

















Spotlight On...

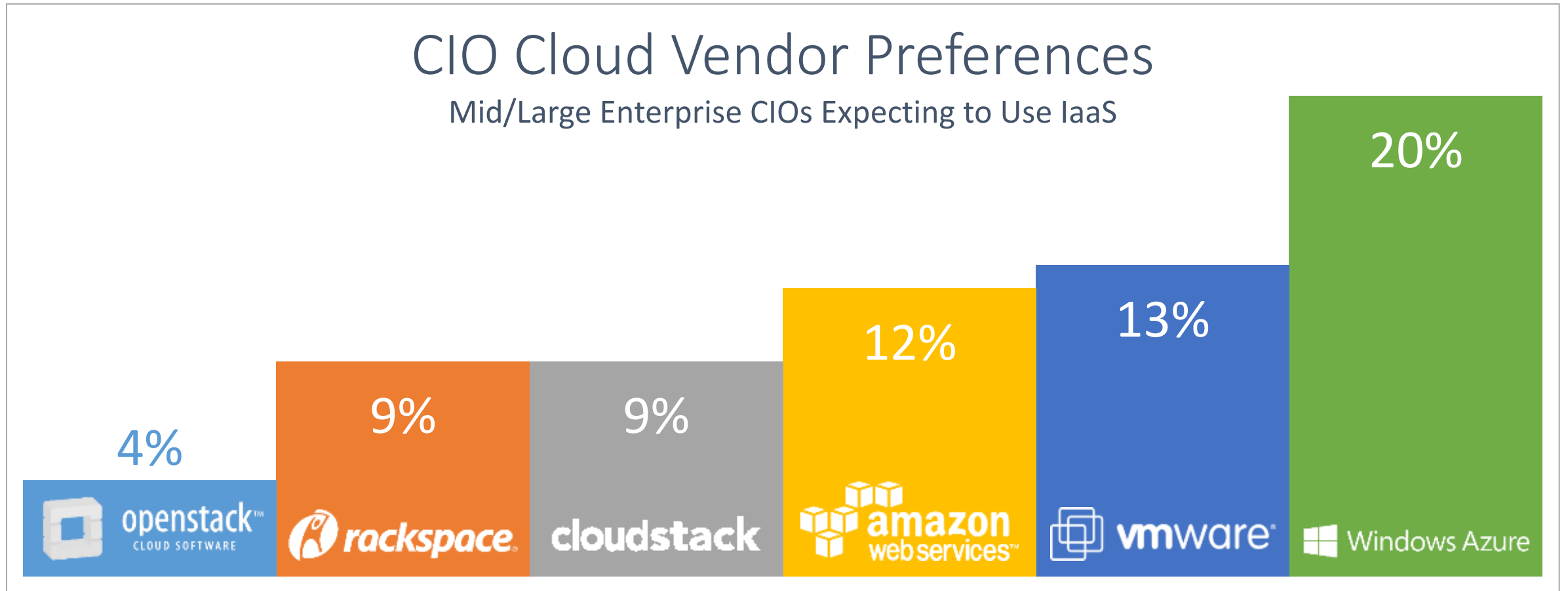


FY13 was a great year for Windows Azure in the Enterprise

Average deal size increased **2x YoY**

 \$1,803K	 \$1,500K	 \$1,484K	 \$1,400K	 \$1,208K	 \$1,026	 \$952K
 \$888K	 \$852K	 \$818K	 \$660K	 \$600K	 \$597K	 \$540K
 Essex County Council	 HERBALIFE.	 HOGG ROBINSON GROUP	 Microsoft Research	 avanade® Results Realized	 BMW	 HARRIS

Your customers want to talk to you about Windows Azure



Source: Morgan Stanley CIO Survey, 2013. "Percentage of Enterprise CIOs Greater than \$1B/\$10B expecting to use IaaS by YE2014"

Option 1

Did you see the match last night?

He should have played [insert relevant football player here] more forward...

Option 2

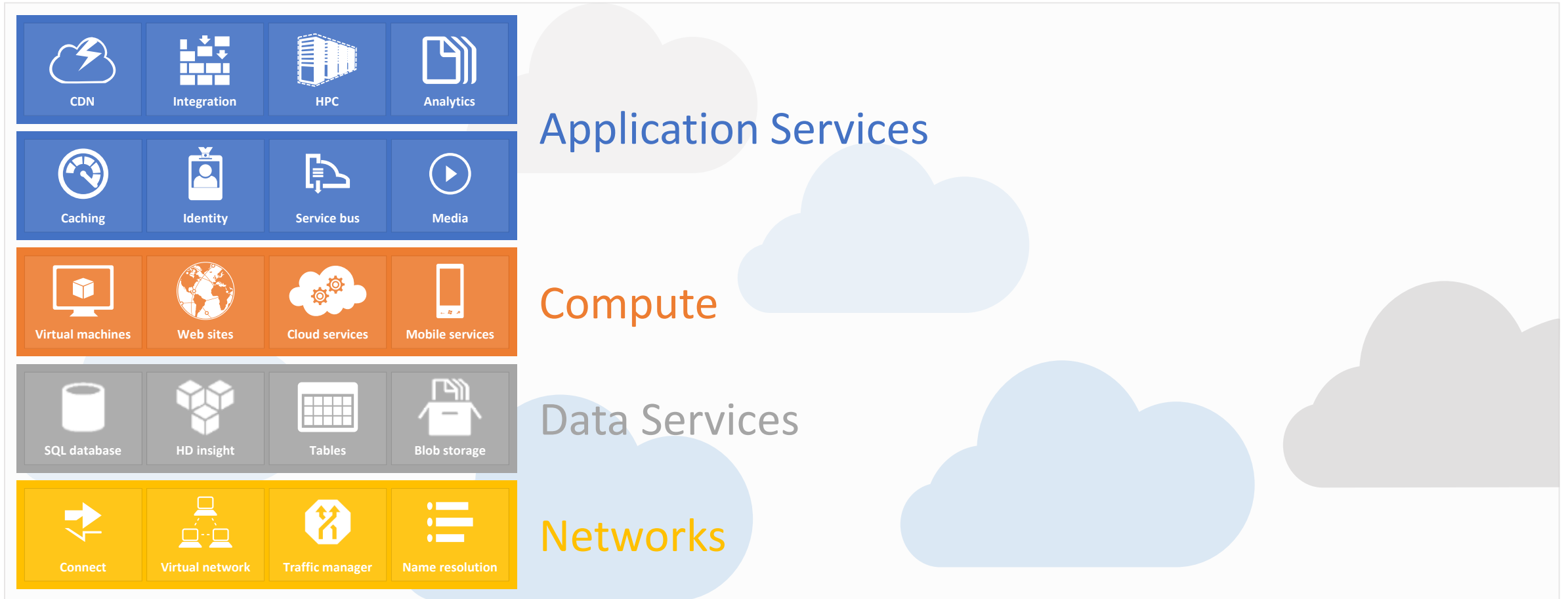
Azure wouldn't suit your skin tone.
Go with teal; it's this season's black.

Option 2

Let Dave explain...

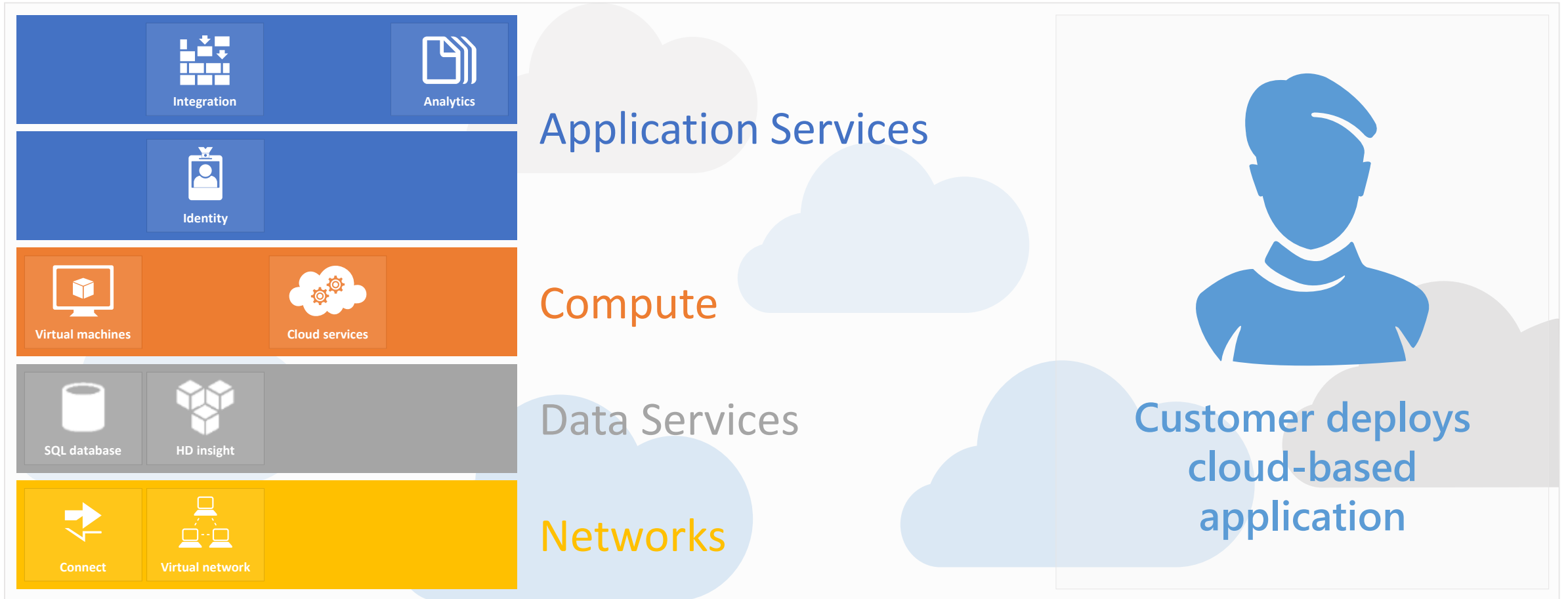
Context: How Windows Azure Works

Over 60 services, each with its own usage meter & price



Context: How Windows Azure Works

Any solution you deploy utilises a combination of these services

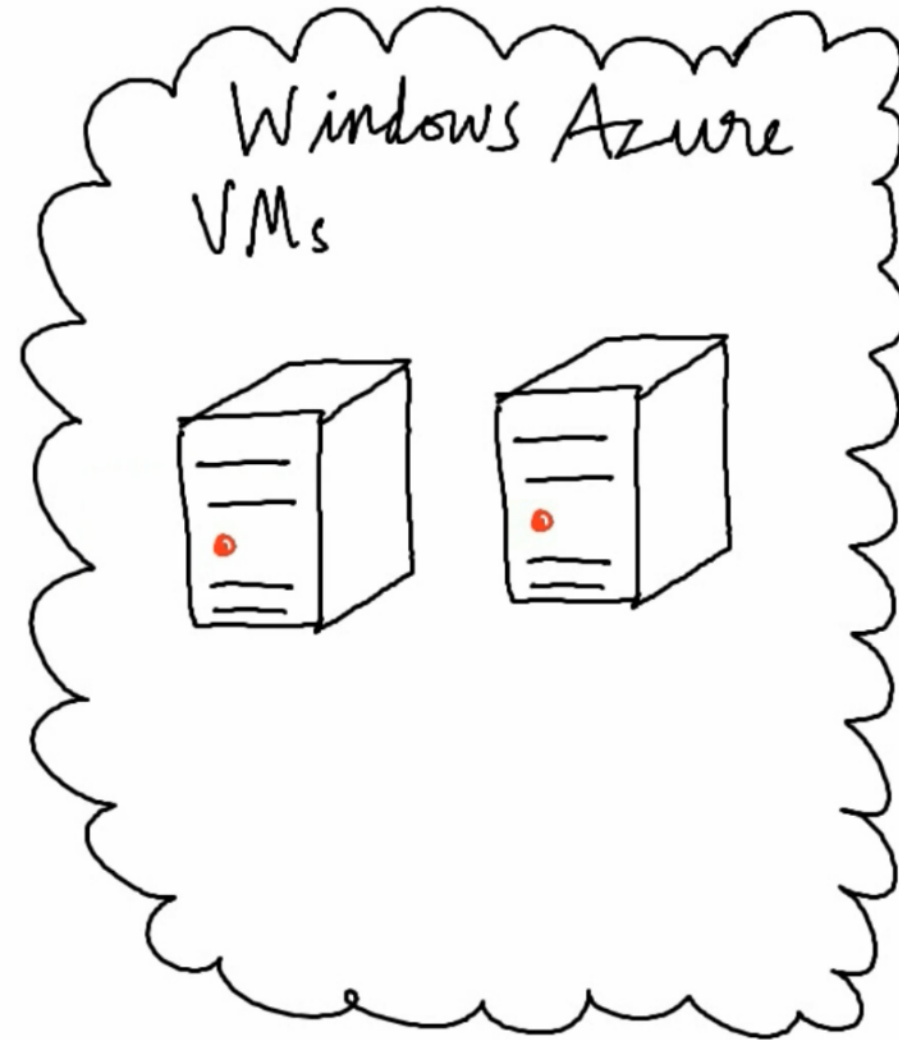


A Simple Example

On - premises

Calendar

1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28






Windows Azure Purchase Options

	Commitment Offers		
	MOSP - Pay As You Go (azure.com)	MOSP Monetary Commitment (azure.com)	Enterprise Agreement
Service Needs	<ul style="list-style-type: none">Any Azure serviceGraduated usage of:<ul style="list-style-type: none">Storage, CDN/Data Transfer and/or Media Services	<ul style="list-style-type: none">Broad needs across the Azure platformSteady monthly usage/growth	<ul style="list-style-type: none">Broad needs across the Azure platformYoY Cloud usage growth
Customer Scenarios	<ul style="list-style-type: none">App TestingOnline StorageMedia Streaming	<ul style="list-style-type: none">Startup with Compute, Storage and DB needsMed sized business initial app migration	<ul style="list-style-type: none">Enterprise migrating to the cloudMed/Large customer projecting YoY cloud usage growth
Customer Requirements	<ul style="list-style-type: none">Pay As You GoMonthly billingCredit Card/Invoice	<ul style="list-style-type: none">Monthly billingWilling to commit to 6 or 12 months of service usageCredit Card/InvoiceMin £300/month	<ul style="list-style-type: none">Upfront payments12 or 36 month commitment termInvoice only payment

Windows Azure Purchase Options

Enterprise Agreement

Windows Azure Program Availability

	SCE 	EA – Additional Product Add On 	EWA – Standalone Enrollment 
Minimum Order Requirement	None (Guidance is ~24k or qty of 20)	None (Guidance is ~24k or qty of 20)	None (Guidance is ~24k or qty of 20)
Enterprise Program Waterfall	A-D	A-D	A-D
Programmatic Discount	5% Discount for Add On to On Premises Installed Base Commitment None for Standalone	None	None
Subscription Term	3 Years/Co-term	3 Years/Co-term	3 Years/Co-term
Anniversary Service Reduction (via METEAOP)	Yes	Yes	Yes
Price Level Set By	Installed Base Commitment	Enterprise Product Commitment (Core CAL/ECAL)	Level A or Qualifying Enrollment Level

What We're Changing and Why

	Pricing	Overage	Billing
PREVIOUSLY	Most customers not getting best pricing (\$1M commitment)	Discount drops 60-70% for use over commitment	Quarterly payments for overuse
NOW	Broader access to the best Windows Azure pricing available	Get same great EA rates when commitment is exceeded	No payment for additional usage until the end of the year*

*EA customers can exceed their upfront commitment by up to 50% and be billed for it at the end of the year.



EA Volume Tiers and Commitment Discounts

Tiered Commitment Discount (Effective Aug 1)

Discount for Volume of monetary committing

Commitment Tiers	Annual Monetary Commitment Units	Annual Monetary Commitment in USD	Std Discount Off Consumption Rates ¹	Customer's Specific Pricing
Tier 1 ²	Up to 1,799 Units	< \$180K	23%	Commitment price on CPS
Tier 2	1,800 – 4,799 Units	\$180K - \$480K	26%	Additional 3.90% off CPS Tier 1 price
Tier 3	4,800 – 11,999 Units	\$480K - \$1.2M	30%	Additional 9.09% off CPS Tier 1 price
Tier 4	12,000+ Units	\$1.2M+	35%	Additional 15.58% off CPS Tier 1 price

¹Discount is net of the volume discount that is included in the consumption/overage rate. For example, a Level D customer's commitment rate would be an effective 42.8% discount off of standard MOSP Pay-As-You-Go rates.

²CPS will reflect the Tier 1 Commitment Rate pricing. Actual Commitment Rate pricing will be shown on the Enterprise Portal. If the customer qualifies for Tier 2 – Tier 4 pricing, the appropriate additional discount noted with be applied to their Commitment Rate on the CPS.

Additional Volume Tier Discount

(EA Level A - D)

Volume Tier discount based on EA Level

EA Level	Discount
A	3%
B	6%
C	9%
D	12%

*Aligns to Online EA

- Volume tier discounts applies to both commitment and overage rates
- Volume tier discounts is determined by the Server pool of the parent enrollment

EA Volume Tiers and Commitment Discounts

Tiered Commitment Discount (Effective Aug 2023)

Discount for Volume Commitment Monetary Commitment

Commitment Tiers	Annual Monetary Commitment Units	Annual Monetary Commitment	Std Discount Off Consumption Rates ¹	Customer's Specific Pricing
Tier 1 ²	Up to 1,799 Units	< \$180K	23%	Commitment price on CPS
Tier 2	1,800 - 11,999 Units	\$180K - \$480K	30%	Additional 3.90% off CPS Tier 1 price
Tier 3	12,000 - 11,999 Units	\$480K - \$1.2M	30%	Additional 9.09% off CPS Tier 1 price
Tier 4	12,000+ Units	\$1.2M+	35%	Additional 15.58% off CPS Tier 1 price

¹Discount is net of the discount that is included in the consumption/overage rate. For example, a Level D customer's commitment discount would be an effective 42.8% off of standard MOSP Pay-As-You-Go rates.

²CPS will reflect the Tier 1 Commitment Rate pricing. Actual Commitment Rate pricing will be shown on the Enterprise Portal. If the customer qualifies for Tier 2 – Tier 4 pricing, the appropriate additional discount noted with be applied to their Commitment Rate on the CPS.

Tier Discount (EA Level A - D)

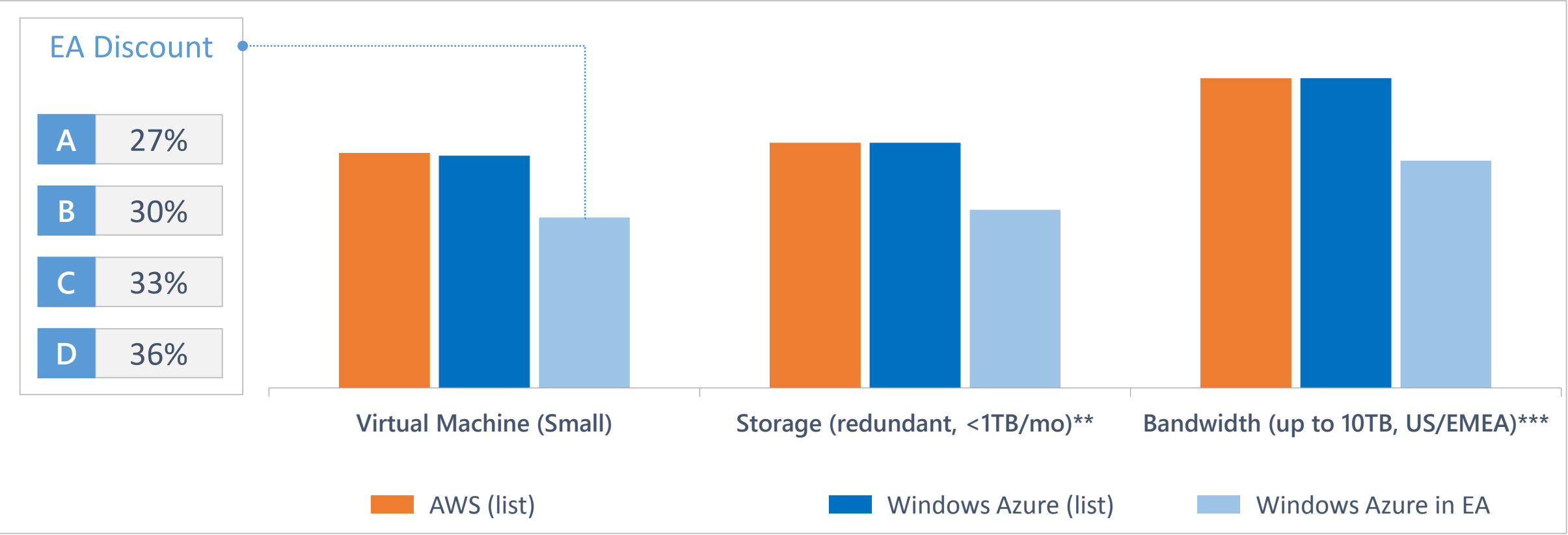
Tier discount based on EA Level

EA Level	Discount
A	27%
B	30%
C	33%
D	36%

CPS shows actual price

Our Best Prices

Access to the best Windows Azure pricing available
Better per-meter pricing than AWS on key cloud services*



* Microsoft has publicly promised to match AWS' prices on compute, storage and bandwidth. EA pricing is better than AWS's prices based on being a discount over that promise.
** If they exceed 500TB/mo, WindowsAzure.com users get better pricing. The same 500TB/mo threshold exists for AWS but only the incremental storage above 500TB gets the better pricing.
*** If they transfer more than 51TB/mo, WindowsAzure.com users get better pricing. The same 500TB threshold exists for AWS but only the incremental transfers above 51TB/mo gets the better pricing.

Purchase Simplicity



Make an upfront payment based on expected use



Get same great EA rates when you exceed that commitment



Cover additional incremental usage with quarterly or annual payments



How to Buy through the EA

Make upfront monetary
commitment

Example:

Upfront
commitment



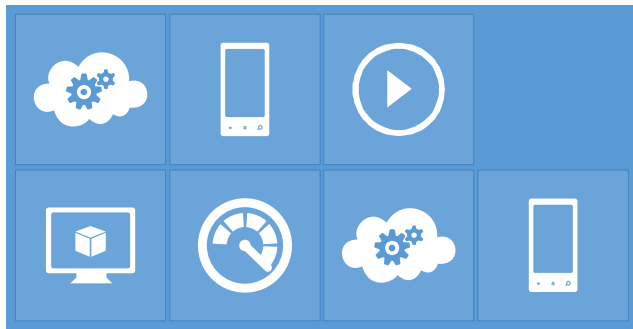
Customer signs an EA for
\$100K/year of Windows Azure (3yr)

Impact: Upfront payment of \$100K

How to Buy through the EA

Burn meters against that commitment at EA pricing on Windows Azure

Low-Use Scenario:



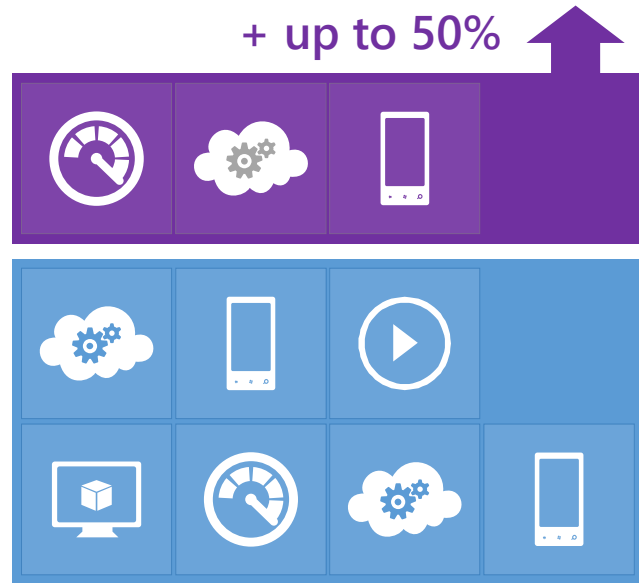
Customer deploys an app and consumes \$75K in Windows Azure.

Impact:

- Notification sent at \$75K mark.
- Customer automatically billed \$100K in Y2 unless they ask for reduction.
- **No refund of remaining \$25K.**

How to Buy through the EA

Pay Annually if no more than 50% beyond commitment (same great rates)



Mid-Use Scenario:

Customer exceeds their \$100K commitment by \$40K.

Impact:

- Same great Windows Azure EA rates
- Billed for \$40K at the end of the year
- Customer receives notifications at \$112K & \$135K

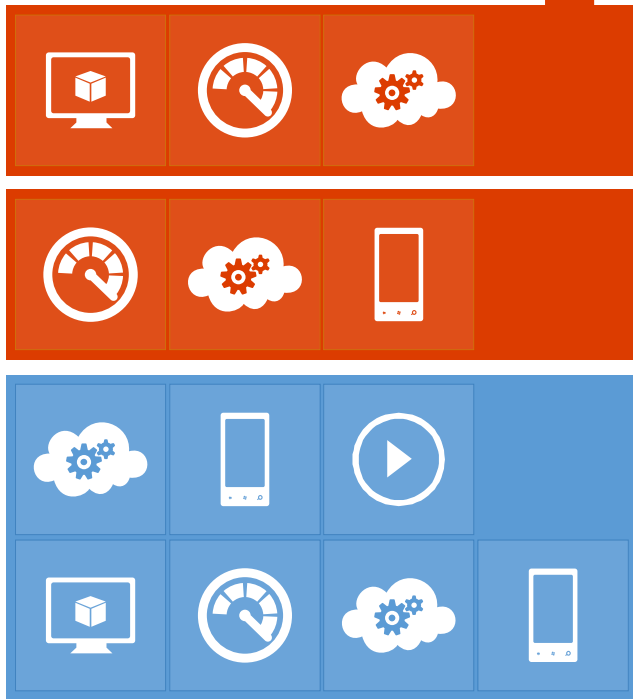
Threshold Notifications

50%	75%	90%	100%
-----	-----	-----	------

How to Buy through the EA

Pay Quarterly if more than
50% beyond commitment
(same great rates)

+ over 50%



High-Use Scenario:

Customer spend goes to \$163K in Q3.

Impact:

- Same great Windows Azure EA rates
- Notification is sent to customer when they cross \$150K
- Customer is billed \$63K following end of Q3
- Customer also billed following end of Q4 for Q4 usage

Note: Any Q4 or annual payment usage continues to land in the next calendar year's compensation.

- Is there a minimum required commitment in years 2 and 3 to maintain enrollments?

Azure is an Additional Product in the Enterprise Program so there are no minimums.

There is no programmatic minimum for any additional product in the Enterprise Program.



Windows Azure Scenario – Low Usage



1

Customer invests **\$50,000** Azure Monetary Commitment at start of Y1 - Azure is on the CPS
Annual Consumption Allowance is set to **\$25,000**

2

Windows Azure Consumption by end of Q1 is \$10,000
No invoice as there is no additional usage

3

Windows Azure Consumption by end of Q2 is \$20,000
No invoice as there is no additional usage

4

Windows Azure Consumption by end of Q3 is \$30,000
No invoice as there is no additional usage

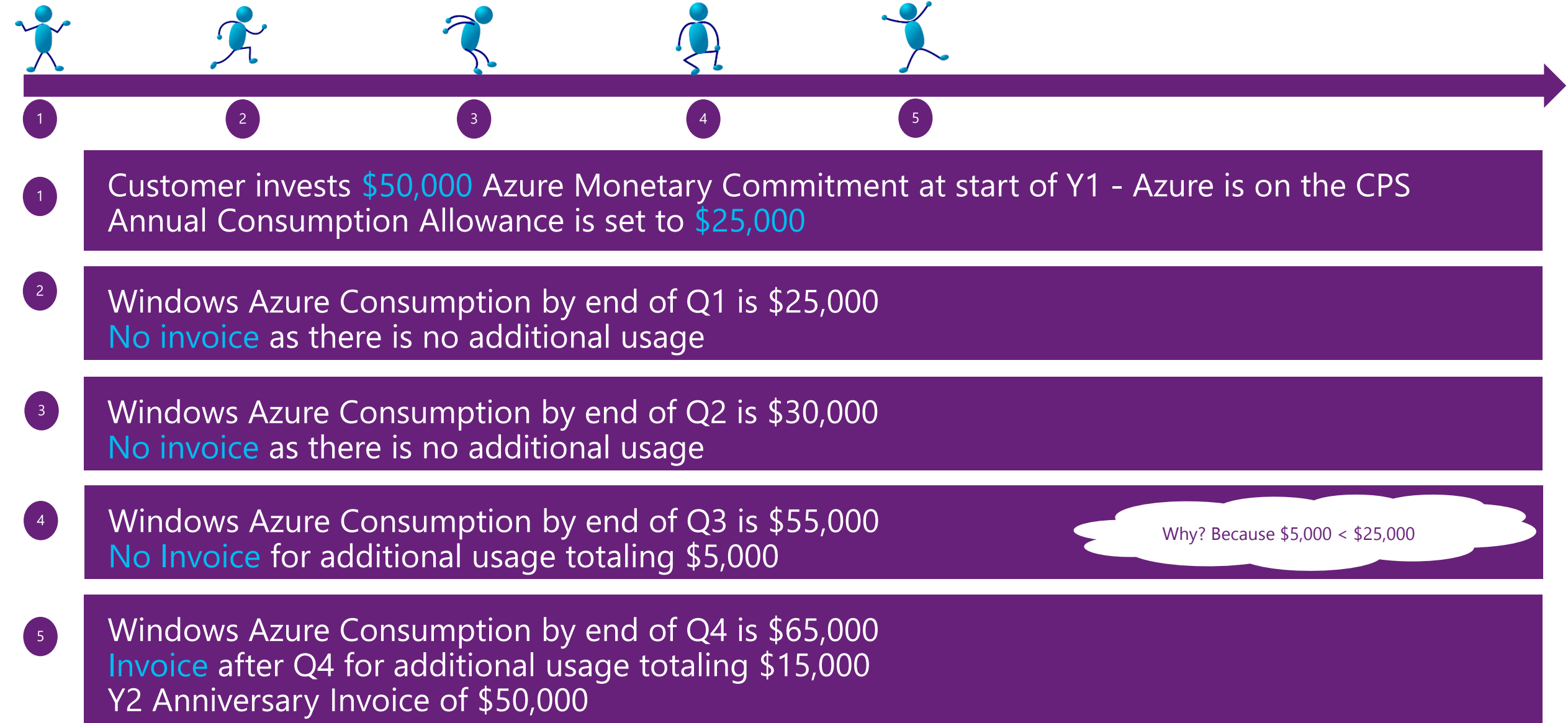
5

Windows Azure Consumption by end of Q4 is \$40,000
\$10,000 unused Monetary Commitment is forfeited

6

Customer can notify us prior to anniversary date to reduce Monetary Commitment to \$40,000
resulting in Year 2 Anniversary Invoice of **\$40,000** with a **\$20,000** Consumption Allowance

Windows Azure Scenario – Moderate Usage



Windows Azure Scenario – High Usage



1

Customer invests **\$50,000** Azure Monetary Commitment at start of Y1 - Azure is on the CPS
Annual Consumption Allowance is set to **\$25,000**

2

Windows Azure Consumption by end of Q1 is \$52,000
No invoice for additional usage totaling \$2,000

3

Windows Azure Consumption by end of Q2 is \$60,000
No invoice for additional usage now totaling \$10,000

4

Windows Azure Consumption by end of Q3 is \$78,000
Invoice after end of Q3 for additional usage totaling \$28,000

Why? Because $\$28,000 > \$25,000$

5

No additional usage in Q4 so no further invoice for additional usage
Y2 Anniversary Invoice of \$50,000

License Mobility & Cloud Workloads

SA customers can deploy
owned licenses on the cloud



Designed to simplify the move to the cloud, License Mobility enables customers with active Software Assurance to deploy licensed software to a third party's shared servers.

Seller benefits:

- Encourages customers to maintain SA
- Strengthens path to cloud adoption

STB Products with License Mobility

- SQL Server
- BizTalk Server
- Team Foundation Services
- Sharepoint Server
- System Center Server

STB Products without License Mobility

- ✗ **Windows Server**
- ✗ **Remote Desktop Services**

Licence Mobility vs. Licencing on Azure

When is Licence Mobility right for your Windows Azure customer?

Great cost savings for customers running full-time cloud apps

While short-term workloads may best rely on the short-term licencing costs on Windows Azure, full-time workloads will cost significantly less if they utilize Licence Mobility.

Example: 2 ways to pay for a SQL Virtual Machine for a year*



Licence Mobility #1: Existing License under SA

SA-Only SQL Standard +
IaaS Medium Virtual Machine

£1,463

No-Licence-Mobility Example

IaaS Medium SQL Server Standard
Virtual Machine (azure.com pricing)

£3,111

* Example prices assuming MOSP 12-month pre-payment price and SQL Standard SA at £440

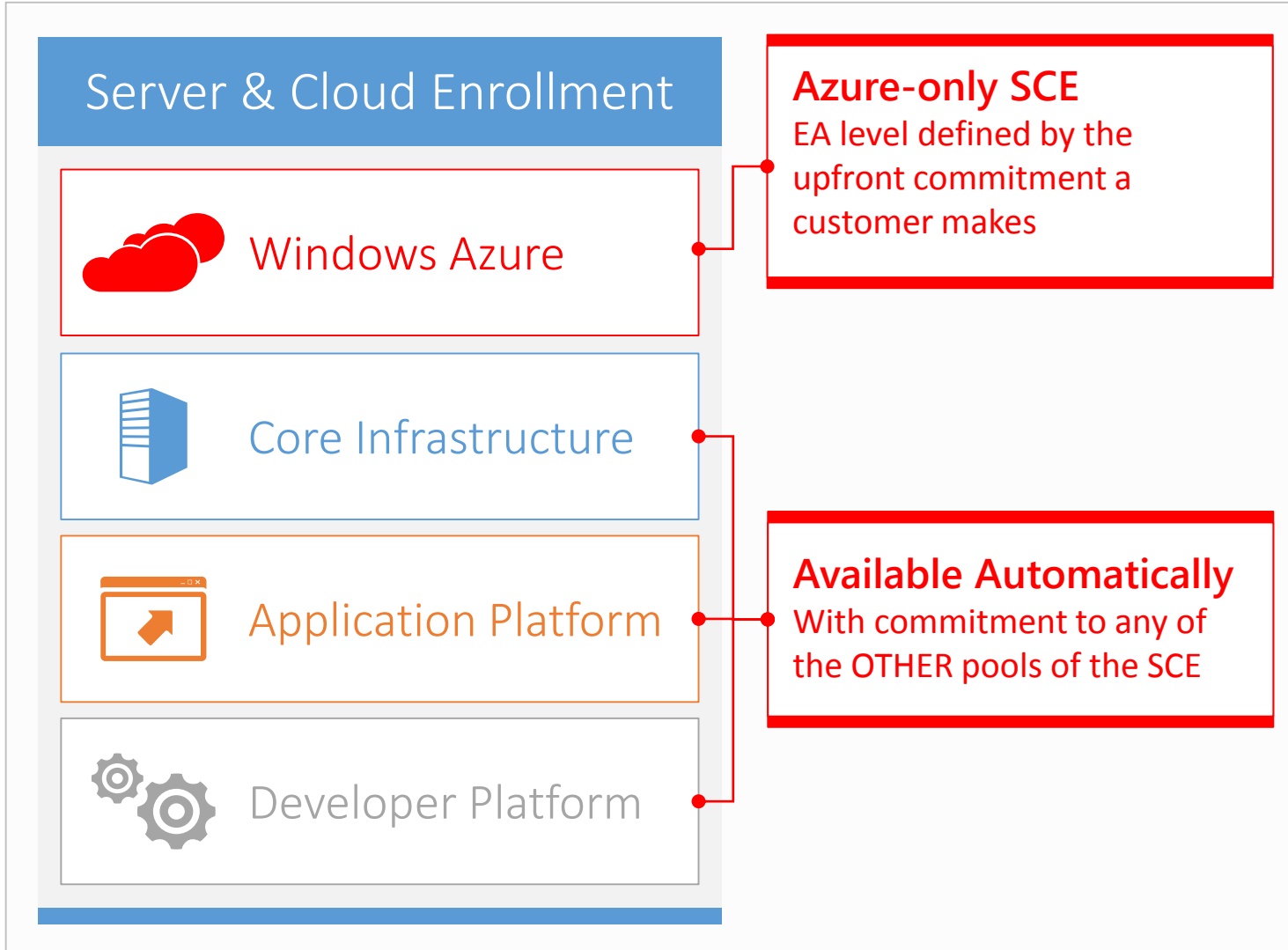
- Do customers have to leverage the Compute VM service in Azure to take advantage of Licence Mobility or can they receive discounted rates for Azure BizTalk or Azure SQL Services?

Licence Mobility is applicable to running an on-premise licence on shared infrastructure so an Azure VM is the appropriate service.

BizTalk and SQL services are for customers without on-premise licences.

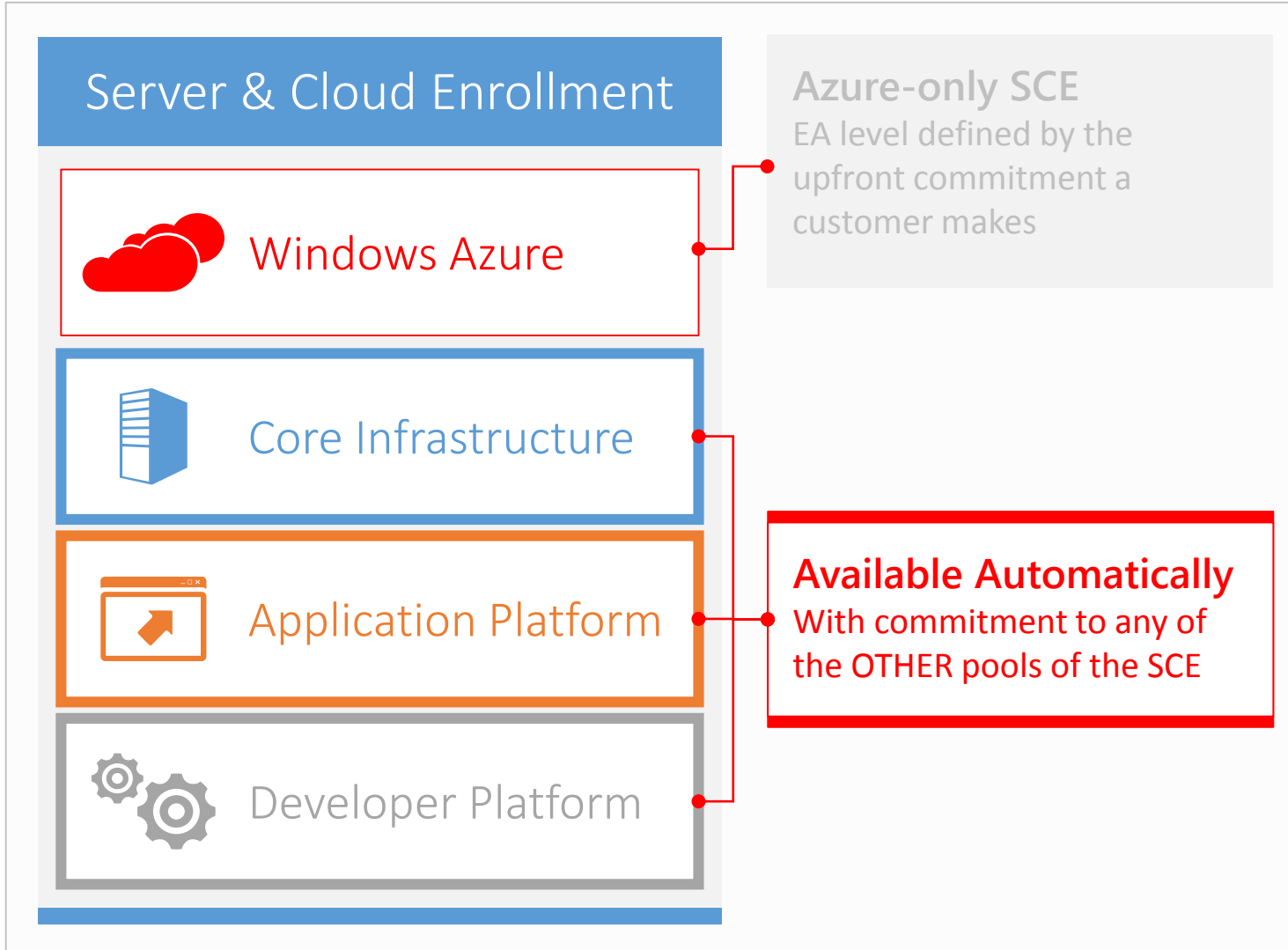


Server & Cloud Enrollment



Windows Azure can be licensed two ways through the Server & Cloud Enrollment (SCE)

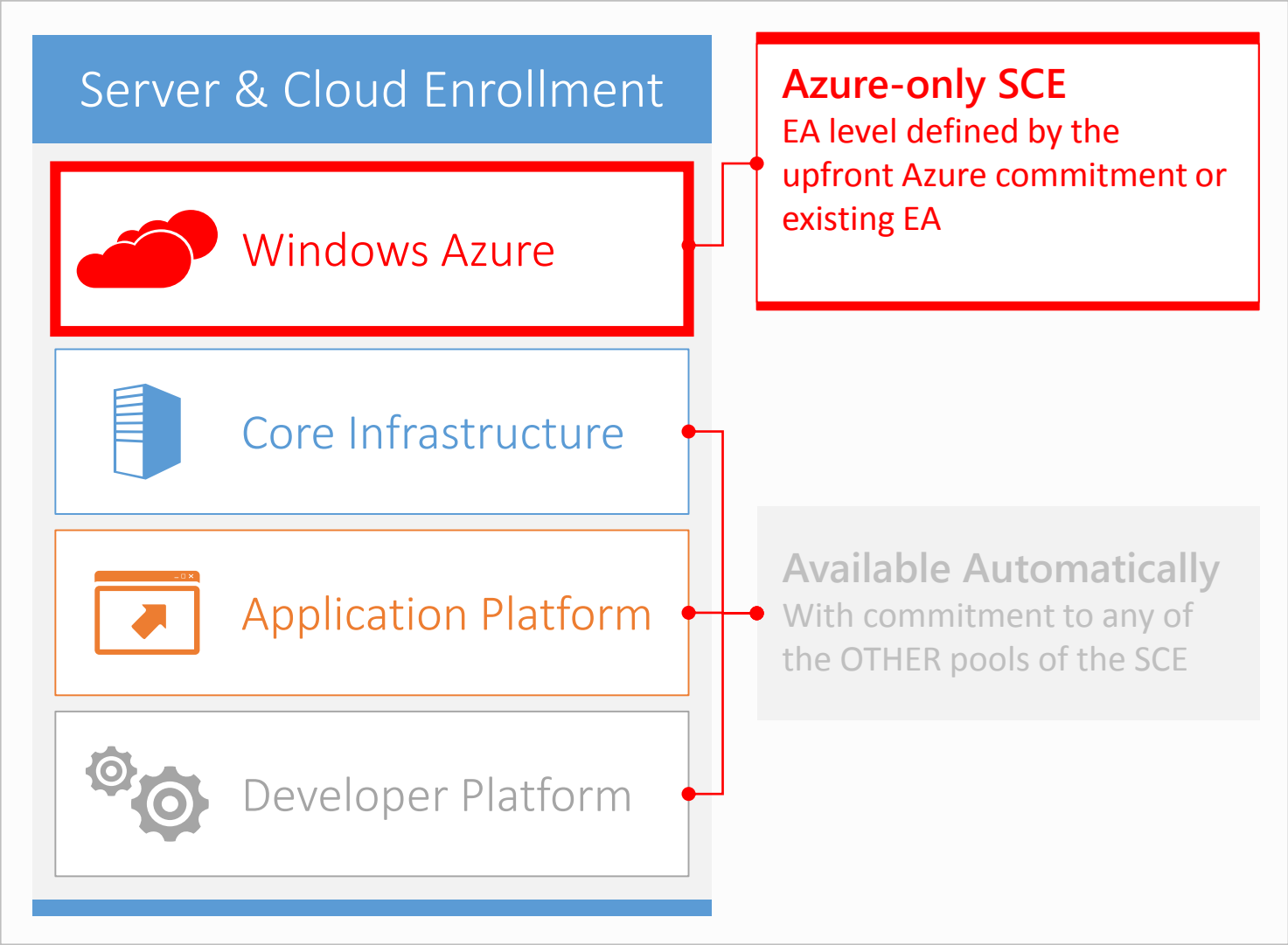
Azure for Committed SCE Customers



If they commit to another SCE component, SCE customers can just start using Azure

- Another 5% off your EA level pricing
 - ✓ No overage penalties
 - ✓ Billed quarterly
- What does “just start using” mean?
 - ✓ Pay for what you use
 - ✓ Upfront payment not required
- On-boarding help

Windows Azure-Only SCEs



Customers can also get Windows Azure alone in an SCE enrollment:

- 3 year contract*
- Raise/lower commit annually

Provided EA Price Level	Minimum Yearly Commitment (USD)
A	Up to \$179,999
B	\$180,000 - \$479,999
C	\$480,000 - \$1,000,799
D	\$1,000,800 +

* Minimum of \$24K is recommended.

Example: Azure-Only SCE LSS Empowerment

EA level based on commitment

LSS-empowered EA Price Level	Minimum Yearly Commitment (USD)
A	\$24,000
B	\$180,000
C	\$480,000
D	\$1,000,800

Upfront commitment



Example:

Level A Customer signs a Windows Azure-only SCE for \$200K/year (3yr)

EA Discount

A 27%

B 30%

C 33%

D 36%



Impact:

- Upfront payment of \$200K
- Customer gets Level B pricing

- Will this new purchase simplicity be extended to existing EA/EWA customers or is this unique to new enrollments?

These benefits will be available to existing customers
- new lower prices and removal of overage.



- What discount rate would a customer achieve for Azure services if they attained level D pricing through SCE with Application Platform?

- A. Depends on their upfront monetary commitment
- B. 0%
- C. 5%
- D. 27%
- E. 30%
- F. 33%
- G. 36%
- H. 41%



EA Level	Discount
A	27%
B	30%
C	33%
D	36%

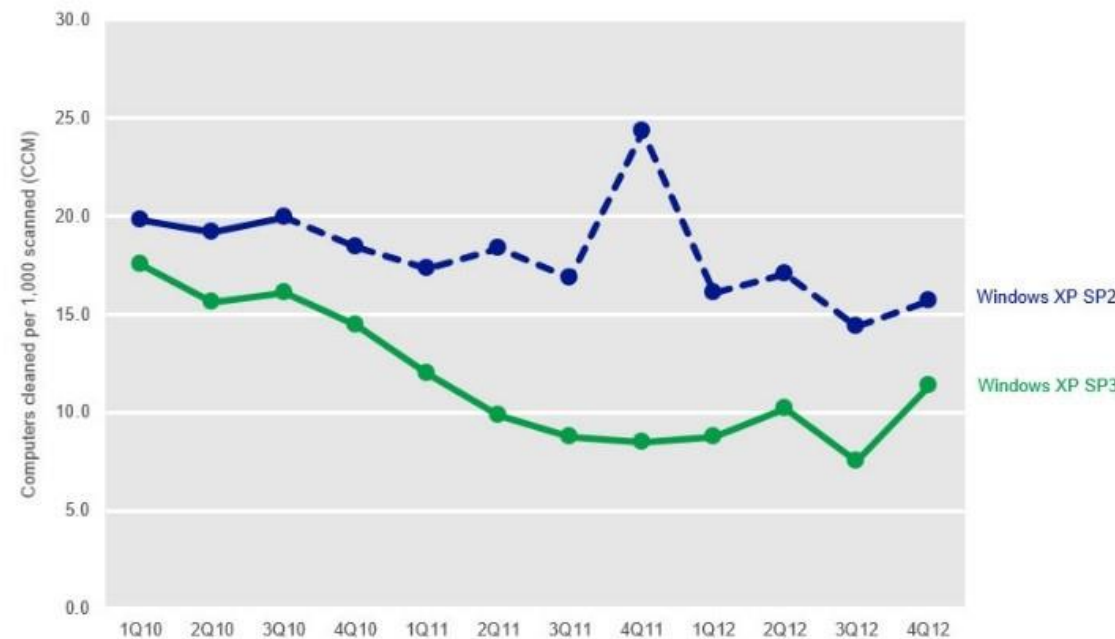
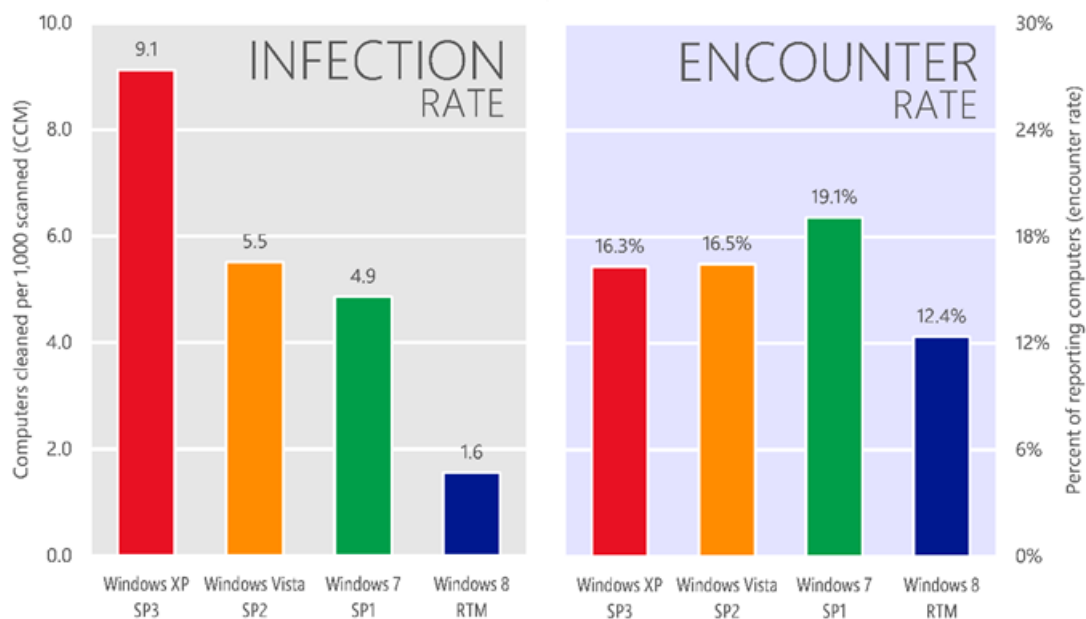


AOB

SkyDrive is still SkyDrive at the moment.

No news on SteveB v2.0

Please migrate off Windows XP or disconnect it!





Break a World Record

A screenshot from the game Age of Ascent showing a space battle with various ships and a bright sun in the background. The scene is set in a dark, starry space with a bright sun in the bottom right corner. Several ships are visible, some with blue and green lights. The Microsoft logo is in the top left, and the Guinness World Records logo is in the top right. A red box in the bottom left contains text about a beta test and a Guinness World Record attempt. A circular UI element with arrows and a central 'X' is in the bottom center, with the numbers '4029' and '1130' below it.

Microsoft

Join us for a beta test of
Age of Ascent® – plus a
Guinness World Record
attempt!

GUINNESS
WORLD RECORDS

4029
1130



Resources

Resources

Azure EA Pricing Overview

<http://aka.ms/l40v42>



Pricing Overview for Windows Azure in Enterprise Programs

This page provides information on how Windows Azure is priced and billed for customers that purchase Windows Azure in one of the following programs:

- Enterprise Agreement (EA)
- Enterprise Agreement Subscription (EAS)
- Enrollment for Application Platform (EAP)
- Enrollment for Core Infrastructure (ECI)
- Enrollment for Education Solutions (EES)
- Enrollment for Windows Azure (EWA)

Customers and channel partners (in the case of our indirect channels) are guaranteed to receive the prices indicated in their Customer Price Sheet (CPS) or, in the case of an Enrollment for Education Solutions, their Windows Azure Amendment. There are the following instances where updated pricing will be provided to existing customers and channel partners outside of the Customer Price Sheet or the Windows Azure Amendment:

- Introduction of new Windows Azure services
- Price decreases that are made available to existing customers and channel partners

Customer and channel partners can view their pricing for an enrollment by logging into the [Windows Azure Enterprise Portal](#) and navigating to the price sheet page for that enrollment. *If you purchase Windows Azure indirectly through one of our channel partners, you will need to obtain your pricing updates from your channel partner.*

In addition to the updated pricing, this document also provides additional details on how usage is calculated for the various Windows Azure services.

Additional Detail

[Introduction of new Windows Azure services](#)

[Price decreases and billing model changes](#)

[Corrections to our pricing](#)

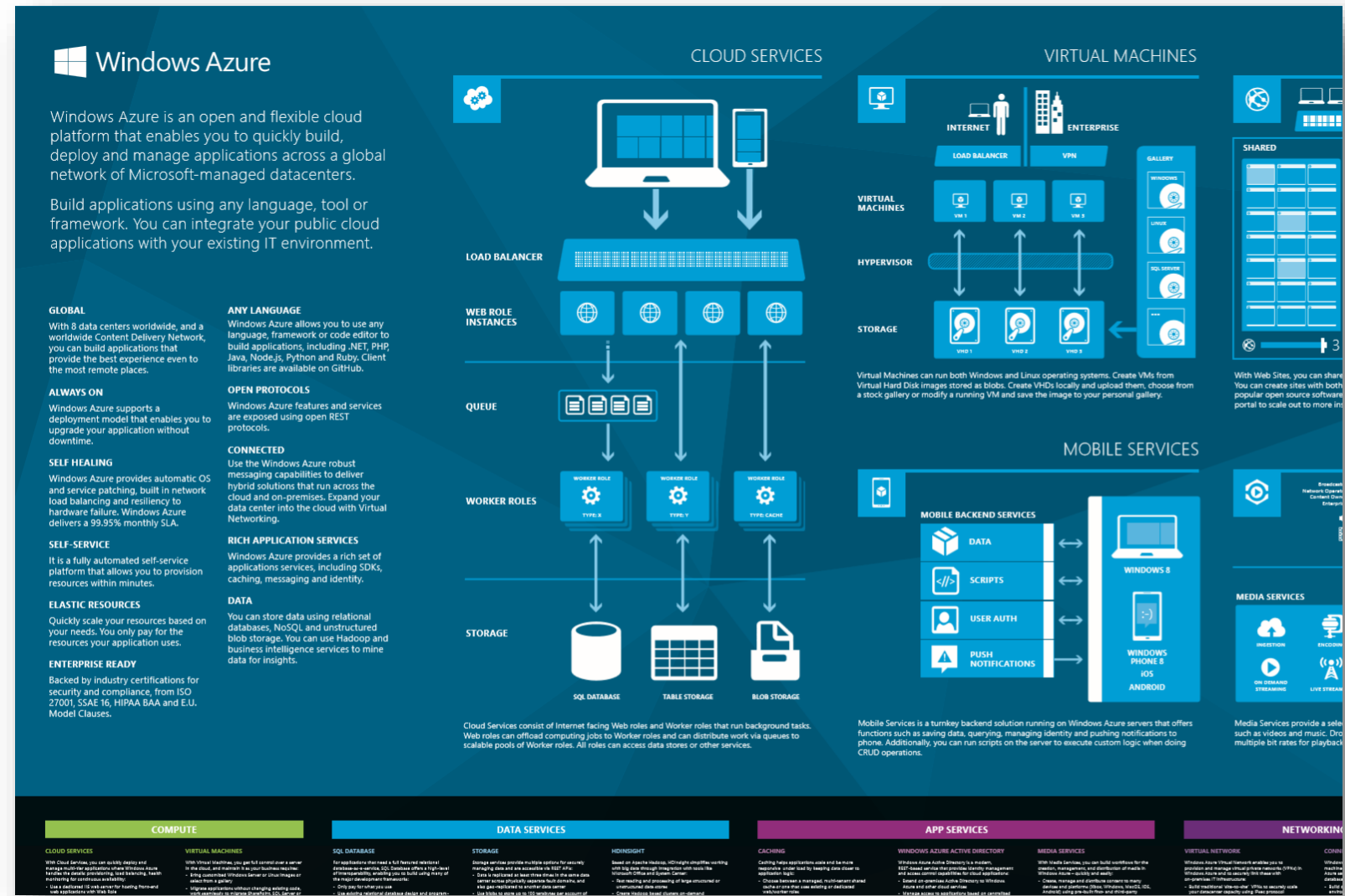
[Details on how usage is calculated and billed](#)

- [Cloud Services](#)
- [Data Management](#)
- [Virtual Machines](#)
- [Web Sites](#)
- [Business Analytics](#)
- [Networking](#)
- [Data Transfers \(except CDN\)](#)

Resources

Windows Azure Poster

<http://aka.ms/dizoid>



Resources

Windows Azure Training Kit

<http://aka.ms/cthflp>



Windows Azure

HOME PRICING DOCUMENTATION DOWNLOADS STORE COMMUNITY SUPPORT ACCOUNT

calculator purchase options member offers free trial

Free trial →

Licensing FAQ

Top Licensing Questions on Windows Azure

Q: How do I license SQL Server in Windows Azure Virtual Machine after GA (General Availability)?

A: There are two ways to license SQL Server in Windows Azure Virtual Machine: 1) leverage the [license mobility](#) benefits under Software Assurance, 2) pay per hour rate of SQL Server on a Windows Azure Virtual Machine.

Q: Can I move Windows Server 2012 licenses and images between Hyper-V and Windows Azure?

A: Windows Server licenses are not eligible for the [license mobility](#) benefits under Software Assurance. The license to run Windows Server in the Windows Azure environment is included in the hourly cost of your Virtual Machine. Licenses for use of Windows Server on premise (whether in a VHD or otherwise) must be obtained separately.

Q: What are the System Center license requirements for managing Windows Server 2012 instances running on Windows Azure?

A: Customers can use the [license mobility](#) benefits under Software Assurance to assign their System Center 2012 license to a Windows Server instance running on Windows Azure. For an overview of the pricing and licensing of System Center 2012 on Windows Azure, click [here](#).

Q: Does a customer need Windows Server CALs to connect to a Windows Server VM that is running in Windows Azure Virtual Machine?

A: No. Windows Server CALs and External Connectors are not required for accessing Windows Server running in the Windows Azure environment because the license is included in the per hour charge for the Virtual Machine. Use of Windows Server on premise (whether in a VHD or otherwise) requires obtaining a separate license and is subject to the normal licensing requirements for use of software on premise.

Q: Can I run SQL Server Enterprise Edition on Windows Azure?

A: Yes, you can run SQL Server Enterprise Edition through [license mobility](#) benefits under Software Assurance. However, SQL Server Enterprise Edition is not offered on Windows Azure at an hourly rate.

Q: How large of a compute instance can I run on Windows Azure with a single SQL Server processor license?

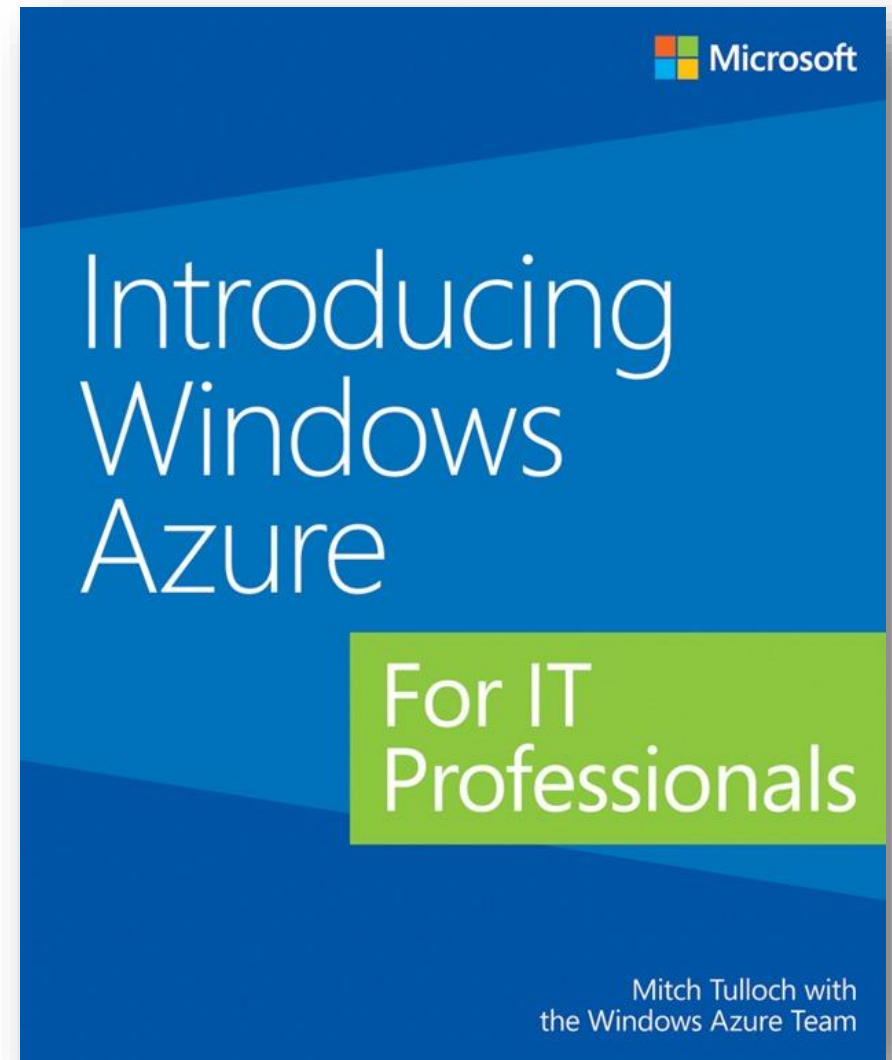
A: Each SQL Server processor license will grant the right to run a single VM with up to 4 virtual cores. On Windows Azure, this would allow a single processor license of SQL Server to be run on an instance size that provided up to 4 virtual cores. If greater than 4 virtual cores are required, you may assign 2 SQL Server processor licenses to the VM and it would provide the rights to run 8 virtual cores.

Q: Can customers run Microsoft Office and Windows 7 Client on Virtual Machines?

Resources

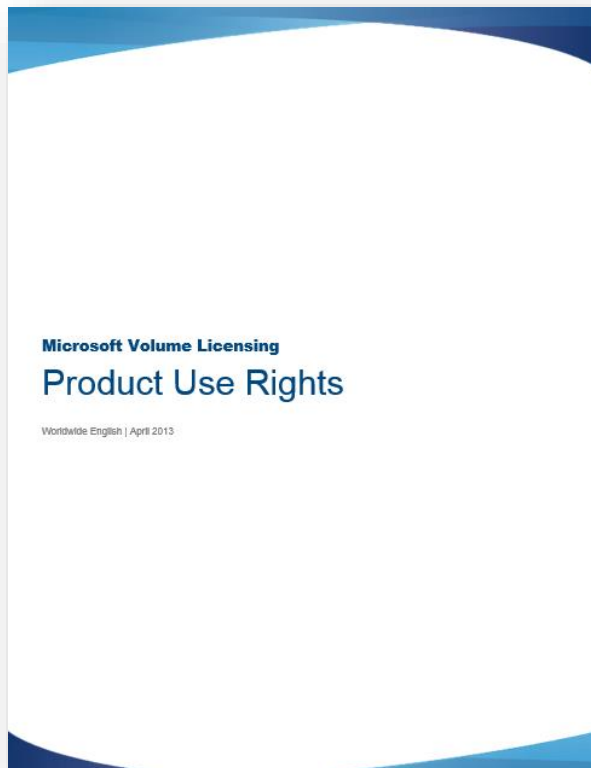
Free ebook for IT Pros

<http://aka.ms/ekgfth>



Resources

www.microsoft.com/en-in/licensing/about-licensing/product-licensing.aspx



Resources

Customer Licensing Education Services

<http://aka.ms/cz13p4>



When	What	Where
19 th November	Licensing Product & Program Fundamentals (Public Sector)	London
18 th December	Licensing Product & Program Fundamentals	London
22 nd January	Licensing Product & Program Fundamentals	London
26 th February	Licensing Product & Program Fundamentals (Public Sector)	London
18 th March	Licensing Product & Program Fundamentals	London
30 th April	Licensing Product & Program Fundamentals	London
28 th May	Licensing Product & Program Fundamentals (Public Sector)	London
18 th June	Licensing Product & Program Fundamentals	London



Microsoft

David Cattanach

v-davic@microsoft.com