

Microsoft Licensing

Comparison guide for small and mid-sized organizations



Choosing the right licensing program for your company?

Acquiring and managing your software licenses can be challenging. Microsoft® offers a variety of licensing programs tailored to meet your company's specific needs.

Open Value provides small and mid-sized organizations with simpler license tracking, and the ability to control their costs and upgrade cycles. In addition to Open Value, there are several other licensing programs available.

This guide was designed to provide the information you need to make an informed decision about which licensing option best meets your needs.

Choosing a Licensing Program

Use the following table to help identify the licensing program that best meets the needs of your organization.

	Volume Licensing		OEM	FPP
	Open Value <i>Three-year agreement with upgrades</i>	Open Business <i>Two-year agreement without upgrades</i>	<i>Preinstalled on new computers</i>	<i>Boxed software, acquired through retail</i>
Do you have fewer than five computers?	No	No	Yes	Yes
Do you upgrade software only when purchasing new computers?	No	No	Yes	Yes
Do you need to create standard images to configure new computers?	Yes	Yes	No	No
Do you need to simplify license tracking? Do you have many Open agreements and find it difficult to track what you own?	Yes	Yes	No	No
Do you want to standardize your desktop software?	Yes	No	No	No
Do you prefer to upgrade to the latest Microsoft software?	Yes	No	No	No
Do you need to minimize up-front costs by spreading payments over three years?	Yes	No	No	No

Microsoft Licensing Options

Microsoft offers four primary ways for small and mid-sized organizations to license software:

- **Open Value** lets you pay a predictable annual fee for three years to license all the desktops across your company (minimum five) and upgrade them at any time, to maintain a standard desktop.
- **Open Business** is a two-year agreement that enables you to save on estimated retail prices by placing an initial order for five or more licenses or one server license. Customers can combine any set of Microsoft products to qualify for the five-license minimum.
- **Original Equipment Manufacturer (OEM)** software licenses are acquired when you buy a computer with software legally preinstalled. If you have ever purchased a computer from the store with Microsoft Windows® or Microsoft Office installed, you have acquired a license for OEM or System Builder software. OEM licenses may be used only on the computer that the software was preinstalled on.
- **Full Packaged Product (FPP)** is boxed, shrink-wrapped software. Licenses for this type of software are acquired through retail outlets. FPP is for consumers who are looking to acquire a small number of software licenses quickly and is ideal for home users. When upgrading to a new computer, you may transfer FPP licenses to new hardware no more than one time.