



# LICENSE ADVISOR

Partner Sales Battlecard

## Microsoft® Select Agreements and Select Plus Agreements

Select and Select Plus are excellent agreements for customers who want to pick and choose which software they run across their organization. It gives them the flexibility to add Software Assurance just to the products they choose, and to benefit from discounts based on purchases across their organization. The licenses acquired through Select and Select Plus are perpetual which means the customer can use them forever.

### WHY SHOULD A RESELLER CARE?

- If the customer chooses not to purchase Software Assurance then Select and Select Plus operate on a 'pay-as-you-go' basis meaning you receive payment as soon as the customer installs any software.
- Spreading payments with Software Assurance frees up customer budget today, giving you the opportunity to pull other hardware or software transactions forward to increase the overall size of each deal.
- With Select Plus, as customers buy more over time, they receive a better pricing level, encouraging them to spend more.
- Select and Select Plus agreements can cover territories across the world, allowing you to earn revenue from your customers' software needs in other countries.

### WHY SHOULD A CUSTOMER CARE?

- Organizations with mixed software requirements can purchase through Select and Select Plus agreements to give them a simple, flexible and affordable way to purchase the latest Microsoft technology on a 'pay-as-you-go' basis.
- Software Assurance is an optional purchase with Select and Select Plus agreements allowing customers flexibility to choose exactly where to focus their IT spend.
- Select Plus has no need to forecast future purchases, allowing customers to buy what they want exactly when they want it.
- Select Plus allows customers to manage software assets more easily with visibility across the entire organization and centralized reporting.

#### THINGS TO KNOW

#### 1 THERE IS NO NEED TO FORECAST SPEND WITH SELECT PLUS

Select Plus pricing is based on the initial order and the customer automatically gets better pricing for future purchases when an order moves them up to the next price level.

#### 2 STREAMLINED MANAGEMENT WITH SELECT PLUS

A Select Plus agreement never expires and a unique customer ID allows visibility and management of all software assets across all affiliates.

#### 3 CUSTOMERS CAN MIGRATE FROM SELECT TO SELECT PLUS

Beginning July 1, 2011, Microsoft will no longer sell new Select agreements, but Select customers can migrate to Select Plus at any time.

### TARGET CUSTOMERS

Organizations who:

- have more than 250 PCs,
- require perpetual licenses,
- have mixed software requirements with little or no standardization,
- prefer to have the flexibility to choose whether to purchase Software Assurance, or not.

### TRIGGERS, REALITIES, AND RESPONSES

Conversation Starters	What You Hear	The Business Challenge	Your Response
"How does your current licensing purchasing model deal with your licensing needs?"	"Desktop standardization doesn't fit our business so our purchasing has always been very ad hoc which makes tracking and management impossible."	Difficulty managing and tracking ad hoc purchases.	"A Select Plus agreement lasts forever and allows you to make flexible 'pay-as-you-go' license purchases. Discounts will be automatically applied when your purchasing takes you into a better price level. All purchases are tracked under your own individual ID to allow total visibility and management."
"What is your strategy for staying current with software and managing the software lifecycle?"	"It is simply too expensive for us to stay up to date and deploy new software."	Struggling to budget for the different elements of managing the software lifecycle.	"You have the choice of adding Software Assurance to any licenses you buy which includes many benefits such as the ability to spread payments, automatic version upgrades, the ability to use software at home as a staff benefit, 24x7 problem resolution support and training vouchers."
"How effectively are you able to manage and track the license purchases of your affiliates?"	"Our organizational business units do their own thing and I don't have visibility."	Business units with different purchasing requirements make management and tracking difficult.	"With a Select Plus agreement, each of your organizational divisions can have their own individual ID, linked to your main organization ID. This means you need fewer agreements, reducing tracking and management time."
"Does your current licensing purchasing model allow you pool the purchasing power of different business units?"	"Different business units have different licensing needs and I can't co-ordinate purchasing to reach the most beneficial price levels."	Difficulty co-ordinating purchasing to achieve the most advantageous pricing.	"With Select or Select Plus agreements, you gain better pricing levels, based on purchases made by any division within your organization. Pooling your purchasing power in this way helps you stretch your IT budget further."

## COMMON OBJECTIONS

What You Hear	Your Response
"I don't like the commitment required in these types of agreements; I don't want to have to forecast my purchases, or standardize desktops."	"A Select Plus agreement allows you to make flexible 'pay-as-you-go' license purchases. You don't need to standardize or forecast purchases, and discounts will be automatically applied when your purchasing takes you into a better price level."
"I don't want to renew my Select agreement since I heard that Microsoft are discontinuing Select."	"Beginning July 1, 2011, Microsoft will no longer sell <i>new</i> Select agreements. You can choose between Select and Select Plus until this date and you can migrate to Select Plus at any time and maintain your current Select price level. Even if you don't want to migrate to Select Plus, existing Select customers can renew their Select agreement after this date."
"Why can't I spread my payments with Select and Select Plus agreements?"	"In fact you can. If you purchase Software Assurance, one of the many benefits is the ability to spread your payments. And if you don't want to purchase Software Assurance then you can take advantage of Microsoft Financing and make payments to a customized schedule if you prefer."

## OPERATIONAL NOTES FOR SELECT AND SELECT PLUS AGREEMENTS

	Select Agreement	Select Plus Agreement																				
License type	The licenses purchased through Select and Select Plus are perpetual which means the customer can use the licenses forever.																					
Agreement length	3 years	Evergreen																				
Software Assurance	Software Assurance (SA) is an optional extra purchase on licenses purchased through Select and Select Plus agreements. With Select Plus, if, after the initial order (say 3 months into the agreement), an affiliate places another order for licenses plus 3 year's SA, the customer gets the full 36 months of SA. The same scenario with a Select agreement would result in the customer paying for 3 years of SA but in effect only receiving 33 months.																					
Price levels	<p>Four price levels based on forecasted spend over the 3 year agreement:</p> <table border="1"> <thead> <tr> <th>Points</th> <th>1,500</th> <th>12,000</th> <th>30,000</th> <th>75,000</th> </tr> </thead> <tbody> <tr> <th>Level</th> <td>A</td> <td>B</td> <td>C</td> <td>D</td> </tr> </tbody> </table>	Points	1,500	12,000	30,000	75,000	Level	A	B	C	D	<p>Four price levels based on actual spend per year:</p> <table border="1"> <thead> <tr> <th>Points</th> <th>500</th> <th>4,000</th> <th>10,000</th> <th>25,000</th> </tr> </thead> <tbody> <tr> <th>Level</th> <td>A</td> <td>B</td> <td>C</td> <td>D</td> </tr> </tbody> </table>	Points	500	4,000	10,000	25,000	Level	A	B	C	D
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Calculation of points	Customers split their license purchases into 3 different pools and tally the points within each pool to find their price level. The pools are 'Systems' (operating system licenses), 'Servers' (server licenses and CALs) and 'Applications' (client applications). It is quite possible that a customer could have different price levels for different pools. Software Assurance points are calculated at half the License points per year.																					
Affiliates	An affiliate is a company or legal entity which owns and controls, is owned and controlled by, or is under common ownership and control with, the customer signing the Microsoft Business Services Agreement (MBSA) which is the starting point of every Select and Select Plus agreement and under which multiple enrolments can be signed. Ownership of the affiliate must be more than 50%, and business units, divisions or subsidiaries all qualify as affiliates.																					
Agreement structure	<p>The Select Agreement is the foundation for a set of Select Agreement Enrolments. A forecast of expected purchasing quantity is made at the Select Agreement level which sets the price level per pool.</p> <p>Each affiliate chooses their own LAR, signs an Enrolment under the Agreement and commits to ordering a minimum of 750 points over three years.</p>	<p>The first affiliate to register under a Select Plus Agreement becomes the Lead Affiliate who can view the purchasing of the other affiliates and distribute SA benefits between affiliates. Each affiliate can choose their own LAR.</p> <p>The initial order is a minimum of 500 points to begin purchasing in any pool. Price levels are set organization-wide by the initial order. There are no minimum requirements for each affiliate provided the total ordering requirement is met.</p>																				
Ordering and payment	If products are ordered without Software Assurance then full payment is made at the point of installation. The customer has the option of spreading payments if licenses are ordered with Software Assurance.																					
Re-Leveling	<p>The points from all affiliates are tallied at the end of each year and the customer is re-leveled if they do not achieve one third of their forecast for a particular pool in one year.</p> <ul style="list-style-type: none"> <li>If the customer purchases less than the forecast in any one year, then for the next year they are re-leveled to the price level corresponding to what they have actually purchased. For example, a customer forecasting a spend of 20,000 points in a year but actually achieving only 3,000 points will be re-leveled from level C to level A for the next year.</li> <li>If the customer is at Level A and purchases a total of less than 500 points then the pool is terminated.</li> </ul>	<ul style="list-style-type: none"> <li>When the first affiliate places an order, the number of points dictates the price level. As more orders are placed in that year, the points are cumulated, and if an order carries the total point count into the next price level, then that order gets pricing for that level.</li> <li>At the Anniversary Compliance Check (ACC) at the end of the year, the points are totaled and this sets the price level for the next year. The points are reset to zero for the next year.</li> <li>If at the end of the year the points for that year are not up to the number required for that price level, then the following year the customer is dropped down by one level.</li> <li>If the customer was at Level A and did not achieve the required points then the pool is put on hold until an order for 500 points is received.</li> </ul>																				