



Microsoft Licensing Bootcamp

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Microsoft | Partner Program

Objective

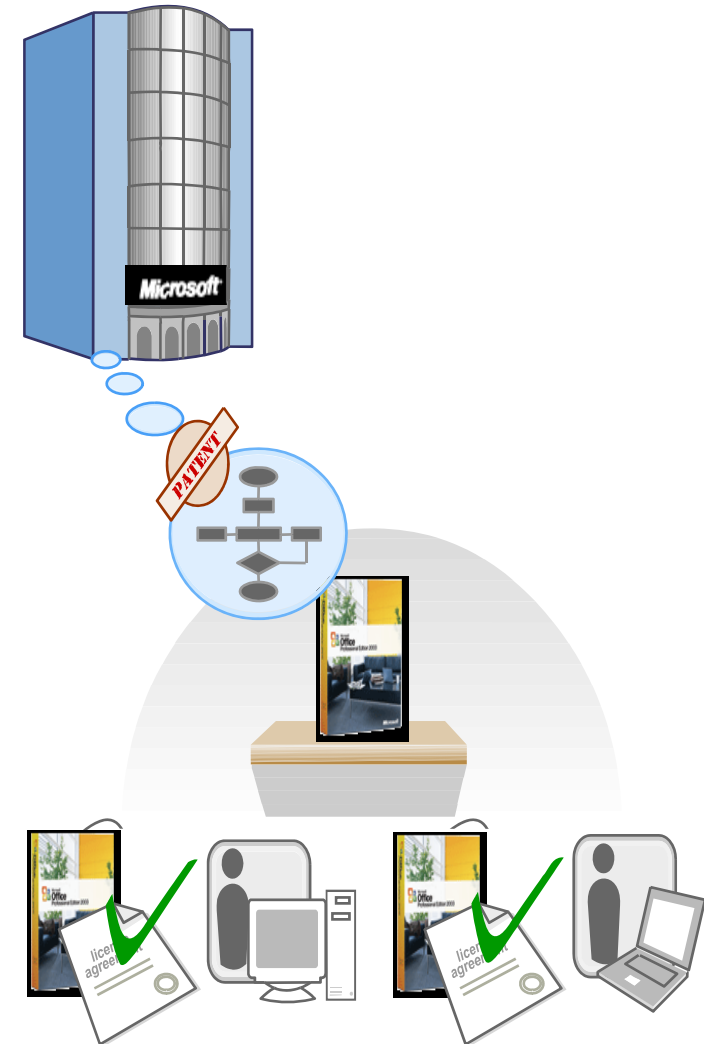
Today's focus:

- 1. Overview Volume Licensing options for corporate customers under 250 desktops**
- 2. Increase your service offering using tools and resources from Microsoft**
- 3. How to license the new 2007/2008 desktop and server products**

Microsoft Volume Licensing 101

What is Software Licensing?

- Software is an intellectual property that requires a license for its usage.
- A software license is the legal right to install, use, access, display, run, or otherwise interact with a software program.
- Your rights in using software are controlled by the terms of a software license and these rights are detailed in a license agreement.
- Customers benefit from License compliance as:
 - They are protected from incomplete software
 - They can avail technical services and support



Microsoft Licensing: SKUs

- **Microsoft License (L) SKUs:**

- Provides the rights to a specific version of a product
- No pre-requisites to buy (except for Windows Professional Upgrade, which must have an underlying OS license)
- Available through Open License and Select License

- **Software Assurance (SA) SKUs:**

- Available through Open License, Select License and EA for eligible customers
- Priced as a percentage of License for each year of the agreement: approximately 29% for desktop products and 25% for servers

- **License + Software Assurance (L&SA) SKUs:**

- Combines the benefits of Microsoft License and Software Assurance
- No pre-requisites to buy (except for Windows Professional Upgrade, which must have an underlying OS license)
- Available through Open License, Select License, EA and EA Subscription

License Documentation

- **End User License Agreement**
– **Governs a single software title acquired by an individual and software acquired with the purchase of a computer from an OEM.**
- **Volume License Product Use Rights** – **Provides the use rights for a specific license in the Volume Licensing programs.**



Why are Electronic Licenses Important?

Office Retail Box Example...



Office
97 Full
License



Office 2000
Version
Upgrade



Office XP
Version
Upgrade



Office 2003
Version
Upgrade

What do you own if you lose your original Office 97 license?

NOTHING! You must have a full license to qualify for an upgrade, none of the remaining upgrades have a qualifying license, so they can't be used.

www.noretailbox.com

Microsoft Licensing Programs

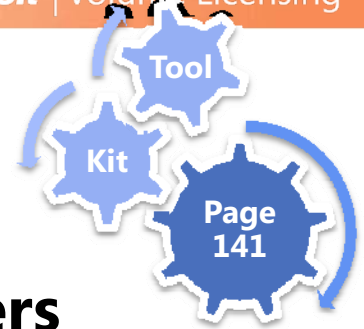
1. **FPP - Full Packaged Product (Retail)**
2. **OEM - Original Equipment Manufacturers (System Builders)**
3. **Volume License Programs:**

| 5-250 Desktops | 250 and above |
|----------------|----------------------|
| Open Value | Select Agreement |
| Open Business | Enterprise Agreement |
| Open Value | |

Complex

Outside Today's Scope

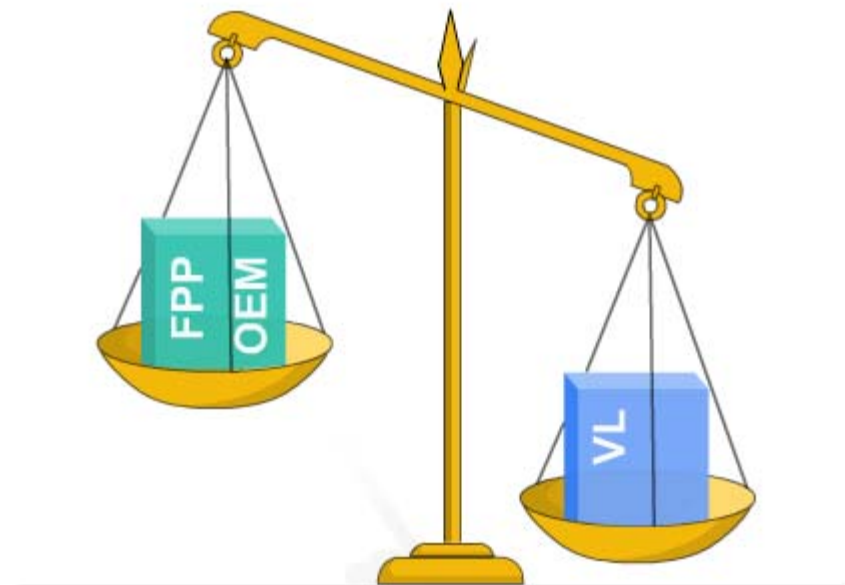
Volume Licensing Customer Value



- **Volume Licensing programs provide customers the ability to choose the software they need and the flexibility in acquiring it.**

- **These programs offer additional benefits, such as:**

- **Discounts**
- **Downgrade Rights**
- **Cross-Language Rights**
- **Re-imaging Rights**
- **Portable Use Rights**
- **Electronic License Management**
- **Single “key” activation**



Volume Licensing Partner Value



**Customer
budget
for
IT project**

**The more you
spend on one, the
less there is for the
others**

**Reduce up-front
licensing costs...**

**Frees up more
budget for partner
services, hardware,
training, etc.**

Open License Business

- **Entry minimum: 5 Licenses**
- **Agreement Term Length: 2-year agreement term**
- **Pricing: Savings over retail-boxed product, Single price level, No Points, No Pools**
- **Purchase Options:**
 - **License (L)**
 - **License & Software Assurance (L+SA)**
 - **SA renewal (additional two-year term) (SA)**
- **Payment Option: full 2 year payment due upfront**
- **Agreement Structure: Online authorization process**

Office 2007 Professional Example

| All prices listed are Estimated Retail Prices (ERP). Please check with your Microsoft License Provider for actual costs. |  Retail Box | Microsoft Open License Open Business |
|--|---|--|
| New | \$499 | \$478 |
| Upgrade | \$329 | \$277 (Software Assurance)** |
| License | Paper license | Electronic licensing. You can't lose it. |
| Download | | Yes |
| Includes 90-day trial (9 ERP) | | Yes |
| Includes Advanced Interchangeability and | No | Yes |
| eLearning included: | No | Yes* |
| Home Use Rights? | No | Yes* |

Why would you:

- 1) Spend more
- 2) Get Less
- 3) Want to track a paper license you can lose?



* If customer has or purchases SA for Office System

** SA under Open Business provides 2-Years of benefits including upgrade protection

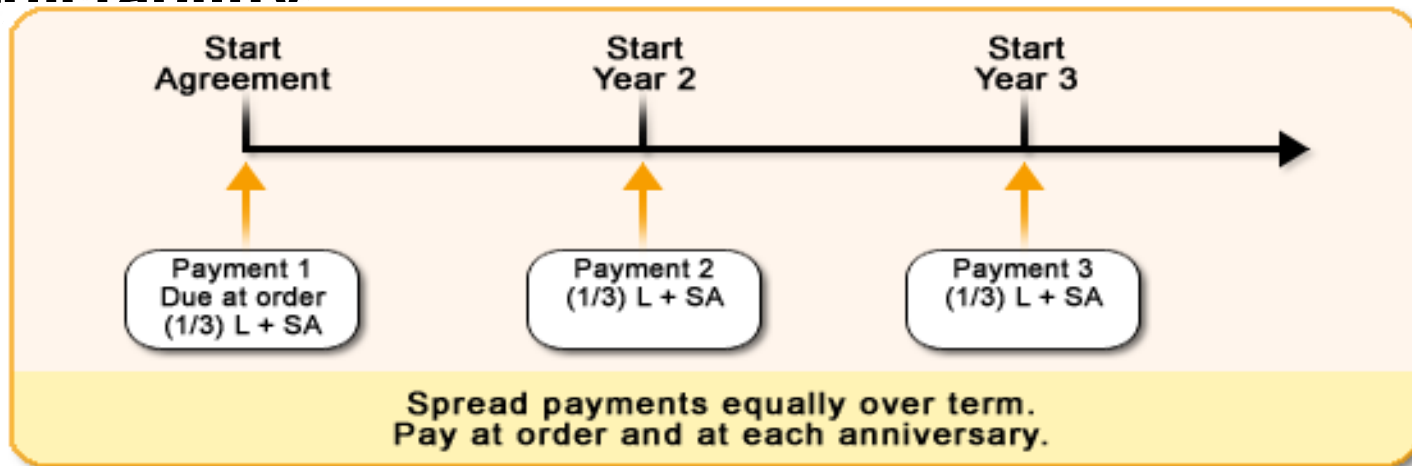
Open Value



- **Entry minimum: 5 Licenses and Software Assurance**
 - SA included with each acquisition under Open Value
- **Agreement Term Length: 3-year agreement & 3-year renewal**
- **Pricing: Comparable to Open License Business**
 - Single price level
 - Additional savings opportunities for Company-wide Option
- **Purchase Options:**
 - License & Software Assurance (L&SA)
 - SA only for renewals or add-on to OEM within 90 days (SA)
 - License-only SKUs **not** available (L)
- **Payment Options: The cost of L&SA or SA renewals may be spread annually over 3 years**
- **Agreement Structure: Single agreement for on-going license acquisitions**

Budget Predictability – Open Value

- Spread costs for License & Software Assurance (L&SA) into equal annual payments
- Determine annual costs up to three years in advance
- Software Assurance portion pro-rated annually
- Company-wide Option offers desktop price predictability






Open Business vs. Open Value

| | Open Business | Open Value |
|---------------------------|------------------------------|---|
| Agreement Term | 2 years | 3 years |
| Payment Options | Up front | Spread annually or up front |
| Purchasing | Always 2 years, not flexible | Flexible throughout Agreement: 1, 2, or 3 years remaining |
| Software Assurance | Optional | Included |
| Product Media | Additional cost | Included on initial order |
| Additional Savings | No | For company wide purchasing |
| Key Benefits | Volume license cost savings | <ul style="list-style-type: none"> • Volume License cost savings • Simplify license tracking • Take control of the software upgrade cycle • Better manage costs |

Open Value was designed from Open License based on feedback from Partners and customers



Software Assurance Differences

| | Open License L+SA or SA | Open Value | Open Value Company-Wide |
|--|---|---|---|
| New Version Rights | Yes – 2 Yrs. | Yes – 3 Yrs. | Yes – 3 Yrs. |
| Spread Payments | No | Yes | Yes |
| Employee Purchase Program  | No | No | Yes |
| Training Vouchers | No | Yes | Yes |
| Windows Vista Enterprise (or rights to Windows Vista Ultimate)  | Yes | Yes | Yes |
| eLearning Training Courses | Yes | Yes | Yes |
| Home Use Program  | Yes – 1 Per Office license with SA | Yes – 1 Per Office license with SA | Yes – 1 Per Office license with SA |
| Server Cold Backup for Disaster Recovery | Yes | Yes | Yes |

Download full SA benefits chart at:
<http://www.microsoft.com/licensing/programs/sa>



= often overlooked SA Benefit

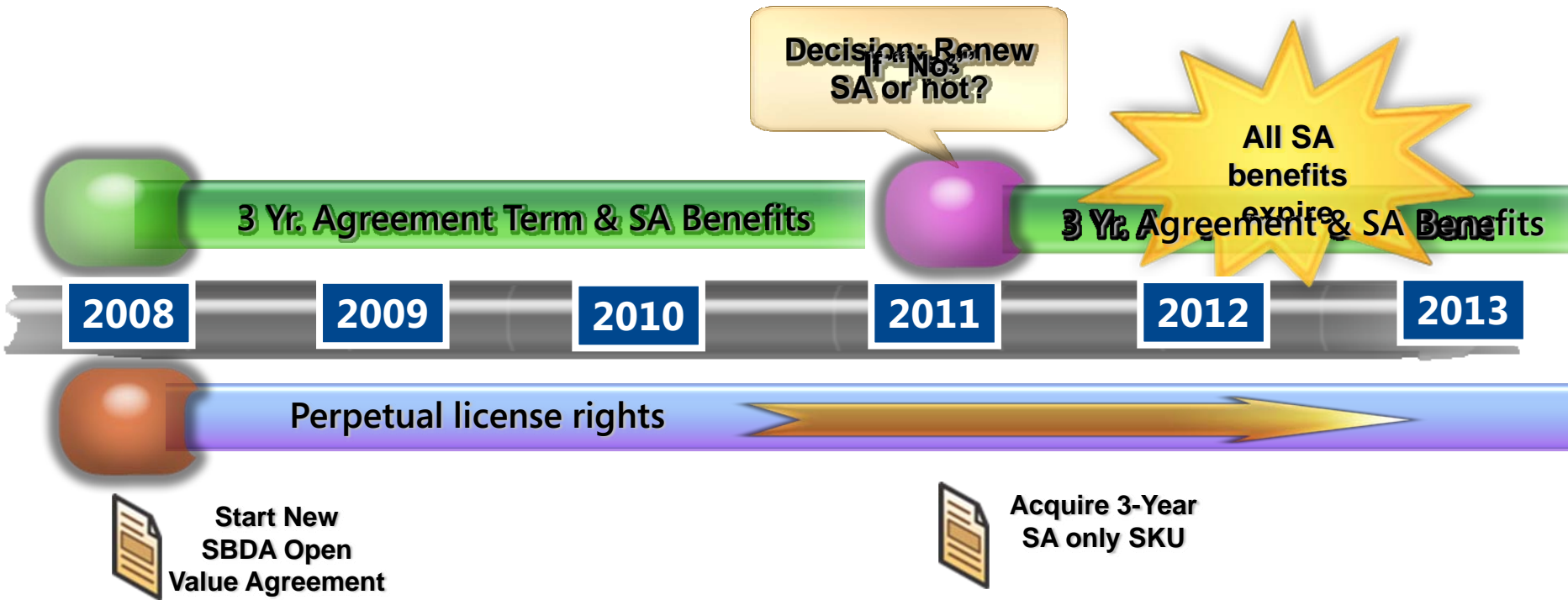


When Can SA be Added?

| Program | Desktop O/S | Applications | Servers |
|--------------------|---|--|---|
| OEM | Add SA w/in 90 days of purchase | Add SA w/in 90 days of purchase (Office 2003 & up only) | Add SA w/in 90 days of purchase |
| Retail/FPP | Add SA w/in 90 days of purchase | SA Not Available | Add SA w/in 90 days of purchase |
| Volume Licensing | Purchase SA with Upgrade (L+SA) or as UA/SA renewal | Purchase SA with License (L+SA) or as UA/SA renewal | Purchase SA with License (L+SA) or as UA/SA renewal |
| If SA added to OEM | SA is transferable to new PC, not OEM desktop O/S | OEM Office License & SA transferable together | OEM Server License & SA transferable together |



What happens after 3 years?






Open Value Company-Wide




Open Value Company-Wide Options

If customer purchases one or more Microsoft products for EVERY desktop, they receive:

- Extra discount
- Uniform cost

Access to Special Bundles:

| | | | | | |
|--|--|---|---|---|---|
| <p>Small Business Desktop Advantage</p> |  | + |  | + |  |
| | <p>Office Small Business Edition 2007</p> | | <p>SBS 2003 Client Access License</p> | | <p>Windows Vista Business Upgrade (or Vista Enterprise or Ultimate)</p> |

| | | | | | |
|------------------------------------|---|---|--|---|--|
| <p>Desktop Professional</p> |  | + |  | + |  |
| | <p>Office Professional + 2007</p> | | <p>Microsoft® Core CAL Suite Client Access License</p> | | <p>Windows Vista Business Upgrade (or Vista Enterprise or Ultimate)</p> |

Includes 3 Years of Software Assurance Benefits for all products

Small Business Desktop Advantage

Simple, Flexible Savings

| Product | Open Value 2.0 ERP | Open Value 2.0 Company-Wide (ERP) | Small Business Desktop Advantage (B6K-00052 or B6K-00050) |
|--------------------------------|---|-----------------------------------|---|
| Office 2007 SBE L+SA | \$769  | \$692 | |
| SBS 2003 CAL L+SA | \$162  | \$146 |  |
| Windows Vista Business Upg+SA | \$352  | \$249 | |
| Subtotal | \$1,283  | \$1,087 | |
| Add'l SB Desktop Savings - 15% | | |  (\$165) |
| Total | | | \$922  |
| Annual Payment | | | \$37.33 |

Small Business Desktop Advantage

Simple, Flexible Savings

Items Included in each example:








| Examples | Office 2007 SBE L+SA | SBS 2003 CAL L+SA | Win Vista Business Upg+SA | Total ERP |
|---------------------------------------|-------------------------|----------------------|---------------------------------|-----------|
| 1) Items purchased through Open Value | X | X | | \$931 |
| 2) Items purchased through Open Value | X | | X | \$1,121 |
| 3) Small Business Desktop Advantage | X | X | X | \$922 |

The Small Business Desktop Advantage gives you ALL 3 products but costs **less** than Office 2007 Small Business + either of the other two when purchased separately!

Calculations are based on estimated retail prices. Reseller prices may vary.

Desktop Professional

Simple, Flexible Savings

| Product | Open Value 2.0 ERP | Open Value 2.0 Company-Wide (ERP) | Desktop Professional (A07-00256 or A07-00254) |
|---------------------------------|---|-----------------------------------|---|
| Office 2007 Pro+ L+SA | \$897  | \$807 |  |
| Core CAL L+SA | \$346  | \$311 | |
| Windows Vista Business Upg+SA | \$352  | \$249 | |
| Subtotal | \$1,595  | \$1,367 | |
| Add'l Desktop Pro Savings - 15% | | |  (\$206) |
| Total | | | \$1,161  |
| Annual Payment | | | |

Desktop Professional

Simple, Flexible Savings

Items Included in each example:

| Examples | Office 2007 Pro+ L+SA | Core CAL L+SA | Win Vista Business Upg+SA | Total ERP |
|---------------------------------------|-----------------------|---------------|---------------------------|-----------|
| 1) Items purchased through Open Value | X | X | | \$1,243 |
| 2) Items purchased through Open Value | X | | X | \$1,249 |
| 3) Desktop Professional | X | X | X | \$1,161 |

The Desktop Professional gives you ALL 3 products but costs *less* than Office 2007 Pro+ and either of the other two when purchased separately!

Calculations are based on estimated retail prices. Reseller prices may vary.

Important things to remember...

- **Small Business Desktop Advantage & Desktop Pro**
 - **They are Company-Wide Agreements**
 - **Must buy 1 per PC on initial order**
 - **Add additional Small Business Desktop or Desktop Pro licenses as # of PCs in company increases (Must have 1 per PC in company)**
 - **Only available through Open Value**
 - **Not Open Business**
 - **Provides most SA benefits and greatest savings**
 - **Any additional Microsoft software can be added to same Open Value Agreement**
 - **At the end of 3 years, only Software Assurance expires, not licenses**
 - **Software Assurance can be renewed**

Partner Introduction to Open Value Subscription

OVS – In Common Terms



Businesses lease their computer equipment...



Businesses lease their office & storefront space...



Businesses lease their automobiles & trucks...



Now they can “lease” their Microsoft software...

Volume Licensing Decision Tree

Volume Licensing Programs
(For Companies with 5-250 PCs)

Don't Want SA

Open Business

For Businesses who do not want Software Assurance

Want SA

Open Value

For Businesses who do want Software Assurance

Open Value

Non-Subscription
(Perpetual)

Open Value

Subscription
(Non-Perpetual)

March 3rd!

Benefits for Customers



Low start up cost (~37%* cost of L for L+SA)
Convenient annual payments



Discounts for licenses already owned
(50%* year 1 discount for current or N-1 versions owned)



C/W Software Assurance benefits included
Buyout option available



One fee per PC
Annual true-up/down

Open Value Subscription (OVS)

Subscription based model of Open Value: Non-perpetual licenses

| | Open Value | OVS |
|---------------------------------|------------------|------------------------------|
| License type | Perpetual | Subscription |
| Agreement term | 3 yrs. | 3 yrs. |
| Transacted through | Broad channel | Broad channel |
| Initial order | C/W** or non-C/W | C/W |
| Additional orders | C/W or non-C/W | C/W or non-C/W |
| True-Up/Down | C/W True-up only | Annual True-up or down |
| Initial annual cost | 1/3 L + 1 yr. SA | ~ 37%* X L for initial order |
| Renewal available? | Yes (3 yr.) | Yes (3 yr.) |
| Software Assurance | Included | Included |
| Discount for existing licenses? | No | 50%* Year 1 UTD discount |

** C/W = Company-wide

* Calculations are based on estimated retail prices. Reseller prices may vary.

More Info on Open Value Subscription

- **Please attend one of our on demand webcasts:**
 - **Hosted by Eric Ligman**
 - **<http://www.msreadiness.com/TrainingSearch.aspx?prodid=0&keyword=open%20value%20subscription>**

Where Platform Licenses Fit

Decision process:



As a Value Added Partner:

- Know your customer's business goals
- Develop an appropriate technology plan
- Find the best fit for licensing software

Great Overview of Volume Licensing – Now What?

***Ready to go sell? *Going to need a refresher?**

GOOD NEWS: Microsoft produces and maintains Volume Licensing training resources to help sales teams stay current

- **FREE!!!** ...and available to all partner employees (Reg+)
- Online - available 24x7 on the Partner Learning Center
- Scenario-based, designed to educate sales execs on the “How-to-Buy”
- Recently refreshed to incorporate 6.5 changes, updated again this year
- Some localized in 7 languages (incl. French)

Resources:

Online Tutorials

- **Volume Licensing Essentials (similar to today – the “basics”)**
- **Volume Licensing for Small & Medium Business**
- **Volume Licensing for Large Orgs**

Practice Tests (localized in 7 languages incl. French)

- **For Volume Licensing MCP exams 70-121 & 70-122**

MCP Certification for Volume Licensing



- These resources double as a SIMPLIFIED LEARNING PATH to prepare for the Volume Licensing MCP Exams.
- First and only MCP exams for SALES EXECUTIVES!!!

How to Access: (bookmark this page!!)

<https://partner.microsoft.com/Canada/program/competencies/40029167>

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