

## Automated Maximization of License Rights with Software Management Suite 2007

Efficient utilization of license rights has a significant impact on any organization's return on investments with regard to software licenses and agreements with all the associated expenditures.

License-related costs also include expenditures for license management software. Only solutions that work excellently are able to meet the requirements of purchasing and IT management departments for the best possible information about the present licensing situation while getting the most out of existing license rights and supporting additional software asset management processes — and delivering the best ROI as a matter of course.

Only genuinely automated verification and application of license rights can guarantee that those rights are actually in continual use, thus achieving considerable savings in terms of license costs and resources and protecting investments in commercially meaningful licenses.

### Utilization of License Rights

Software Management Suite delivers full utilization of the following license rights:

- License downgrades, differentiated according to downgradability and value
- Full license history
- License upgrade protection, e.g. for Software Assurance, based on agreements
- Secondary use for license savings
- Remote use based on sessions, on Terminal Server and Citrix systems

### Compliance Verification

Software Management Suite currently automatically checks the following license restrictions:

- Named user licenses
- Non-perpetual licenses
- Node-locked licenses
- CPU licensing for Microsoft SQL Server
- Highest product version when an upgrade protection agreement expires
- Per-seat licensing for Citrix/Terminal Server sessions

### Documentation Required

License and software asset management also always involves documentation obligations that can be fully met using Software Management Suite. There are obvious advantages to having all licenses fully documented in one place and filing not only license documents and agreements but also orders, bills, delivery notes and other information for immediate access in any format, such as PDF.

### Software Management Suite Makes the Most of Potential Savings

Software Management Suite's license downgrade feature illustrates how it makes the most of potential savings from license rights and delivers better quality information as a decision-making basis. The combination of the full license history with assigned predecessor versions for update licenses, automatic downgrades, automatic update protection and checking for secondary and remote use guarantees the best possible result.

Where Microsoft applications are concerned, there is a difference between individual and volume licenses. Individual licenses essentially do not provide downgrade rights, whereas volume licenses do. These rights are defined in the license agreements, and Software Management Suite naturally takes them into account in the License Balance Report and in the reconciliation of installed software with purchased licenses.

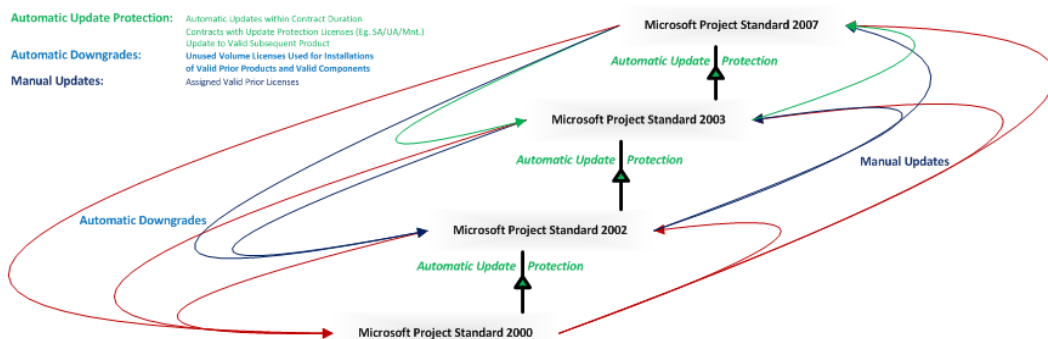


Fig. 1: Automated Utilization of License Rights in Software Management Suite 2007

### Efficient and Reliable Downgrades

Downgrading in the sense of Software Management Suite does not just mean using an earlier version but also refers to the permissible use of components in accordance with licensing rules, such as using Microsoft Word 2002 based on a Microsoft Office Professional or Standard 2002 license, or using Microsoft Office 2003 Standard based on a Microsoft Office 2003 Professional license. The definition of rules proactively prevents assignment errors and illegal substitute usage.

### Target: a well-adjusted License Balance Report

The license downgrade function keeps the License Balance Report properly adjusted, even if you purchase newer versions while the existing software remains in use. It is often no longer possible to purchase the older product after a new release. In such cases, it is important to know whether the installation of the older product is legally covered by the newer one in licensing terms.

### Update and Downgrade Chains

Software Management Suite is able to calculate update chains, downgrades and update protection at any nesting depth. There are no limits.

The purpose of downgrades is to protect investments in tiered newer versions and products that are still of commercial value. It makes no difference to Software Management Suite if the downgrade includes 2 tiers or 30.

Figure 1 illustrates the automated utilization of license rights in Software Management Suite. The graphic shows a three-tier update, update protection and downgrade chain.

The important consideration from the viewpoint of software and license asset management is that only downgrades permitted by the publisher are performed. No downgrading to impermissible products should be performed. For example, a downgrade from Microsoft Project Standard to Microsoft Project Professional is not permissible.

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### When Not to Downgrade

In addition to the impermissible cases, downgrades are also not performed if they would make no economic sense. This is always the case of there is already an adequate number of licenses available for all predecessors. The important thing is information about the number of any free licenses at the newest level rather than for a predecessor product. The latter would hardly make sense.

### Compliance Only with Valid Licenses

Anyone purchasing update licenses must own valid predecessor versions in order to legally use the updates. This is mapped in Software Management Suite by assigning each update to a predecessor version.

Figure 2 shows a typical License Balance Report from a medium-sized enterprise called Invetio Group covering Microsoft Project Standard version 2000 to version 2007 with updates, automatic downgrades and automatic update protection via Software Assurance licenses.

The License Balance Report reveals the existence and nature of any problems at a glance. The validity checks that have taken place in the background are not visible. These prevent invalid licenses from making their way onto the License Balance Report.

### Compliance and Pool Info at a Glance

The advantage for SAM and purchasing managers is that they can see at a glance how many licenses are already available for

automated documentation across all publishers, license types and platforms.

Software Management Suite simplifies the processes of license and software asset management while making the most of specific license rights, and thus enables SAM managers to make quicker and better quality statements about the license inventory and the state of compliance. Auditors also have a much simpler time working through the complex license inventory, and they can find important documents much more easily.

### Quicker ROI due to Effective Analyses

As a result of concentrated analysis and utilization of license rights, Software Management Suite can deliver considerable added value compared to conventional license analysis tools. This produces a faster ROI, and ultimately delivers more reliable compliance in the long term and considerably greater, sustained savings.

This white paper has demonstrated that Software Management Suite:

1. **automatically** includes only downgrade-eligible licenses in downgrades.
2. at first **automatically** uses excessive licenses for the direct predecessor.
3. **automatically** traces successively back through the chain of license predecessors.
4. **automatically** includes only permissible updates in the License Balance Report.
5. warns about unincluded updates, because otherwise capital is lying idle.
6. **automatically** posts the remaining excessive licenses with the original product.
7. **automatically** includes permissible successor products for update protection / SA licenses within the scope of agreements.
8. creates 1:1 license documentation
9. posts licenses where they are most meaningful: as excess or pool inventory of the licensed product itself.
10. takes the commercial values of license update chains into account.
11. can create considerable added value compared to other tools due to its operating principle and above all due to the maximization of license rights.

### Compliance and Added Value that Count

With all these functions, Software Management Suite enables organizations to achieve and maintain compliance, to budget intelligently, and to make savings on license costs.

CANCOM is an authorized reseller of Software Management Suite

Further information is available online at <http://www.cancom.de>



## License Reconciliation Report

Software	Licenses						License Analysis	
	Purchased	+ Downgrd	Basis	- Installed	- Updates	- Downgrades	= Stock/Pool	
MICROSOFT								
Microsoft Project 2000 Standard 9.0	1	+	2	-	3	-	0	= 0 ✓
Microsoft Project 2002 Standard 10.0	0	+	14	-	14	-	0	= 0 ✓
Microsoft Project 2003 Standard 11.0	242	+	0	-	32	-	194	= 0 ✓
Microsoft Project 2007 Standard 12.0	194	+	0	-	194	-	0	= 0 ✓

Fig. 2: License Balance Report: a Product-by-Product Compliance Analysis

### SAM InfoBoard and Final Report

This means that unassigned update licenses are automatically deemed invalid. Software Management Suite warns about invalid update licenses in <SAM InfoBoard> and in the License Balance Final Report.

### Automatic Update Protection

Update protection licenses, such as Microsoft Software Assurance or others, **automatically** count as the successor product upon release of a newer version within the term of the agreement, so the newer product can be deployed without the SAM manager's intervention. For example, new installations of Microsoft Project 2007 Standard from the License Balance Report shown in Figure 2 are therefore covered by existing Microsoft Project 2003 Standard SA licenses without the need for manual intervention.

### License Balance Report

Software Management Suite's License Balance Report calculates the effective compliance status for every single installed and purchased software product.

the **new** product. The prerequisite is that the software catalog has been maintained. Value chains, both downward (downgrades) and upward (updates, update protection), can be modified at any time within the scope of the permissible.

### Documentation Supports and Protects

Only well-maintained documentation can effectively and efficiently meet the necessary legal and economic requirements. This does mean, on the one hand, that there is a certain amount of effort required for data maintenance; and installation of a software asset management solution is not enough to be able to dispense with a license manager. On the other hand, the benefits and savings it offers are much greater. Both auditors and SAM managers benefit from the fact that all license documents that belong together are immediately accessible.

### Process Support in Accordance with SAM ITIL and ISO 19770-I

With its functionality, operating principle and structure, such as automated validation, Software Management Suite supports ITIL Best Practice for Software Asset Management and ISO 19770-I procedures. The system delivers full, highly