

Microsoft®

Services Provider License Agreement



Understanding the difference on-demand software licensing can make for your business.

Case Studies:

Attenda designs and operates Microsoft infrastructure for enterprises across Europe, ensuring the highest levels of availability, performance, and security at reduced costs. Our preferred model of software provision is through the Microsoft Services Provider License Agreement, which provides clients with clear visibility of ongoing costs, as well as flexibility and upgrades and enables Attenda to deliver a complete service for one simple quarterly fee.

www.attenda.net/who/default.aspx

Rackspace Managed Hosting delivers managed hosting services on a variety of platforms. They created Intensive Hosting™ to meet the growing demand for complex Web applications built on Microsoft technologies—including the Microsoft Windows® operating system with Internet Information Services and Microsoft SQL Server. With service provider licensing, they are able to better meet their customers' growing or seasonal needs by providing flexible, month-to-month rates for fully managed hosting services.

www.microsoft.com/resources/casestudies/casestudy.asp?casestudyid=14402

Siemens Business Services can provide companies ALL-IN hosting services including Microsoft license management. Siemens Business Services manages the various Microsoft licenses in use through the Services Provider License Agreement, a perfect framework to deliver this service in a flexible way. Customer benefits are omnipresent: The customer only pays for the licenses in use, not more, not less. The software versions are always up-to-date. No headaches about billing the right version at the right price.

www.siemens.be/ic/sbs/

Surebridge is a leading application outsourcer for middle market companies. It delivers brand-name application choices and affordable strategy, implementation, and outsourcing services. Surebridge's use of service provider licensing helps clients maximize their cashflow and minimize their capital costs by providing applications when they are needed, where they are needed, and for only as long as they are needed. End customer Dan Manley, Director of Finance and Accounting, Essex Crane, says "SPLA monthly licensing gives us the flexibility to scale our software licensing fees up or down to better meet our specific needs. We pay for just what we use."

www.microsoft.com/serviceproviders/business/surebridge.asp

WebCentral is Australia's largest Web hosting company. From small businesses who use virtual hosting plans, through to enterprises with dedicated and complex installations, it provides flexible hosting solutions for a wide variety of customers. WebCentral's business is to host the software that drives businesses forward. Whether the customer requires the latest Microsoft operating system, SQL Server, or Exchange Server, it is Microsoft's Services Provider License Agreement that gives WebCentral the flexibility to meet the customer's needs as they arise. Customers only pay for the software they are using and they know that it will always be up-to-date.

www.webcentral.com.au

The list of examples of companies licensing through SPLA today is growing rapidly and SPLA is adopted broadly by over 1,000 companies worldwide. In the Outsource and Enterprise Web Service category, industry-leading companies are also seeing the benefits of service provider licensing.

For more industries and examples, please visit www.microsoft.com/serviceproviders/licensing





The Future of Business Software Licensing, Today

What is a Services Provider License Agreement?

The Services Provider License Agreement (SPLA) is the month-to-month licensing program designed to enable service providers like you to provide hosting, outsourcing, and other software services to your customers without the up-front capital costs and resulting risks. In the real world, this translates into the ability to test and create your environment, build a customer base, and create revenue – all before spending any money on software licenses and allowing you to better manage your cashflow.

SPLA in a nutshell

Microsoft® SPLA is a pay-as-you-go process, aligning your software investment with your monthly revenue streams.

What does this mean for you?

1. Avoid upfront costs.
2. Map your licensing costs to your business model.
3. Pay only for what you use.

Summit Strategies summed up SPLA in a February 2004 Market Strategy Report, "Microsoft designed the SPLA program with input from service providers. Most significantly, Microsoft normalized service provider licensing fees with those that software buyers pay under the vendor's other volume licensing programs. On the whole, it appears that most service providers believe that the SPLA is fairly well aligned to their needs."

Selling with you, not to you

With the SPLA, Microsoft is investing in the success of your business. By treating software as a pay-as-you-go service, you can increase your flexibility, accelerate your profitability, and establish a recurring revenue model that will allow you to grow your business. SPLA operates in much the same way your business does, providing services for a monthly fee.

Easy, seamless solution delivery

Microsoft makes it easier to deliver hosted solutions with seamless software license integration. SPLA makes your software costs transparent when it comes to your customers, allowing you to treat software as operating costs rather than capital.

With SPLA, you pay as you deploy, and only for what you deploy. This sort of innovative, software on-demand solution allows you to provide flexible, cost-effective solutions to your customers.

Quick Look: Putting the margin back into software licensing

If you are a software company providing your solution as a service from a central data center, your software costs for Microsoft SQL Server™ Standard Edition could be as low as \$190* per month. Enable new .NET Web application services at a fraction of the cost with the SPLA.

Built on your ideas and input

This licensing model was created in response to the direct feedback from you, our service provider partners, and it delivers the benefits you asked for:

- **The latest software versions.** Your SPLA provides you access to the latest versions of Microsoft software at one convenient price point.
- **A global reach.** You can deliver services to your customers around the world without licensing limitations.
- **No term commitments.** Because you only pay for licenses actually used in any particular month, there are no term commitments, and no risk of paying for unused licenses. You only pay monthly license fees for the amount of service provided in the previous month – and there are no minimum license requirements.
- **Free demos, tests, and evaluations.** You can provide limited demos, tests, and evaluations to your customers free of charge.

Getting Tangible Value with Service Provider Licensing

Is service provider licensing right for your business?

Although Microsoft provides a number of licensing options, including Open License, Select License, and Enterprise Agreement, SPLA is likely to be the perfect choice for the following business models:

- Web Host
- Application Service Provider
- Messaging and/or Collaboration Services Provider
- Platform Infrastructure Provider
- Streaming Media Provider
- Web/Internet Service Provider
- ISV providing hosted applications
- IT Outsourcer providing software licenses
- Business Process Outsourcer providing software licenses
- Consultant providing software services

Service provider licensing through the SPLA is working today for a types of businesses, from real estate portals providing multiple listings to their agents to independent insurance brokers delivering applications-on-tap.

Quick Look: Putting the margin back into software licensing

If you are an ISV or a Web Service company deploying enterprise applications and don't pay for the Microsoft software license upfront, your monthly payment could be as little as \$7** per user per month.

How the Benefits of Service Provider Licensing Fit into Your Business

Understanding Microsoft Licensing Programs

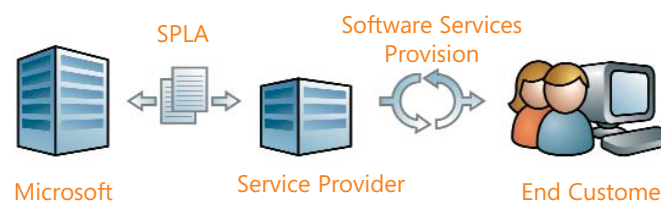
There are two distinct types of licenses at Microsoft—internal use licenses and commercial services licenses. Licenses acquired through the Original Equipment Manufacturer (OEM), Full Packaged Products (FPP), Open, Select, and Enterprise Agreement (EA) programs are for the use by the contracting entity and its affiliates. Service providers cannot acquire licenses through these programs in order to provide commercial or hosted services to their customers.

The Services Provider License Agreement (SPLA) provides third-party commercial use rights to service providers, who will be the holder of these Microsoft licenses, so that end customers receiving services deployed on Microsoft software products are not required to obtain their own Microsoft software licenses. End customers receive the right to directly or indirectly interact with functionalities of Microsoft software through the services provider's SPLA licenses.

Quick Look: Putting the margin back into software licensing

If you are an ISP providing shared or dedicated hosting services, your software cost for deploying Microsoft Windows Server™ 2003 Web Edition would be as low as \$10*** per processor per month.

How "selling with you" works



How SPLA works

You provide services to your customers, report what Microsoft licenses you used to provide those services, and you receive a bill. It's really that easy.

Review the case studies on back to see how SPLA is already improving business.

Sign Up Today or Contact Us to Learn More

The Microsoft Services Provider License Agreement is a worldwide program.

For complete details on the SPLA program, please visit www.microsoft.com/serviceproviders/licensing

How to Sign Up

- **Europe, the Middle East, and Africa:** Resellers are available for this region. Providers are encouraged to contact your preferred reseller as listed below. Additional program inquiries or questions can be submitted directly to Microsoft at askspla@microsoft.com

Signing SPLA Through a Microsoft Designated SPLA Reseller

SPLA is available through a reseller in Europe, the Middle East, and Africa:

Hewlett Packard: hpslmshosting@hp.com

Software Spectrum: ssispla@softwarespectrum.com

* This includes a single processor server running Microsoft SQL Server Standard Edition with anonymous access only.

** Per User pricing for Windows Server Authenticated access and Windows Terminal Services.

*** Ingle Processor price for Windows Server 2003 Web Edition.

Table of Available Software

These Microsoft software product families are available on the Services Provider License Agreement (SPLA). For more information on each product family, go to www.microsoft.com:

- Microsoft® Application Center
- Microsoft BizTalk® Accelerator
- Microsoft BizTalk Adaptor
- Microsoft BizTalk Server
- Microsoft Class Server
- Microsoft Commerce Server
- Microsoft Content Management Server
- Microsoft Exchange Server
- Microsoft Host Integration Server
- Microsoft Internet Security and Acceleration (ISA) Server
- Microsoft Identity Integration Server
- Microsoft Office
- Microsoft FrontPage®
- Microsoft Live Communications Server
- Microsoft Project
- Microsoft Project Server
- Microsoft SharePoint® Portal Server
- Microsoft Visio® Professional
- Microsoft Operations Manager Server
- Microsoft Provisioning System
- Microsoft SQL Server™
- Microsoft Systems Management Server
- Microsoft Virtual Server
- Microsoft Visual Studio® .NET
- Microsoft Windows Server™ 2003
- Microsoft Windows® 2000 Server
- Microsoft Windows Small Business Server