

Prepare Your SAM Program for Emerging License Models





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- Pressure to perform:
 - Savings
 - Cost avoidance
 - Strategic licensing
- Lack of clarity for licensing in virtual and clouded world
 - From publishers
 - Between publishers
 - In our contracts





Challenges for SAM in 2010

- Cloud Computing
 - No legacy baggage
- SaaS
 - Apples to oranges
- Business process outsourcing
 - Why does IT cost so much?



The Sand Box of Change

- New paradigms, more efficient?
- Escaping shelfware and other sinkholes
- Consequences of 2009 decisions
- Changing operating systems
 - Costs
 - Problems
- Predicting the unpredictable: Software Vendor choices
 - “Revenue stream will be preserved”



Pick Your Own Cliché....





Once Upon A Time.....

- License models were simple

Desktop

Server

License
Metric

- ✓ One to One Relationship
- ✓ One License Per PC

- ✓ # of CPU's
- ✓ License Entire Server



SAM Manager playing the accountant....we call it **“The Post It Note Program”**



Then Along Came.....

- **Virtualization**

- The first wave of change roiling the market

Positives

- + *Server provisioning goes from weeks to hours*
- + *Instances deployed & retired based on short term demand*
- + *Auto-provisioning reduces set up times*
- + *Standardized support*

Negatives

- *Historical SAM processes & tools don't work*
- *Vendor revenue at risk so they are moving to new & increasingly complex license models*
- *Maverick deployments mean reduced control & increased risk*



One Plus One Equals Three

- Different hardware metrics are now relevant
- SAM programs must be structured for the new complexity

New Metric



- **Processor Value Units (PVUs):**
Sub capacity licensing metric
 - **Calculation:** # of processors * # of cores per processor
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- **CPLF:** Value assigned by Oracle based on hardware make, model, processor type & speed
 - **Metric Shift:** Different metrics apply based on Virtualization solution



Program Impact

Program must now measure:

- ✓ # of Processors
- ✓ # of Cores
- ✓ Core licensing factor
- ✓ Virtualization Solution

The Hits Keep on Coming.....

Cloud Computing

Convenient, on demand access to a shared pool of configurable computing resources.

SaaS

An application installed in the cloud that provides functionality to subscribers

New Metrics

- ✓ *Concurrent Users*
- ✓ *Bandwidth*
- ✓ *Storage*
- ✓ *Pay Per Use*
- ✓ *Floating Users*
- ✓ *Subscription*
- ✓ *Business Metric*



New Models Mean New Challenges

Existing Models

Existing SAM model and tools built on definitive factors & values

License Mgmt

- ✓ Deployment & Harvest
- ✓ CPU & Core Based
- ✓ Hardware Centric

Contract Mgmt

- ✓ License Type
- ✓ License Cost
- ✓ Centrally Administered & Managed

New Models

New license models are usage & user based which challenges SAM

- 1.** No more perpetual licenses
- 2.** New factors must be considered
- 3.** Control shifts to LOB
- 4.** Upfront T's & C's critical

SAM must become more integrated into the overall business process or major challenges will appear



Flexibility Is The Key

- 1.** Think Gumby & Pokey, make SAM more flexible so you can adapt to the new models & evolving metrics
- 2.** Integrate SAM into business processes & systems for insight to HR and LOB drivers
- 3.** Make sure SAM managers are part of contract negotiations or the business will face major problems



Stop playing defense, change SAM from a governance process into a business enabler—FASTER, BETTER, CHEAPER

Q & A

If you have a question, please type it in the “chat box” on the right hand side of your computer screen. We will answer your question in the order it was received.

Thank you!



Thank You!

If you have any questions or would like any further information, please feel free to contact us.

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