

Introduction to Microsoft Program Licensing

Volume Licensing

WAYS TO BUY A LICENSE

Full Packaged Product (FPP)

- ▶ Purchased from retailers
- ▶ Typically 1 box = 1 license

Advantages:

- ▶ Instant
- ▶ Boxes often contain the media

Disadvantages:

- ▶ Expensive
- ▶ Can only use the version purchased
- ▶ To prove ownership, the owner must keep:
 - The receipt
 - The original media/manuals
 - The COA (Certificate of Authenticity)



With a New PC (OEM)

- ▶ Preinstalled on a new computer

Advantages:

- ▶ Already installed
- ▶ Often best value

Disadvantages:

- ▶ Cannot be transferred
- ▶ Not all products available
- ▶ Limited downgrade rights
- ▶ To prove ownership, the owner must keep:
 - The receipt
 - The original media/manuals
 - The COA (Certificate of Authenticity)



Volume Licensing

- ▶ Purchased from resellers
- ▶ Different programs to suit all kinds of organizations needing more than 5 licenses

Advantages:

- ▶ Easier license management through the VLSC (Volume Licensing Service Center), or the MBC (Microsoft Business Center) for the MPSA only
- ▶ Easier SAM (Software Asset Management)
- ▶ Only 5 licenses needed to start a Volume Licensing agreement
- ▶ Downgrade rights
- ▶ Re-imaging rights



PRODUCT USE RIGHTS

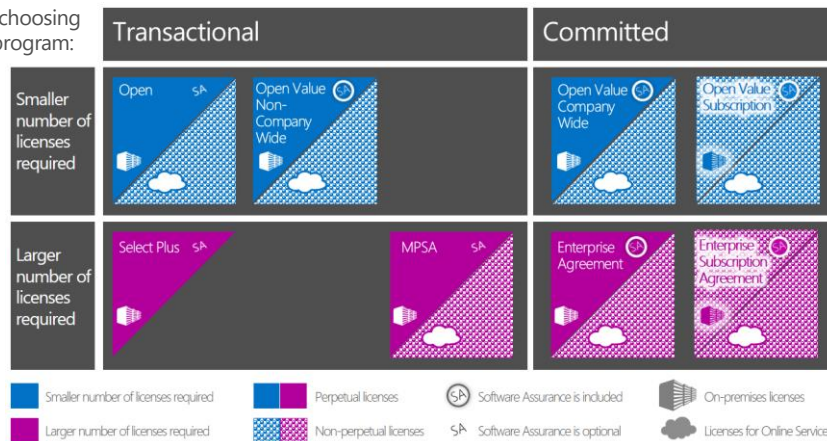
How a product may be used will vary by the product, its version AND the route through which the license was purchased:

- **FPP** and **OEM** usage rights are documented under the Microsoft Software License Terms and are available to view here: <https://www.microsoft.com/en-us/useterms>
- **Volume Licensing** usage rights for on-premises licenses are documented in the Product Terms document, and usage rights for Online Services are documented in the Online Services Terms document (OST). Both documents are available here: <https://www.microsoft.com/en-us/licensing/product-licensing/products>

MICROSOFT LICENSING PROGRAMS

The following factors need to be considered when choosing a Volume Licensing program:

the number of licenses, whether perpetual or non-perpetual licenses for software are needed, whether Software Assurance is required, and whether the organization is prepared to make a commitment across their PC or server estate.



PERPETUAL vs NON-PERPETUAL LICENSES

With a perpetual license the organization owns the license and can use the software throughout the term of the Volume Licensing agreement and forever afterwards.

With a non-perpetual license, like a rental agreement, the organization can only use the software throughout the term of the Volume Licensing agreement.

ACQUIRING LICENSES FOR ONLINE SERVICES

Subscription licenses for Online Services are non-perpetual.

- ▶ Businesses with less than 250 PCs can acquire Online Services licenses through the Open and Open Value agreements.
- ▶ Businesses with more than 250 PCs/users can acquire Online Services licenses through the Microsoft Products and Services Agreement, or with more than 500 PCs/users through an Enterprise Agreement, or an Enterprise Subscription Agreement.

SOFTWARE ASSURANCE





Software Assurance (SA) is included in many Microsoft Volume Licensing programs, and is an optional extra purchase in others. SA contains a range of benefits which provide technology, services and support to manage the software lifecycle. Examples include:

- ▶ New version rights
- ▶ Additional purchase rights
- ▶ Azure Hybrid Benefit
- ▶ Home Use Program
- ▶ Planning Services
- ▶ License Mobility
- ▶ 24x7 Problem Resolution Support
- ▶ Unlimited virtualization rights
- ▶ Training Vouchers

Typically, for Microsoft server products, SA costs around 25% of the license price for each year of coverage, and for Microsoft desktop products, it costs around 29% of the license price for each year of coverage.

VOLUME LICENSING GENERAL PRINCIPLES








The different Volume Licensing programs differ by various factors (shown below). There are several other reference documents in this series which explain the operational details of each Volume Licensing program, but this document aims to highlight some key general principles which you will encounter in Microsoft Volume Licensing.

Agreement structure <ul style="list-style-type: none"> ▶ Software Assurance ▶ Committed ▶ Points and Pools 	Initial orders and price levels <ul style="list-style-type: none"> ▶ Number of PCs ▶ Number of points 
Agreement lengths <ul style="list-style-type: none"> ▶ 2 years ▶ 3 years ▶ Evergreen 	Payment options <ul style="list-style-type: none"> ▶ Upfront ▶ Annually 



AGREEMENT STRUCTURE

- ▶ Some agreements include Software Assurance, and for others it is an optional extra purchase.
- ▶ With some agreements organizations need to split their software requirements into the different pools and then tally the points within each pool to find their relevant price level (see below).

Systems	Applications	Servers
Client Operating Systems	Client Applications	Server Operating Systems, Server Applications and CALs
 Windows 10 (2 points)	 Office 2019 Professional Plus (2 points)	 Windows Server 2019 Datacenter 2-pack Core License (10 points)
	 Office 2019 Standard (2 points)	 Windows Server 2019 Client Access License (1 point)
	 Visio 2019 (1 point)	 Microsoft SQL Server 2017 Standard 2-pack Core License (50 points)

- ▶ For organizations that commit to the desktop for the agreements marked as "Committed" on the Volume Licensing Options diagram on page 1, they must license Windows 10 Enterprise, or Office Professional Plus 2019, or a CAL Suite for every eligible desktop. These products are known as "Desktop Platform Products" or "Enterprise Products".

AGREEMENT LENGTHS

An Open agreement is for 2 years and the MPSA agreement is evergreen. All other agreements are for 3 years.

Agreement Type	Initial Action	3 years later (2 years for Open)
Perpetual License without SA	Make additional purchases at same price level	<ul style="list-style-type: none"> • Continue to use license for version purchased forever • No option to purchase SA • Purchase licenses for new versions as required <ul style="list-style-type: none"> • Open: start a new agreement • MPSA: use existing agreement
Perpetual License with SA	Make additional purchases at same price level and use SA benefits	<ul style="list-style-type: none"> • Renew Software Assurance OR • Don't renew SA, continue to use license for version current at agreement end • Purchase licenses for new versions as required <ul style="list-style-type: none"> • Open, Open Value, EA: start a new agreement • MPSA: use existing agreement
Non-Perpetual License	Make additional purchases at same price level and use SA benefits	<ul style="list-style-type: none"> • Renew agreement OR • Buy-out to convert subscriptions to perpetual licenses OR • Un-install software

CAL SUITES

It can be advantageous for organizations to buy their CALs in suites. The two CAL suites are Core CAL Suite and Enterprise CAL Suite, and contain the following CALs:

Microsoft® Core CAL Suite <ul style="list-style-type: none"> ▶ Windows Server 2019 CAL ▶ System Center Configuration Manager 1606 Client Management License (CML) ▶ System Center Endpoint Protection 1606 Subscription License ▶ Exchange Server 2019 Standard CAL ▶ SharePoint Server 2019 Standard CAL ▶ Skype for Business Server 2019 Standard CAL 	Microsoft® Enterprise CAL Suite <p>Everything in Core CAL Suite, plus:</p> <ul style="list-style-type: none"> ▶ Windows Server 2019 Active Directory Rights Management Services CAL ▶ Advanced Threat Analytics 2016 CML ▶ SharePoint Server 2019 Enterprise CAL ▶ Exchange Server 2019 Enterprise CAL with Services (Data Loss Prevention, Exchange Online Protection) ▶ Exchange Online Archiving for Exchange Server ▶ Skype for Business Server 2019 Enterprise CAL
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- ▶ Refer to the Microsoft Product Terms to see which products are available through which Microsoft Volume Licensing programs: <https://www.microsoft.com/en-us/licensing/product-licensing>
- ▶ Further Microsoft Licensing handouts and exams: GetLicensingReady.com