



LICENSE ADVISOR

Partner Sales Battlecard

Microsoft® Open Agreements and Open Value Agreements

With price advantages for volume purchasing, these Microsoft Volume Licensing programs provide convenience and flexibility for small organizations with up to 250 PCs. There are three different Open Value agreement types to cater for different requirements, and the Open agreement where customers buy on a 'pay-as-you-go' basis.

WHY SHOULD A RESELLER CARE?

- Close deals faster:
 - Since Open Value customers can pay annually for licenses over a three-year period, it makes for an easier sell as they can make this year's budget go further. The subscription model with Open Value Subscription means they have less cash to find up-front and over the course of the agreement, compared to buying their licenses outright.
 - When customers choose to standardize on one, or all of the platform components of an Open Value Company Wide or Open Value Subscription Agreement they get discounts making it easier for you to close the deal.
- Build long-term revenue:
 - By spreading license payments over three years you secure revenue for the future.

WHY SHOULD A CUSTOMER CARE?

- Where organizations enroll all of their PCs into an Open Value Company Wide or Open Value Subscription agreement, they pay a single price per desktop. This makes licensing costs simpler and more predictable, helping to deliver accurate forecasting and greater levels of visibility and control.
- The ability to spread payments with Open Value agreements helps organizations improve cash flow.
- All products in an Open Value agreement are automatically covered with all the benefits of Software Assurance such as upgrades to new software versions, 24x7 problem resolution support and training vouchers.
- If an organization can standardize the whole desktop by licensing all eligible PCs with all three platform products, they'll receive a further discount.
- Any new PCs can be added into the agreement and an Open Value Subscription agreement even provides the flexibility to reduce as well as increase the number of PCs covered by the agreement.

THINGS TO KNOW

1 A NEW AGREEMENT CAN BE STARTED WITH AS FEW AS 5 LICENSES OR 5 PCS

Even the smallest organizations can benefit from the cost savings and management advantages of a Volume Licensing program.

2 YOU CAN INCREASE DEAL SIZES WITH OPEN VALUE

Spreading payments and signing a subscription agreement 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.

3 ANOTHER OPPORTUNITY AFTER THREE YEARS

Open Value Subscription customers will need to either renew or buy-out their licenses at the end of the agreement to continue using the software; creating another revenue discussion opportunity for you.

TARGET CUSTOMERS

Open and Open License agreements are specifically aimed at organizations with up to 250 desktops.

Any customer requiring 5 or more licenses, or with 5 or more PCs, can purchase Microsoft licenses through Open or Open Value. Look especially for organizations whose IT infrastructure has grown in an unstructured way over time by purchasing ad-hoc licenses through a variety of channels. These organizations will benefit from the cost savings and management advantages of a Volume Licensing program.

Open Value Subscription	Organizations who want discounts for standardizing desktops, need the lowest upfront costs and prefer to rent licenses.
Open Value Company Wide	Organizations who want discounts for standardizing desktops and prefer to own licenses.
Open Value Non-Company Wide	Organizations who can't standardize, prefer to own licenses, want the option of spreading payments and the benefits of Software Assurance.
Open License	Organizations who want an entry-level program that allows them to start using software immediately on a 'pay-as-you-go' basis, with the option of purchasing Software Assurance, or not.

TRIGGERS, REALITIES, AND RESPONSES

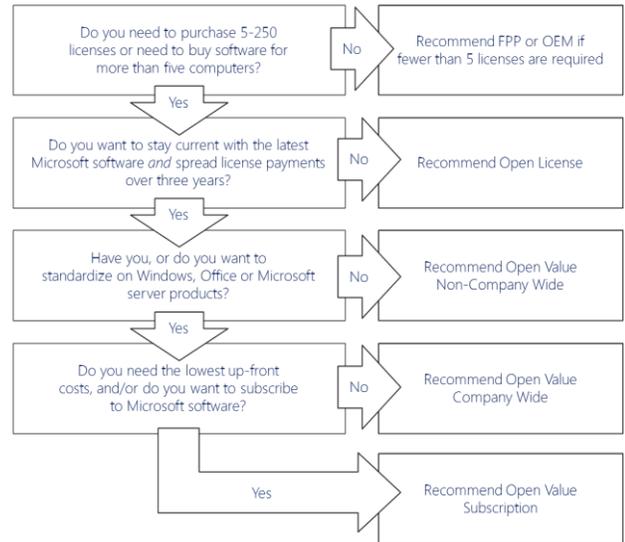
Conversation Starters	What You Hear	The Business Challenge	Your Response
"How effectively are you able to understand and predict your licensing costs?"	"I don't really know what licenses we've paid for, or what my next payment is likely to be."	An un-standardized IT environment makes it difficult to understand and predict costs.	"With an Open Value Company Wide or an Open Value Subscription agreement, you enroll all of your eligible PCs and pay a single known price per desktop. This helps to deliver accurate forecasting and greater levels of visibility and control."
"How could desktop standardization benefit your organization?"	"We've got a mixture of software versions which is expensive to support."	The difficulty and expense of supporting a mixed desktop IT infrastructure.	"If you standardize on desktop products you'll not only receive a discount on your purchase, but this kind of standardization can greatly minimize ongoing support costs."
"How does your current purchasing model deal with increasing or decreasing numbers of desktops?"	"As our business changes, we are not always cost effective in our purchasing."	Over-paying for licenses if the desktop count decreases.	"An Open Value Subscription agreement offers the flexibility to reduce as well as increase the number of desktops paid for – which, together with spread payments, helps your cash flow."
"What is your strategy for staying current with software and managing the software lifecycle?"	"It is 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.	"All products purchased through Open Value are covered with the benefits of Software Assurance such as automatic upgrades to new software versions,, 24x7 problem resolution support and training vouchers."

COMMON OBJECTIONS

What You Hear	Your Response
"I'm happy to just buy licenses through FPP or OEM as I need them."	"FPP (Full Packaged Product) is actually the most expensive way to acquire your licenses and requires you to keep the original discs and boxes containing the product key sticker as proof of purchase. Buying your licenses through a Volume Licensing agreement is not only more cost effective, but allows you to manage all your purchases in a single place called the Volume Licensing Service Center (VLSC)."
"I don't like the idea of renting licenses."	"Renting licenses with an Open Value Subscription agreement incurs the lowest upfront costs but if you prefer to own your licenses then you can buy perpetual licenses through one of the other Open Value or Open agreements."
"I don't really want to standardize all my desktops. I'd be paying for software licenses that some users simply don't need."	"When comparing costs with a Open agreement, standardizing desktops gives you a 15% discount and this kind of standardization can greatly minimize ongoing support costs, thus reducing your TCO. If you can't standardize then you can choose an Open Value Non-Company Wide or an Open agreement."
"I prefer to just purchase software licenses as and when I need them."	"An Open agreement is an entry-level program that allows you to start using software immediately on a 'pay-as-you-go' basis, with the option of purchasing Software Assurance."

RECOMMEND THE RIGHT AGREEMENT

Use this flowchart as a guide to help you recommend the right agreement to your customers:



OPERATIONAL NOTES FOR OPEN AND OPEN VALUE AGREEMENTS

	Open License	Open Value Company Wide	Open Value Non-Company Wide	Open Value Subscription
License type	Perpetual	Perpetual	Perpetual	Non-Perpetual
Initial order	5 licenses	5 licenses	5 PCs	5 PCs
Agreement length	2 years	3 years		
Software Assurance	Optional	Included		
Price levels	2 based on points and pools. To qualify for the Open Level C price level for a pool, the customer must have at least 500 points in that pool. Otherwise, they qualify for Open No Level price level	1 price level	2 price levels based on number of desktops (5-250 and 250-750)	
Calculation of points	Customers split their license purchases into 3 pools and tally the points in each pool to find their price level. The pools are 'Systems' (operating systems), 'Servers' (server licenses and CALs) and 'Applications' (client applications)	Not applicable		
Agreement structure	Products acquired on an ad-hoc basis	Choose required products, all of which include SA	The customer must take one platform product (Windows, Office or a CAL Suite) for every eligible desktop	
Payment	Up front	Up front or spread annually		Spread annually
Discounts available	Volume discounts only when compared to FPP	Volume discounts only when compared to FPP	<ul style="list-style-type: none"> 10% when compared to Open Value Non-Company Wide 15% when all eligible desktops are licensed with all 3 platform products 	<ul style="list-style-type: none"> Discounts for non-perpetual 50% first year discount for existing platform products 5% when all eligible desktops are licensed with all 3 platform products
End of agreement options	Software Assurance not purchased: The customer is licensed to use the version of the software current at the time of purchase Software Assurance purchased: The customer is licensed to use the latest version of the software	The customer can either: 1. Renew Software Assurance, or 2. Not renew, continue to use the license for the version current at the end of the agreement, and start a new agreement for future purchases.		The customer can either: 1. Renew the agreement 2. De-install the software 3. Buy-out the licenses