

Summary

Microsoft updated the Windows Server® operating system licensing options in the Services Provider License Agreement (SPLA) in July 2009. We replaced previous “authenticated” and “anonymous” offering definitions with licensing based on “outsourcing” and “non-outsourcing” definitions. In addition, Microsoft introduced “prior version rights” in SPLA for all Microsoft products.

What’s New in This Brief

This is a new brief with no previous versions.

Details

Windows Server SPLA Licensing Changes—Effective July 2009

The July 2009 Services Provider Use Rights (SPUR) introduced new Windows Server licensing based on “outsourcing” and “non-outsourcing” as new licensing definitions, replacing the previous licensing based on “authenticated” and “anonymous.” As a result, Microsoft has two tiered offerings for Windows Server with both outsourcing and non-outsourcing available for:

- Windows Server Standard
- Windows Server Enterprise
- Windows Server Datacenter

We did not change Windows Server Web Edition in July 2009. A single offering is still available that can apply to the scenarios allowed in the SPUR.

Definition of “Outsourcing” for Windows Server

To make the change for Windows Server licensing in SPLA, Microsoft has defined “outsourcing” as follows:

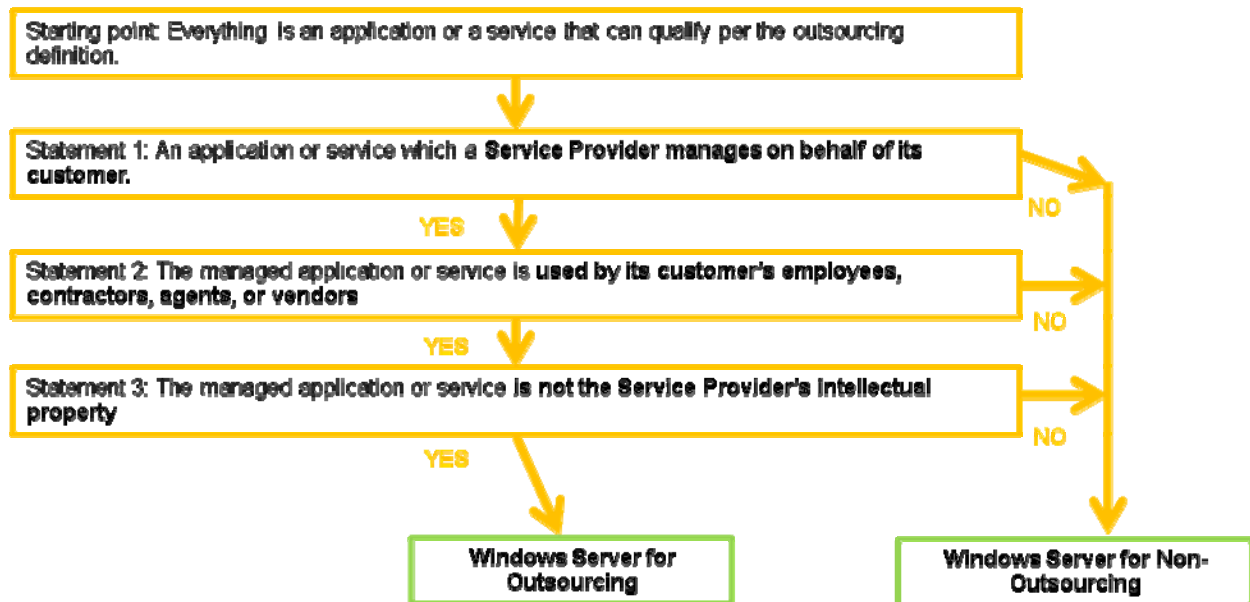
Outsourcing is an application or service which a Service Provider manages on behalf of its customer. For purposes of this definition, the managed application or service is:

- Used by its customer’s employees, contractors, agents, or vendors, and
- Not the Service Provider’s intellectual property

The following are some important factors to consider when you apply this definition to scenarios:

- The outsourcing definition is based on the application or service provided to a customer and not how a Service Provider is categorized as an entity.
- Apply this definition to each individual server that is involved in delivering the application or service. This can result in scenarios where a Service Provider may have a mix of outsourcing and non-outsourcing servers from which they provide their managed service.
- The application or service must meet all portions of the definition to fit the definition.

The following diagram demonstrates how to apply the definition:



For the application or service to qualify for the Intellectual Property (IP) criteria, the Service Provider's IP must:

- Add significant and primary functionality to the integrated Microsoft software.
- Be the primary service and/or application for the Service Provider's unified solution.
- Be owned, not licensed, by the Service Provider.

Note: Dashboards, HTML editors, utilities, and similar technologies are not considered a primary service and/or application of a unified solution.

Transitioning to the New Windows Server Licensing Options

Service Providers who were SPLA providers prior to July 2009:

If a Service Provider wants to continue with the pre-July 2009 Windows Server use rights, the Service Provider must:

- Continue offering their software service with that version of Windows Server.
- Continue to report the same stock-keeping units (SKUs) as prior to July 2009.

New SPLA partners as of July 2009:

- New SPLA partners must report the new Windows Server SKUs (July 2009 price list onwards) and adhere to the July 2009 SPUR—no matter what Windows Server product version is running.

Additional Details:

- Pre-July 2009 SKUs cannot be used with the July 2009 use rights.
- All SPLA partners can start using the new July 2009 SPUR.

Usage Scenarios

The following lists some representative scenarios where the outsourcing SKUs are required because the definition's three conditions must be met at the same time.

	The application or service...	... is managed by the SP on behalf of its customer.	... is used by its customer's employees, contractors, agents, or vendors.(1)	... is not the SP's intellectual property.	Is this an outsourcing or non-outsourcing SKU?
	Scenario's description: The Service Provider is providing...				
1	Managed hosting for Microsoft applications (Microsoft Exchange Server, Microsoft SQL Server® database software, etc.) or third-party applications (Oracle, Siebel, etc.), which are not the IP of the Service Provider to their customer's internal users.	Yes	Yes	Yes	Outsourcing
2	Managed hosting of an ISV's application and, the Service Provider is reporting under SPLA. The application or service is being used by the ISV's internal users.	Yes	Yes	Yes	Outsourcing
3	A service like filtering or archiving (not the IP of the Service Provider) to the internal users of the customer.	Yes	Yes	Yes	Outsourcing
4	Managed Web hosting where the IP is not the Service Provider's, and it is used by both internal and external users.	Yes	Yes (both)	Yes	Outsourcing
5	An application that is not the Service Provider's IP, which is jointly managed by the Service Provider and customer for internal use by the customer's employees.	Yes (jointly)	Yes	Yes	Outsourcing

6	A managed solution to its customers and the solution includes one or more applications that are the Service Provider's IP and one or more applications that are not the Service Provider's IP.	Yes	Yes	Partially (2)	Partially Outsourcing
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Note 1: Administrators or publishers of the primary application or service do not qualify as internal users.

Note 2: The Service Provider may report the non-outsourcing SKUs for servers hosting their own intellectual property. They must report the outsourcing SKUs for servers when it is not their own intellectual property.

However, if one or more statements within the definition are not met, the non-outsourcing SKUs can be used. Some common hosting scenarios can be achieved using non-outsourcing SKUs:

	The application or service...	... is managed by the SP on behalf of its customer.	... is used by its customer's employees, contractors, agents, or vendors.	... is not the SP's intellectual property.	Is this an outsourcing or non-outsourcing SKU?
	Scenario's description: the SP is providing...				
7	Management of infrastructure servers, including install, backup, patch, software update or monitoring of the operating system, but does not manage the customers application installed on the server.	No	Yes/No	Yes/No	Non-Outsourcing
8	An unmanaged service to the customer.	No	Yes/No	Yes/No	Non-Outsourcing
9	An application or service only to external users of the customer.	Yes/No	No	Yes/No	Non-Outsourcing
10	An application or service that is the IP of the Service	Yes/No	Yes/No	No	Non-Outsourcing

	Provider (the Service Provider is an ISV).				
11	Shared Hosting of public Web sites with domain and Web-facing applications.	Yes	No	Yes	Non-Outsourcing
12	Domain Parking, Parked Sites	Yes	No	N/A	Non-Outsourcing

Introduction of Prior Version Rights in SPLA

Prior to July 2009, SPLA only provided rights to the most current version of products. Effective with the July 2009 SPUR document, SPLA partners have the right to run either the current version or any prior version of the software.

Which use rights apply?

In all cases, the use rights are determined by the product that is licensed, not the version of the product that is installed. As an example, if you license a 2008 product version, but want to run the 2005 version of the same product instead, the use rights for the 2008 version apply to your use of the software.

In SPLA, your use rights are determined by the following factors:

- The date you started your software service with the Microsoft software
- The version of the Microsoft software that was available at the time your service started

To demonstrate how use rights flow when continuing on an earlier version or when using prior version rights, the following table highlights three basic scenarios.

Scenario	Use Rights
Partner A uses product version 2003 and continues to use it after the release of product version 2008.	Partner A uses product version 2003 subject to the product version 2003 Use Rights.
Partner A eventually migrates to product version 2008.	Partner A uses product version 2008 subject to the product version 2008 Use Rights.
Partner B begins using product version 2008 <i>after</i> product version 2008 releases, but they need to run product version 2003 for their service/offering.	Partner B uses prior version rights to install product version 2003. They run product version 2003 subject to the product version 2008 use rights.

By enabling prior version rights in SPLA, Service Providers can support a wide variety of applications. It also ensures that this aspect of SPLA is aligned with Microsoft other Volume Licensing programs such as the Open License and Select License programs.

Frequently Asked Questions

Is Microsoft moving to this type of model for other products?

No. This change only applies to Windows Server.

Are there changes to the Windows Server Web offering?

No. These changes do not impact Windows Server Web Server.

Are the earlier “anonymous” offerings the equivalent of the new “non-outsourcing” offerings and the earlier “authenticated” offerings the equivalent of the new “outsourcing” offerings?

No correlation exists between the two definitions. The outsourcing definition focuses on what application or service is being provided.

Will Extended Term License SKUs be available for the complete Windows Server lineup?

Yes. Extended Term License SKUs will be available for the Windows Server products.