

# OTAVA's VMware Cloud Foundation as a Service for Managed Service Providers

## A Clear Path Forward

## **Executive Summary**

Broadcom will conclude the VMware Cloud Service Provider (VCSP) Advantage Program on October 31, 2025. Previously, this program has enabled managed service providers (MSPs) to deliver VMware services to their customers. After this date, it will be discontinued, and only authorized Pinnacle Partners, such as OTAVA, will be able to offer VMware Cloud Foundation.

It's a significant shift in the VMware partner landscape, providing a clear timeline for MSPs to make their plans. It also highlights the need for providers to reassess their strategy and prepare for the changes ahead.

For many MSPs, this signals a moment of decision. Staying without a Pinnacle partner prohibits supporting clients and keeping business moving forward, while aligning with a provider like OTAVA ensures continued access and opens the door to growth.

The risks of waiting are real. Without the ability to renew contracts, MSPs could jeopardize long-standing client relationships. Growth also slows when new business opportunities are put on hold, and compliance and

Only Pinnacle Partners, such as OTAVA, may provide VMware Cloud Foundation after cutoff.

October 31, 2025

Ensuring VMware business continuity and growth for MSPs after Broadcom's 2025 program changes



operational challenges can add extra strain to already thin margins. If MSPs do not act before the deadline, their customers may move to providers who are already authorized.

The good news is that there is a solution. OTAVA has been named a VMware Pinnacle Partner, a recognition given only to providers with proven expertise, strong market performance, and the ability to deliver VMware Cloud Foundation at scale. This places OTAVA among a select group of partners that are fully authorized to ensure continuity for MSPs.

OTAVA offers VMware Cloud Foundation as a Service (VCFaaS). MSPs that move their VMware environment to OTAVA get free migration and three months of VCFaaS at no cost. This makes the transition easier and more costeffective, removing barriers to adoption and helping MSPs protect their customer base while preparing for the future.

Just as important, OTAVA approaches every relationship with a partner-first mindset. The company is focused on helping MSPs succeed, not competing with them. That means strict non-poaching commitments, wholesale pricing that leaves room for healthy margins, and backend support that ensures MSPs maintain control over their customer experience.

For partners, it feels less like working with a vendor and more like having an ally behind the scenes, making it easier to build trust and grow long-term customer relationships.

We are here to protect both your business and your customer relationships. Think of us as an extension of your team."

#### **Frank Arnett**

Director of MSP & Strategic Partnerships

## The Current Landscape Broadcom's VCF Transition

The way VMware Cloud Foundation licensing works is changing. The VMware Cloud Service Provider (VCSP) Advantage Program will officially end on October 31, 2025. For years, this program has allowed partners to manage VMware business on behalf of their customers.

After this date, partners not part of Broadcom's new framework will no longer be able to sign new VMware customers, renew existing contracts, or expand client environments. In other words, those who have depended on these programs to build their VMware business will no longer have that path available.

The White Label model will also end on October 31, 2025. Many MSPs have used this approach to deliver VMware indirectly through wholesale arrangements with larger providers. But after the cutoff, all new VMware business must be transacted through a select group of authorized Pinnacle Partners. For MSPs, this means every renewal, expansion, and new customer deal depends on aligning with one of these recognized providers.

These changes carry real consequences. Clients can lose confidence if their provider cannot guarantee renewals. Growth slows when MSPs are unable to give clear terms to new customers. Existing contracts are at risk as clients turn to authorized providers who can promise continued service beyond the deadline.

For MSPs that have built their business on VMware, this transition presents both a challenge and an opportunity. Acting now to align with a Pinnacle Partner ensures stability and creates a foundation for growth. Delaying that decision puts both customers and revenue streams at risk.

## The Business Challenge for MSPs



#### Retention

Customer retention is the most immediate concern. Without the ability to renew contracts directly, MSPs risk losing long-term clients who may begin looking for more stable options. Even loyal customers are unlikely to tolerate uncertainty. This creates an opening for competitors, especially authorized Pinnacle Partners, to step in.



## **Pipeline**

Business development pipelines stall when MSPs are unable to sign new VMware customers. Without new accounts to onboard, growth slows and sales teams face frustration. Deals already in progress may fall through, and opportunities to expand into new markets are lost. For organizations that rely on steady new customer acquisition, this becomes a serious challenge.



#### Revenue

When renewals and new business are blocked, revenue streams quickly come under pressure. Recurring revenue is the lifeblood of most MSPs, and Broadcom's changes disrupt that flow. Margins in managed services are already tight, and reduced income affects every part of the business. It becomes harder to invest in talent, tools, and modernization.



## Complexity

Operational challenges also grow. MSPs must handle licensing changes, plan migrations, meet compliance requirements, and address technical debt, all while continuing to support their existing customers. This places additional pressure on staff and increases the risk of service disruptions. For many MSPs, these challenges make it clear that delaying action is not a realistic option.

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This isn't just
a program update
— it's a structural
shift that requires
MSPs to rethink
their VMware
strategy immediately."

**Ben Stiles** 

OTAVA Field CTO



MSPs can reduce the total cost of ownership by up to 55% compared to traditional three-tier infrastructure.

Source: VMware, VMware Cloud Foundation Total Cost of Ownership (TCO), 2025

## **VMware Cloud Foundation**

## The Path Forward

VCF offers a full-stack private cloud that combines compute, storage, networking, management, and security into a single integrated solution. This gives MSPs a stable foundation to continue supporting their customers without interruption.

License portability keeps the platform flexible. Applications and data can run on-site, in local locations closer to end users for faster performance, or in a partner's cloud, so MSPs can adapt as customer needs change.

The platform is designed to deliver both business outcomes and technical capability. MSPs can reduce the total cost of ownership by up to 55% compared to traditional three-tier infrastructure. They can modernize more quickly, launch applications faster, and benefit from built-in security and compliance from the outset.

With these advantages, VCF becomes more than a technical requirement. It's a way for MSPs to protect their current customer base, expand into new opportunities, and stay competitive in a market that's constantly changing.

## **Why OTAVA**

## The Partner for Partners

OTAVA stands out as more than just a cloud provider. As an authorized Pinnacle VCSP Partner in Broadcom's new program, OTAVA delivers both the technical foundation and the business model MSPs need to navigate change with confidence.

The company's infrastructure is designed for reliability, scalability, and security, while its partner-first philosophy ensures MSPs can grow their business without worrying about competition from their provider. This combination of technical depth and strategic alignment makes OTAVA a valuable ally for MSPs facing the challenges of Broadcom's transition.

## Compliance as a Differentiator

Compliance is now a business requirement for MSPs. Customers expect their providers to meet established standards, and achieving those certifications alone can be costly and time-consuming. OTAVA helps overcome that hurdle by offering infrastructure that is already certified.

With certified environments in place, MSPs can earn customer trust more quickly, break into regulated industries, and maintain a competitive edge without taking on the full cost and complexity of compliance. Instead of slowing growth, compliance becomes a strategic advantage, unlocking access to new markets and customer segments.













### **Technical differentiators**

- Dedicated private cloud built on VMware Cloud Foundation, supported by Veeam
- Scales up to 10 dedicated ESX hosts
- Comes with 250 TB of storage per environment
- Enterprise-grade firewalls and bandwidth built in
- VMware and Microsoft OS licensing bundled for simplicity
- Platinum Veeam data protection, supporting:
  - 250 virtual machines
  - 250 TB of backup storage
  - 2,500 Microsoft 365 mailboxes

## Strategic differentiator

- A true "partner for partners" model, enabling MSPs to:
  - Retain customer ownership
  - Protect client relationships
  - Unlock new revenue streams

By combining technical capabilities with a model designed to empower partners, OTAVA delivers both continuity and growth.

# Partner Outcomes with OTAVA VCFaaS

## **Urgency: The October 31 deadline**

After October 31, 2025, all new customer contracts, renewals, and expansions must be carried out with an authorized VCSP partner. For MSPs without alignment, this deadline represents more than just a change in process — it brings the risk of losing existing customers and missing out on future growth opportunities.

### **Outcomes with OTAVA**

## **Business continuity**

MSPs can safeguard the relationships they have already built by moving customer workloads smoothly into OTAVA's environment. This ensures that day-to-day operations remain uninterrupted, even as VMware licensing shifts take effect. With OTAVA, MSPs avoid the risk of downtime or service gaps that could otherwise prompt customers to seek new providers.

#### **Growth enablement**

By aligning with OTAVA, MSPs keep their sales pipelines active. Every new opportunity and renewal can proceed without delay because OTAVA is authorized to transact VMware business under Broadcom's latest model. This protects recurring revenue while also giving MSPs the confidence to pursue net-new deals, knowing they can fulfill and expand them.

### Free migration and 3 months free

Transitions often stall because of cost and resource concerns. OTAVA removes those obstacles by providing free migration support and three months of service at no charge. This upfront relief provides MSPs with the space to adjust financially and operationally, allowing for a smoother transition for both their internal teams and customers.

#### **Customer confidence**

Working with an authorized Pinnacle Partner, such as OTAVA, reassures end customers that their VMware services are secure, fully compliant with the new program, and supported by proven expertise. This reassurance reduces customer churn and helps MSPs demonstrate stability at a time when many providers are facing uncertainty.

## **Expanded offerings**

Partnering with OTAVA also broadens what MSPs can deliver. Instead of investing in new infrastructure, MSPs gain immediate access to advanced services such as edge computing, Al-ready infrastructure, compliance-driven cloud solutions, and enterprise-grade data protection. This makes it easier to win new business, break into different industries, and strengthen long-term customer relationships.

# **Future-Focused Partnership**Growing Together

MSPs need partners that can grow with them, and OTAVA's roadmap is designed to do precisely that.

- Today: OTAVA already delivers VMware-based private cloud, compliance-ready infrastructure, and dependable disaster recovery that MSPs can trust.
- Near term: In the months ahead, OTAVA is focused on flexibility. This includes smooth migration paths, hybrid deployment options, and the agility to adapt to vendor licensing changes as they occur.
- Future: Looking ahead, OTAVA is preparing for cloud-native scalability and advanced infrastructure that can support emerging workloads, including artificial intelligence.

By combining technical expertise with a partner-first philosophy, OTAVA is more than a provider. It is a long-term collaborator MSPs can rely on to support growth, build trust, and stay competitive in an evolving market.

## Conclusion

Broadcom's VMware Cloud Foundation transition represents a turning point for MSPs. With the VCSP Advantage Program and White Label model set to end on October 31, 2025, only Pinnacle Partners, such as OTAVA, can guarantee continuity.

MSPs that act now can reassure customers, protect renewals, and expand into new markets. Those that wait risk losing clients, revenue, and long-term competitiveness.

OTAVA offers a proven path forward with VMware Cloud Foundation as a Service. The package includes license portability, private cloud environments, enterprise security, Veeam-backed recovery, and compliance certifications. Partners also benefit from three months of free service and free migration support. Equally important, OTAVA operates with a partner-first model that protects client relationships and supports MSP growth. This makes OTAVA not just a vendor but a trusted collaborator.



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