing substantial business risks like increased operational complexity and margin erosion. This threatened its ability to deliver competitive managed services, necessitating a new solution to maintain service continuity and profitability.

By migrating to MPC, HighPoint achieved transformative results. The transition streamlined operations, reducing staff time on infrastructure maintenance by 50% and cutting deployment costs by nearly two-thirds. The integrated VCF licensing and simplified operational model lowered its infrastructure spend to about one-third of previous levels. This strategic move allowed HighPoint to retain full customer ownership, protect margins and leverage Equinix's global availability and certified compliance (ISO 27001, SOC 1 and 2, PCI DSS, HIPAA) to enhance its service offerings.

[Read the full case study.](#)

HighPoint avoided a 400% increase in VMware licensing costs

Two-thirds

reduction in infrastructure deployment and management costs after moving to Equinix MPC

50%

reduction in time spent on infrastructure maintenance

50%

faster time-to-market for new services

3 months

to migrate and implement the new environment

Next steps: Stabilize and optimize your VMware practice

1

Identify and segment your at-risk VMware customer base.

2

Conduct total cost of ownership (TCO) modeling and choose your new solution.

3

Define a strategy and target architecture for each key customer.

4

Formulate a detailed, phased action plan.

5

Finalize your go-to-market plan and enable your teams.

Ready to take the next step?

Reach out to your Equinix partner representative or email equinix@arrow.com.

Learn more