

Microsoft's Licensing Model (sigh)

By Richard Lowe

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Internet Tips And Secrets <http://www.internet-tips.net>

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Article Title: Microsoft's Licensing Model (sigh)
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Publishing Guidelines: May be freely published w/bylines
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One of my biggest, most important responsibilities in my day job is ensuring that we have purchased all of the software licenses that we require. It's my job to ensure that we are 100% legal at all times - which fulfills one of our corporate goals to be a completely ethical company.

Most companies make it very simply for me and my staff. If I want to license Norton Antivirus, all I need to do is count the number of machines on which the product is to be installed, write up a purchase order and call the salesperson to order the product. It works the same with Conversion Plus, Adobe Photoshop, Paint Shop Pro, WinZIP and any of the other hundreds of products that we require to keep our company in business.

You would think that Microsoft would want to make it easy for people like me to give them money. I know that if I were in their shoes that's what I would do.

I should stop for a minute and explain that I love many Microsoft products. Windows 2000 (server and professional) are very solid, well-thought-out operating systems, and the Office 2000 suite is easily the best in the industry. Internet Explorer is far superior to Netscape and has been for several years now, and Visio 2000 is one of the most versatile flowcharting tools available anywhere.

Unfortunately, purchasing and licensing Microsoft products is nowhere near as pleasurable as using their office suite. My god, they make it so difficult to purchase licenses that I've often considered (especially recently) switching the entire company to Unix and WordPerfect just to simplify my life.

Okay, let's take the Office suite of products. In a sane world, you would do this one of three ways:

You could just buy everything (Word, Excel, Access, PowerPoint and so on)

You could purchase the "base" kit, then purchase additional licenses for the pieces that you needed. For example, spend \$75 on the base, then add \$40 for Word, and perhaps \$10 for PowerPoint, and then don't purchase Access. This could all be done with a licensing key.

Just purchase each piece separately.

Naturally, Microsoft didn't choose any of these methods. What you have instead is a number of "suites", each a different mix of products. For example, if you just need Word and Excel, you could purchase Office Standard. If, on the other hand, you also need Access, then you need to purchase Office Premium. To make matters even worse, depending upon how many of each product you want to purchase you can use different discount scales.

It's enough to make one pull his hair out in frustration. But wait, it gets even worse with the operating systems. You want Windows 2000 server, then you need to purchase a license for the server, a license for each workstation (Windows 2000 Professional) and a Client Access License (CAL) for each workstation that needs to access a server. And, of course, depending upon how many of each you buy you get a different discount scale.

Oh, we're not finished yet. You also have the choice of ordering Backoffice, which contains many of the server products sold by Microsoft. It may (or may not) be cheaper to get one Backoffice license than, say, an Exchange license, a SQL license and a Windows 2000 server license. Then you've got to remember if you purchase Backoffice or the separate products for your server in order to purchase either Backoffice CALs or the individual CALs for each product. And, of course, each product has it's own discount scale depending upon how many you purchase.

Now, with the impending release of Windows XP and the release of Office XP, it has, believe it or not, got even more confusing.

Take a deep breath and see if you can follow this. We purchased some 500 copies of Office 95, which we upgraded to Office 97, then upgraded to Office 2000. We looked carefully at Office XP and quickly decided we did not want to install it on any of our systems. We are happy with Office 2000.

However, we might want to upgrade to the version of Office following that, or even the one after that (Microsoft seems to be releasing a new version every couple of years). In the past, we would simply pay an upgrade fee to go from wherever we were to the new version.

No more. Now, we have to purchase what is basically upgrade insurance by a particular deadline (it was September but this seems to have been moved to February). We also have to pay to upgrade everything to Office XP at the same time. If we do not do this, we will wind up paying over 200% more if we decide to upgrade at some point in the future.

Okay, so Microsoft is forcing us to pay now for a product which we may or may not want in the future. Personally, I believe they know that Office XP is not a product which most people want - in fact, I don't know of any system manager anywhere who is even considering upgrading to the new version. Why not? The user interface is significantly different (requiring retraining), the performance is poor (requires more hardware to operate) and the benefits TO THE USER are completely nonexistent.

It gets worse. We have decided to go ahead and get the upgrade insurance and upgrade our

product on paper. However, we definitely do not want to install Office XP on any machine at any time. Thus, we simply want to make the purchase to retain our rights to upgrades in the future.

We are allowed to install the older versions as much as we want under the terms of the license agreements as long as we purchase enough licenses of the new version to cover it all. So we went to purchase Office XP Professional, then found ourselves in an interesting position.

We originally bought the Professional edition because we wanted Publisher. Unfortunately, Microsoft has decided to remove Publisher from Office XP Professional (in fact, they have also removed Frontpage - no huge loss considering that Frontpage XP is not an improvement over 2000).

This introduced lots of confusion into the picture. After much study and hours of phone discussions with Microsoft, we determined that we could install Office Professional 2000 with Publisher for each of the Office Professional XP licenses that we purchased. If, however, we did upgrade to Office Professional XP, then we would need to purchase one additional Publisher license per machine.

It would be so much easier if we could just purchase 500 licenses for Word, 500 for Excel and 500 for Publisher. We would be happy to purchase a maintenance agreement for the whole mix. We don't need Access or PowerPoint, yet due to the way Microsoft has it all structured we have to purchase licenses for them. Sigh.

Now I have to go figure out how to upgrade and license my Windows NT and Windows 2000 machines. It's enough to make me look into the mirror to see if I have any more gray hairs.

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