



Microsoft Licensing

Licensing comparison guide for small and midsize organizations

- 1** Spread payments or pay upfront?
- 2** Upgrades included or pay for upgrades?
- 3** Standardized or mixed versions?

Choosing the right licensing program for your company

Microsoft® offers a variety of licensing programs for small and midsize businesses. This guide was designed to help you 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>	Preinstalled on new computers	Boxed software, acquired through retail
Do you have fewer than five computers?	No	No	Yes	Yes
Do you upgrade software only when purchasing new computers?	No	No	Yes	No
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 midsize 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 desktops) and upgrade them at any time, to maintain a standard desktop. Open Value provides small and midsize organizations with simpler license tracking and the ability to control their costs and upgrade cycles.
- **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 software 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 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.