Microsoft Open Value Subscription Customer Reference

Designed for Customers with 5+ PCs. Updated February 2011

Introduction

Microsoft Open Value Subscription is a flexible, low cost Volume Licensing solution for organisations with as few as five PCs.
Subscribing to (or leasing) products and services are becoming commonplace in the New Zealand market. Whether cars, phones or computers, organisations are moving to the point where they no longer need to own assets. This is especially the case when the greatly reduced cost and flexibility of leasing or subscribing is so attractive.

Subscribing to software offers a great alternative for customers. With the flexibility to either increase or reduce the number of licences at each anniversary (based on the PC count in the organisation), Microsoft Open Value Subscription is a great solution for organisations wanting both financial predictability *and* access to the latest technology.

Microsoft Open Value Subscription offers savings of up to 40% compared to Microsoft Open Value*.   Licensing the Professional Desktop Suite through Open Value Subscription can save customers even more - up to 50%!

At a time where there is uncertainty for customers about the future possibility of migrating to online or cloud based solutions, Microsoft Open Value Subscription offers a low cost, flexible and manageable stepping stone, no matter what future path a customer may choose.

*Savings are indicative and compare Open Value to Open Value Subscription. Please ask your Microsoft Reseller for pricing and guidance.

Customer Evaluation

Using the mini assessment below, you can evaluate the viability of Microsoft Open Value Subscription for your business.

1	Is **COST REDUCTION** of interest?	Yes / No
2	Is **CASH FLOW** of value?	Yes / No
3	Is access to the **LATEST TECHNOLOGY** critical?	Yes / No
4	Is the ability to **DECREASE** licensed quantities important?	Yes / No
5	Is licensing **COMPLIANCE** of value?	Yes / No
6	Are **PREDICTABLE ANNUAL COSTS** important?	Yes / No
7	Is license **MANAGEABILITY** important to the organisation?	Yes / No
8	Is **FLEXIBLITY** to migrate to another licensing solution important?	Yes / No

If you answer **yes** to three or more of these questions, Open Value Subscription is a solution you could seriously consider.   If you're not sure, read through the following organisation characteristics for additional insight.

Would Open Value Subscription suit YOUR organisation?

Does your organisation have any of the following characteristics?

- Cash is tight, and low financial outlay is important.
- Has old technology and want to upgrade to the latest with minimal expenditure.
- Experiences fluctuations in desktop numbers during the term of their agreement.
- Considering moving to an online or cloud based solution in the future, and don't want to invest in perpetual licenses.
- Possibility of a merger or divestiture within three years.
- Have experienced difficulty managing Software Assets in the past. Annual reporting for products licensed companywide through Open Value Subscription ensures license management is a breeze.

Open Value Subscription is ideal for any organisation wanting access to the latest Microsoft technology with low financial outlay.

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Top 10 Reasons to buy Open Value Subscription

1. **40% Cheaper***

   Microsoft Open Value Subscription is up to 40% cheaper when compared to purchasing software licenses through Microsoft Open Value! *Savings are based on recommended retail pricing. Actual savings may vary.*

2. **Save up to 50% with Professional Desktop***

   The Professional Desktop is a bundled suite of products. Purchasing the suite through Microsoft Open Value Subscription provides **savings of up to 50%** when compared to purchasing products individually though Microsoft Open Value.
   Professional Desktop: Microsoft Office Professional Plus, Windows Professional Upgrade, and the Core Client Access License (CAL) suite. Savings are based on recommended retail pricing. Actual savings may vary.

3. **Recognition for existing software.**

   New Microsoft Open Value Subscription customers can save an additional 50% on the first annual payment with the "Up To Date" discount. *Note: Discount only available for existing underlying software licenses for eligible Enterprise products.*

4. **Financial Benefits.**

   Subscribing to software licenses can be treated as operational expenditure (which may provide tax savings). Customers are recommended to talk with their advisor or accountant about how subscribing to software can provide such financial benefits.

5. **Flexibility.**

   Microsoft Open Value Subscription offers the flexibility to either increase or reduce the number of licences at each agreement anniversary (based on the PC count in the organisation).

6. **Option to buy.**

   Microsoft Open Value Subscription offers an optional "buy-out" for customers wishing to transition from temporary to permanent licenses. *"Buy-out" option only is available at the end of the three year Open Value Subscription agreement term.*

7. **Predictability.**

   Predictable low annual payments over the three year agreement term make Microsoft Open Value Subscription a cost effective and straightforward Volume Licensing solution for many organisations.

8. **Business benefits.**

   Microsoft Open Value Subscription includes Microsoft Software Assurance. Software Assurance combines a broad range of great business benefits helping organisations to deploy, manage, and support their software. *Benefits vary depending on products and quantity of products purchased.*

9. **License Management.**

   Microsoft Open Value Subscription makes it easier and less time-consuming to track software licenses. Customers can gain better insight into their licensing needs and have more confidence their licensing is correct.

10. **Software as a Service.**

    For organisations considering the moving to a cloud based or online licensing solution in the future, but that require licenses and technology solutions NOW, subscribing to Microsoft software licenses through Open Value Subscription can be a great option. Subscribing to software ensures an organisation doesn't own the rights to perpetual (permanent) licenses that at the end of an agreement may not be required or used again.

*Savings are indicative. Please ask your Microsoft Reseller for pricing and guidance.

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Starting an Agreement

Enterprise Products

Open Value Subscription requires a customer license a <u>minimum</u> of one Enterprise product licensed for each qualified desktop in the organisation - referred to as licensing "CompanyWide". There are six individual "Enterprise" products to choose from and one suite. ▶

Important note: When licensing Enterprise products, the licenses must cover each qualified desktop in an entire legal entity, not partial entities such as departments, divisions, or business units.

A **Platform discount** is an additional discount available ONLY for customers that choose to license the Professional Desktop suite OR that choose three Enterprise products (*one from each product group: Microsoft Office Professional Plus, Client Access License option and a Windows Professional Upgrade option*).

Enterprise Product rules

- Enterprise product(s) chosen are invoiced according to the qualified desktop count within the customer organisation.

- The numbers of qualified desktops in your organisation can fluctuate throughout a given year, and are only reported once a year (at the Microsoft Open Value Subscription agreement anniversary).

- The licensed quantity of Enterprise products may be reduced only if the qualified desktop count in the organisation decreases i.e. if the size of the organisation shrinks (to no less than a minimum of five desktops).

- At the customers discretion, the Client Access License suite may be licensed in either user or device, and unlike other Microsoft Volume Licensing agreements, the CAL type may vary and be changed during the term of the agreement without notifying Microsoft.

Client Access License Suites are the most cost-effective way to supercharge your investment in Microsoft Desktop and Server technologies. CAL Suites combine the most popular Client Access Licenses into two convenient packages: Core and Enterprise.

Enterprise Products

Microsoft Office

1. Microsoft Office Professional Plus

Client Access License Suite

1. Core Client Access License **or**
2. Enterprise Client Access License **or**
3. Small Business Server Client Access License

Windows Professional Upgrade

1. Windows Professional Upgrade **or**
2. Windows Professional Upgrade with MDOP

Professional Desktop Suite

Includes the following three products:

- Microsoft Office Professional Plus
- Core Client Access License
- Windows Professional Upgrade

Server		Core CAL Suite	Enterprise CAL Suite
Windows Server	Windows Server Standard	✓	✓
	Active Directory Rights Management Services		✓
Microsoft Exchange Server	Exchange Server Standard	✓	✓
	Exchange Server Enterprise		✓
Microsoft SharePoint	SharePoint Server Standard	✓	✓
	SharePoint Server Enterprise		✓
Microsoft Office Communications Server	Office Communications Server Standard		✓
	Office Communications Server Enterprise		✓
Microsoft System Center	System Centre Configuration Manager	✓	✓
	System Centre Client Management Suite*		✓
Microsoft Forefront	Forefront Protection Suite		✓
	Forefront Unified Access Gateway*		✓

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Additional Products

Additional Products are software licenses required by the customer over and above Enterprise product(s). Additional Products may be licensed in **any quantity** within the Microsoft Open Value Subscription agreement.

Frequently licensed Additional Products:

Applications

- Project Professional
- Project Standard
- Visio Premium
- Visio Professional
- Visio Standard

Client Access Licenses (CALs)

- Dynamics CRM CAL
- Exchange Enterprise CAL
- ForeFront Identity Manager CAL
- Office Communications Server Standard CAL
- Project Server CAL
- SharePoint Enterprise CAL
- SQL Server Enterprise Edition
- SQL Server Standard CAL
- Windows Remote Desktop Services CAL
- Windows Rights Management Services CAL

Servers

- BizTalk Server (Standard, Enterprise)
- Commerce Server (Standard, Enterprise)
- Dynamics CRM Server (Workgroup, Professional, Enterprise)
- Exchange Server (Standard, Enterprise)
- Forefront Client Security, Forefront Protection Suite, Forefront Identity Mgr
- Office Communication Server
- Office Live Meeting (Standard, Professional)
- Project Server
- SharePoint Server
- SQL Server (Standard, Enterprise, Datacentre)
- System Centre Configuration Manager (Standard, Enterprise)
- VDI Suite (Standard, Premium, with or without MDOP)
- Windows Small Business Server (Standard, Premium)
- Windows Server (Standard, Enterprise, Datacentre)

Developer Tools

- Visual Studio Professional with MSDN (Microsoft Developer Network)

Additional Product rules

- Additional Products ordered at the start of an Open Value Subscription agreement are invoiced annually (at the agreement anniversary, over the three year agreement term).

- For Additional Products ordered **after** the start of an Open Value Subscription agreement, reporting and payment must be made within the month of Additional Product deployment to your Reseller.

- Quantities of Additional Products licensed may be reduced according to your organisations needs, as long as the product is no longer used or uninstalled. **Additional Product quantities may be reduced to zero.**

- For a conclusive list of Additional Products, and for pricing, please see your Reseller.

- Enterprise products and most products included within in Enterprise Products i.e. Windows CAL are **not** available as Additional Products via the Open Value Subscription Program.

Open Value Subscription Process Summary

Subscribing to software licenses through Microsoft Open Value Subscription is easy by following this step by step process:
Please see over the page for more detail on helping customers choose Enterprise (CompanyWide) and Additional Products…

Step 1: Qualified Desktops

How many desktops and laptops are in your organisation. This is your organisations qualified desktop number.

Step 2: Choose Enterprise Product(s) *

A minimum of one enterprise product must be licensed for each qualified desktop in the organisation. Ask your reseller how the platform discount (licensing one product from each of the three enterprise product groups) can save you $$$!!!

Step 3: Choose Additional Products

Products over & above Platform Products such as servers are referred to as "Additional Products" and can be licensed in any quantity within the Open Value Subscription agreement.

Step 4: Place your order with a Reseller

Once you have a Microsoft partner, you can place your order. Open Value Subscription is available through any Microsoft Reseller.

Step 5: Sign the licensing agreement online

Through a password protected site the agreement is signed online. Once the agreement is processed, the customer can download the product to install, or order the media. Then it's just a matter of deploying the software, and enjoy!

Step 6: Submit an annual purchase order

At each agreement anniversary, simply let your Microsoft reseller know your "then current" number of qualified desktops (even if there is no change), and additional products required.

What is a qualified desktop?

A personal computer that meets the minimum technical specifications to run any of the Enterprise Products (listed below). Qualified Desktops are not 1) Servers, 2) computers running only specialised line of business software, or 3) devices running embedded operating systems.

*What is an Enterprise Product?

There are three "Enterprise Product" groups:

1. **Microsoft Office:** Microsoft Office Professional Plus
2. **Microsoft Windows:** Windows desktop operating system upgrade (must have underlying OEM operating system license)
3. **Client Access License (CAL) suite**: i.e. Core Client Access License, Enterprise CAL or Small Business Server CAL

Open Value Subscription requires a minimum of one enterprise product licensed for each qualified desktop in the organisation - referred to as licensing "CompanyWide".

What are Additional Products?

Additional Products are software licenses over and above the Enterprise Products, i.e. Servers. Additional Products can be licensed in any quantity under an Open Value Subscription agreement. Please see the next page for an example of Additional Products available to order.

Discounts of up to 50%!!!

License three Enterprise products CompanyWide (one from each Enterprise Product Group), and Receive up to 50% discount!!!
(When compared to buying the products individually through Microsoft Open Value)

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Recognition for existing software

Already invested in Microsoft software licenses? No problem.   The up-to-date (UTD) discount is available for Microsoft Open Value Subscription customers that own perpetual licenses for older editions of eligible Enterprise products.

The 50% UTD discount is a one time discount, applied to first annual payment only. The discount is only applicable for older eligible licenses that a customer already owns should the customer wishing to subscribe to licenses through Open Value Subscription. Eligible products may have been purchased via OEM (preinstalled on a computer system), through a retail store or a Volume Licensing Program. Software Assurance is not required to be eligible for the up-to-date discount. Proof of license may be required.

Up-to-date License	Qualifying Underlying Product/Version
Office Professional Plus 2010	Office Professional Plus Edition 2010 Office 2010 Professional Edition 2010 Office Enterprise Edition 2007 Office Professional Plus Edition 2007 Office Small Business Edition 2007 Office Ultimate Edition 2007 Office 2007 Professional Edition
Core Client Access License (Device or User)	Any Core CAL
Enterprise Client Access License (Device or User)	Any Enterprise CAL
Small Business Server Standard 2008 CAL (Device or User)	Windows Small Business Server Standard 2008 CAL Windows Small Business Server 2003 CAL
Small Business Server Premium 2008 CAL (Device or User)	Windows Small Business Server Premium 2008 CAL Windows Small Business Server 2003 CAL
Windows 7 Professional Upgrade	Windows 7 Professional Windows Vista Business

*For the latest list of eligible UTD products, please download the most recent product list located at this URL: www.microsoftvolumelicensing.com/userights/PL.aspx **or** consult your Microsoft Reseller*

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End of agreement options

At the end of a Microsoft Open Value Subscription agreement, there are four options available:

1. **Renew the Open Value Subscription agreement.**
   Simply stay subscribing.

2. **Do nothing.**
   Uninstall any software purchased through the Open Value Subscription agreement.

3. **Purchase perpetual licenses.**
   At the end of the three-year Open Value Subscription agreement, an optional "buy-out" is available.

   A buy out is a single payment enabling the customer to transition the licenses from non perpetual (temporary) to perpetual (permanent). The customer owns the licenses to the latest product version commercially available at the time of the buy-out.

The cost of the buy-out is approximately 1.75 x annual Microsoft Open Value Subscription fee, and **all** enterprise products licensed in the agreement must be bought out. For any increase in desktops in the third year of the agreement, the customer must also pay the annual fee prior to buy-out.

For Additional Products there is no minimum requirement for the buy-out. Any quantity of Additional Products ordered in the final year of the agreement can be bought out depending on the requirements of the customer.

Option to purchase the licenses perpetually
**(through a 'buy-out')**
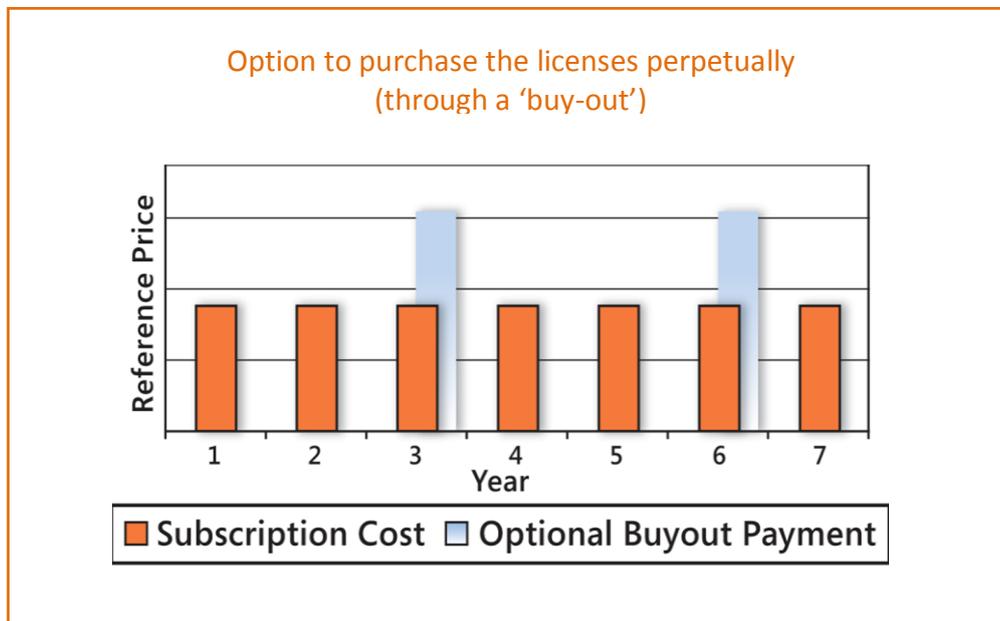
4. **Purchase software through another Volume Licensing program or licensing solution.**
   The licenses subscribed to through Microsoft Open Value Subscription are only temporary licenses, lasting only for as long as they are subscribed to during the term of the Open Value Subscription agreement.

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Financial Benefits

Low initial financial outlay*

The following example shows the initial financial outlay* for a customer purchasing Microsoft Office Professional Plus through the four Microsoft "Open" Programs. Microsoft Open Value Subscription offers the lowest initial financial outlay. Remember that Open Value Subscription INCLUDES Software Assurance benefits (so Work at Home licenses for Office), and ability to reduce licensed quantities annually according to qualified desktops. Overall Microsoft Open Value Subscription offers best value for money.
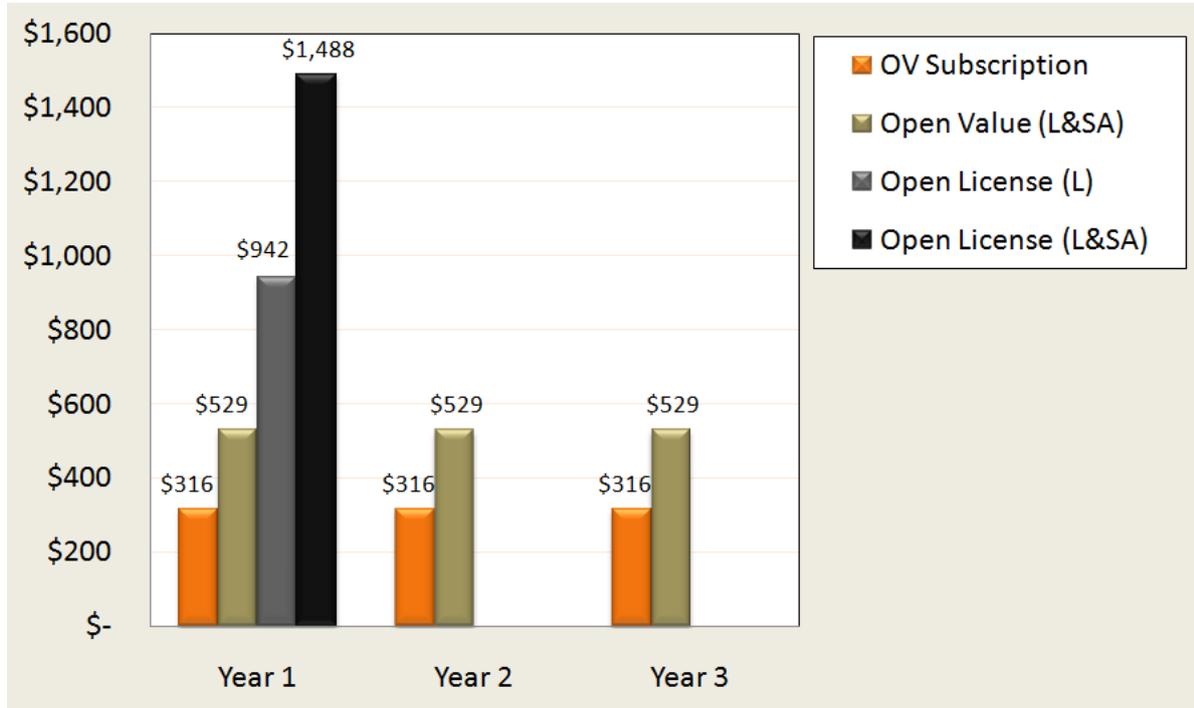
* Microsoft Open Value Subscription and Open Value RRPs listed are Companywide prices (i.e. Enterprise products). All other prices are also RRPs. Actual prices may vary.   Open Value Subscription, and Open Value require annual payments across a 3 year agreement. Open License is always a one off payment. L&SA refers to License and Software Assurance bundle (with SA only lasting the two year term). Actual prices may vary. Customers should contact their Microsoft Reseller for the latest pricing available.

Customers save up to 50% with Professional Desktop

The Professional Desktop can be an extremely cost effective way of purchasing Microsoft Software. In addition, when comparing Professional Desktop bundle purchased through Open Value Subscription vs purchasing the individual products separately though Open Value, customers can save up to 50%*!

Buying Products Individually	Open Value		Professional Desktop Bundle	Open Value Subscription
Office Professional Plus	$587		Office Professional Plus	
Windows Professional Upgrade	$217	VS	Windows Professional Upgrade	$511
Core Client Access License Suite	$216		Core Client Access License Suite	(all three products)
Total	$1020			

*Pricing is based on Recommended Retail Prices for the first year of the Volume Licensing agreement. Actual prices may vary. Customers should contact their Microsoft Reseller for the latest pricing available.

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"Open" Programs Comparison Chart

	Microsoft Open Value Subscription	Microsoft Open Value	Microsoft Open License
Overview	• 5 PCs to qualify. • Non perpetual (temporary) licenses. • Software Assurance Included. • 3 year agreement term. • Annual payments. • Desktop standardisation required (all desktop PCs must be licensed for at least one enterprise product).	• 5 PCs to qualify. • Perpetual (permanent) licenses. • Software Assurance Included • 3 year agreement term. • Spread annual payments or Upfront (optional). • Desktop standardisation optional (Open Value CompanyWide).	• Ideal for ad-hoc purchases. • 5 licenses required to start agreement. • Software Assurance optional. • Two-year agreement term, with perpetual licenses.
Initial Purchase	• Desktop standardisation required (all desktop PCs must be licensed for at least one enterprise product). • Licensed desktops may be added or subtracted annually should the qualified desktop count increase or decrease in size. • Additional Products may be ordered in any quantity. • Optional "buy out" to perpetual licenses when agreement ends.	• Five Licenses with Software Assurance (L&SA). • For Open Value CompanyWide all desktop PCs must be standardised on at least one enterprise product. • After the initial term, the customer owns perpetual licenses and has the option to extend Software Assurance coverage (SA only, without the license cost).	• All payments upfront. • Five licenses or one server 'per processor' license. • Licenses may be added at any time. • New agreements may be started at any time with minimum 5 license requirement.
Discounts	• Yes for licensing the full Platform or Professional Desktop (licensed for each qualified desktop in the company)	• Yes for licensing the full Platform or Professional Desktop (licensed for each qualified desktop in the company)	• None
Order	Through any Microsoft Reseller		
Single Agreement for Multiple Entities	Yes[1]	Yes[1]	Yes[1]
Install Before You Order	Yes[4]	Yes	No
Payment	Three annual payments.	Three annual payments or upfront at the time of order.	Payment due up front when order is placed.
Spread Payments	Yes	Yes [3] Optional	No
Price Protection	Yes[2]	Yes[2]	No
Software Assurance	Included	Included	Optional
Web-based License Management	Yes through VLSC website https://licensing.microsoft.com/licensing/servicecenter		
Media Included	Default media delivery method is the online download via VLSC at no extra charge. Physical Media can be ordered separately for a small fee.		

[1] Limited to affiliates within the same defined region. For more details, refer to http://www.microsoft.com/licensing/licensing-options/open-regional.aspx
[2] Price Protection is provided for subsequent payments. Open Value CompanyWide also provides price protection for subsequent orders for CompanyWide products. Price protection applies to list prices and not promotional prices. Open Value Subscription provides price protection for all previously ordered products.
[3] Open Value Subscription only offers annual spread payments.
[4] Product is available for trial, but ordering is required at the time of production use.

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Licensing Resources

Customers are recommended to call their Microsoft Reseller in the first instance for guidance and support regarding Microsoft Volume Licensing.

Microsoft Open Value Subscription (customer web site, NZ)	**www.microsoft.com/nz/licensing** Customer ready Open Value Subscription information and downloadable guides available
Microsoft Licensing Helpdesk:	**Phone: 0800-800-004** (press option 5) Available 9.30am – 7.30pm Monday – Friday excluding public holidays. This service is available for Resellers and customers
Volume Licensing purchase histories:	**Email: info@accordo.com** This service is available for Resellers and customers. Resellers must send customer email approval with request for Volume Licensing purchase history.
Volume Licensing Promotions:	**www.microsoft.co.nz/hotoffers**
Microsoft Licensing Toolkit	**www.microsoft.com/nz/toolkit** Download useful licensing documents. Created in New Zealand for New Zealand partners and customers.
Product Activation Hotline:	**Phone: 0800 676 334** Available to customers and partners with issues or questions with Product Activation.
Microsoft Product List	**www.microsoftvolumelicensing.com/userights/PL.aspx** Information about product additions & discontinuations, Software Assurance benefits, product migration paths etc. Updated monthly. Download it from:
Product Usage Rights	**www.microsoftvolumelicensing.com/userights/PUR.aspx** Understand usage rights & licensing rules for all Microsoft Products purchased through Volume Licensing programs. Updated quarterly.
Microsoft License Advisor	**www.microsoft.com/licensing/mla/default.aspx** Use License Advisor to research Microsoft Volume Licensing products, programs and pricing. Get a full quote that you can share with colleagues or your reseller. *This tool accesses the latest New Zealand price list.*
General Licensing information (NZ)	**www.microsoft.com/nz/licensing**
Software Assurance (NZ)	**www.microsoft.com/nz/sa**
Report Software Piracy/Piracy info (NZ)	**www.microsoft.com/nz/piracy**

More Information on Microsoft Open Value Subscription

Talk with your preferred Microsoft Reseller
or visit the Microsoft licensing web site: www.microsoft.com/nz/licensing

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