



LICENSE ADVISOR

Partner Sales Battlecard

Microsoft Volume Licensing Basics

Microsoft licenses the rights to use software and services. Software is intellectual property and licenses provide the right to use the software and define conditions of use. Microsoft Volume Licensing provides a cost-effective way for customers to acquire software and services by providing greater flexibility for customers' businesses while simplifying license management.

There are a few ways to buy a Microsoft license depending on the volume of licenses you need for your organization today and in the future. Full packaged products (FPP) are purchased from retailers and typically, one box equals one license. Original equipment manufacturer (OEM) products are preinstalled on a new computer, and the software is associated with the device. Volume Licensing agreements are purchased directly from Microsoft or through authorized resellers, and a variety of agreements are available to suit different types of organizations. In addition to traditional on-premises software licenses, Microsoft offers subscriptions to cloud services through the Microsoft Online Subscription Program.

WHY SHOULD A RESELLER CARE?

- Close deals faster:
 - Microsoft Volume Licensing programs provide pricing advantages with predictable costs and volume discounts to your customers.
- Build long term customer relationships:
 - Renewal options available at the agreement end provide additional sales opportunities.
- Create new business opportunities:
 - Cloud services and Software Assurance (SA) help create new opportunities for cross-selling, planning and implementing deployments, and for promoting other products and services.

WHY SHOULD A CUSTOMER CARE?

- Microsoft Volume Licensing programs offer the most cost-effective, flexible, and manageable way for a customer to acquire Microsoft software and cloud services.
- Microsoft Volume Licensing programs provide attractive pricing advantages and volume discounts.
- Flexible Payments, available with most Microsoft Volume Licensing programs, provide low up-front costs and enable predictive budgeting to help organizations improve cash flow that supports potential business growth.
- Volume Licensing offers access to enterprise-grade solutions and Software Assurance benefits, such as new product version rights, 24/7 support, and training to maximize an organization's IT investment.

QUALIFYING QUESTIONS

What is the size and the type of your organization?

- Microsoft offers a range of programs based on organization size, with some programs geared towards particular industries (commercial, public sector, and academic) depending on the primary function of the organization.
- Open programs are suitable for organizations with at least 5, but less than 250 desktop PCs.
- Enterprise programs or the Select Plus program are appropriate for organizations with over 250 desktop PCs, users or devices.
- All organizations can subscribe to cloud services such as Microsoft Online Services, Office 365, Windows Intune, and CRM Online.

What products do you want to license?

- Different product families require different licensing models. Businesses with less than 250 PCs that want to license all eligible PCs in their organization, for example, should consider either Open Value Company-Wide or Open Value Subscription.
- Businesses with over 250 PCs, users, or devices that want to license all eligible PCs in their organization should choose between Enterprise Agreement and Enterprise Subscription Agreement.

How does your organization want to use these products?

- In addition to perpetual and non-perpetual on-premises software licenses, Microsoft offers cloud subscription services.
- Smaller organizations that want to rent licenses should choose Open Value Subscription, while larger organizations that want to rent licenses should choose Enterprise Subscription Agreement.
- Organizations with more than 250 PCs can add Microsoft Online Services through a Volume Licensing program such as the Enterprise Agreement or Enterprise Subscription Agreement. Smaller organizations can add online services through Open, Open Value, Open Value Subscription, or the Microsoft Online Services Program.

TARGET CUSTOMERS

Organizations requiring five or more licenses can purchase Microsoft software licenses through a Volume Licensing program which can potentially provide substantial savings, ease of deployment, flexible acquisition, numerous payment options, the ability to transition to the cloud, and other benefits such as Software Assurance.

	Volume Licensing Program	License Type	License all eligible desktops?	Software Assurance	Sold by
5-250 PCs	Open	Perpetual	No	Optional	Any Microsoft Reseller
	Open Value Non-Company Wide	Perpetual	No	Included	
	Open Value Company Wide	Perpetual	Yes	Included	
	Open Value Subscription	Non-Perpetual	Yes	Included	
250+ PCs	Select Plus	Perpetual	No	Optional	Microsoft Large Account Resellers
	Enterprise Agreement	Perpetual	Yes	Included	
	Enterprise Subscription	Non-Perpetual	Yes	Included	

TRIGGERS, REALITIES, AND RESPONSES

Conversation Starters	What You Hear	The Business Challenge	Your Response
"Are you confident you are purchasing your licenses in the most cost-effective way?"	"We buy software licenses as and when we need them and it seems very expensive."	Difficulty in understanding and predicting software licensing costs.	"With a Volume Licensing program you can be sure that you are buying licenses in a cost-effective way, with the benefit of spreading your payments to help your budget go further."
"What processes do you have for managing software assets?"	"I don't know what I've paid for and I'm worried what would happen in an audit."	Struggling to manage software assets with ad hoc purchasing of licenses.	"When licenses are purchased through a Volume Licensing program, you can use the Volume Licensing Service Center (VLSC) to manage your license purchases all in one place."
"What is your strategy for staying current with software and managing the software lifecycle?"	"It is simply too difficult for us to stay up-to-date and deploy new software."	Difficulties budgeting for different elements of the software lifecycle.	"With Volume Licensing you can choose to cover products with Software Assurance which provides a range of benefits such as new version rights, support, training, and deployment services."

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FREQUENTLY ASKED QUESTIONS

What You Hear	Your Response
"What is an FPP license?"	"FPP stands for Full Packaged Product and refers to boxed software purchased from a retail outlet. It is typically the most expensive way to buy a license because it includes the media, a user guide, and other packaging elements. Generally speaking, one box equals one license."
"What is an OEM license?"	"OEM stands for Original Equipment Manufacturer and an OEM license applies when software comes pre-installed on new hardware. The license is non-transferrable, which means that the software lives and dies on the computer with which it was bought."
"What is the difference between a Perpetual and a Non-Perpetual license?"	"With a perpetual license the customer owns the license to a specific version of a product and can use the software throughout the term of the licensing agreement and forever afterwards. With a non-perpetual license, the customer can only use the software throughout the term of the licensing agreement."
"What is Software Assurance?"	<p>"Software Assurance (SA) is a unique offer available to Microsoft Volume Licensing customers that provides a broad array of benefits, including unique technologies, extended license rights, and comprehensive services to help advance business priorities. Through SA, customers gain unique technologies, including access to Windows 8 Enterprise, Windows To Go, and the Microsoft Desktop Optimization Pack. Extended License Rights include access to new product versions, Virtual Desktop Access (VDA), Windows Companion Devices License, and License Mobility.</p> <p>Extended Use Rights benefits range from new product upgrades, which are broad and apply to all product purchases, to specific use rights that enable you to expand access to corporate desktops using a virtual desktop infrastructure. Extended use rights enhance employee productivity, increase uptime, and reduce costs."</p>
"What is SAM?"	"SAM stands for Software Asset Management. Software licenses, however purchased, are an organization's software assets and the management of these is called Software Asset Management (SAM). SAM processes are easier to implement when licenses are purchased through Volume Licensing rather than ad hoc through a variety of channels."
"What do 'on-premises' and 'online services' mean?"	"When an organization has technology installed on their own servers it is described as on-premises. Online services are a comprehensive set of cloud services and enterprise applications for user productivity, customer management, communication services, and custom business applications, such as Office 365, Windows Intune software and services, the Windows Azure technology platform, and Microsoft Dynamics CRM Online."

VOLUME LICENSING MODELS*

There are a number of licensing models; the most common are listed here together with example technologies to which they apply:

Model	Description	Examples
Server license and CAL (Client Access License) plus optional External Connector	<p>Purchase a Server license for each server, and CALs to allow the clients on the network to access the services of the server. CALs can be assigned to either users or devices:</p> <ul style="list-style-type: none"> • A Device CAL is assigned to the device and allows multiple users to use that device to access the services of the licensed server. • A User CAL is assigned to an individual user and allows that user to use multiple devices to access the services of the licensed server. 	<p>Microsoft Exchange Server 2013 Enterprise Microsoft Exchange Server 2013 Standard Microsoft Lync Server 2013 Microsoft Project Server 2013 Microsoft SharePoint Server 2013 Microsoft SQL Server 2012 Standard Microsoft SQL Server 2012 Business Intelligence</p>
Processor-based license and CAL plus optional External Connector	You must assign each license to a single server. One license is required for every two physical processors on the server. You must assign each CAL to a user or device, as appropriate, and each External Connector license to a licensed server. CALs or External Connector licenses are required for access to server software.	<p>Microsoft Windows Server 2012 Datacenter Microsoft Windows Server 2012 Standard</p>
Core Licensing	Under the Per-Core model, when the server software is running in the physical operating system environment (OSE), you must license all physical cores on the server. To determine the number of core licenses you need, count the total number of physical cores for each processor on the server, and then multiply that number by the appropriate core factor. You do not need to purchase additional CALs.	<p>Microsoft SQL Server 2012 Enterprise Microsoft SQL Server 2012 Standard Microsoft SQL Server Parallel Data Warehouse Microsoft BizTalk Server 2013 Branch Microsoft BizTalk Server 2013 Enterprise Microsoft BizTalk Server 2013 Standard</p>
Server Management License	Management License means a license that permits management of one or more OSEs. There are two categories of Management Licenses: Server Management License and Client Management License. There are three types of Client Management licenses: User, OSE, and device. A User Management License permits management of any OSE accessed by one user; an OSE Management License permits management of one OSE accessed by any user; a device Management License (Core CAL or Enterprise CAL Suite) permits management of any OSE on one device.	<p>System Center 2012 Client Management Suite System Center 2012 Configuration Manager System Center 2012 Datacenter System Center 2012 Standard</p>
Standard and Enterprise CALs	Some server products offer different levels of functionality that can be exposed to users or devices, and there are CALs that correspond to this functionality. The core functionality offered by the server is linked to a Standard CAL. If the extended functionality is utilized, then the purchase of an Enterprise CAL is required in addition to the Standard CAL.	<p>Microsoft Exchange Server Microsoft Windows Server Microsoft Lync Server Microsoft SharePoint Server Microsoft SQL Server Microsoft Project Server</p>
External Connector Licensing	External Connector License is a license attached to a Server that permits access to the server software by External Users.	Microsoft Windows Server
Online Services Licensing	Server licenses are not required. Clients accessing the online service are licensed with a User Subscription License (SL). A User SL is required to enable the functionality of an online service for a particular user. It is assigned to the user and allows that user to use multiple devices to access the online service.	<p>Microsoft Office 365 Microsoft Dynamics CRM Online Windows Azure Windows Intune</p>

*This table provides a brief summary of the licensing models and does not include all licensing details. Please consult the current Microsoft Product Use Rights and Product List for additional licensing details.