

Welcome to the Directions on Microsoft Licensing Fundamentals series.

Introduction

Like it or not, technology and licensing are intertwined.

If you have limited technical familiarity with Microsoft product areas, these short backgrounders will get you up-to-speed on basic terms and concepts ahead of time, *and allow you to get more out of your upcoming training*.

This presentation is on Office application suites.

New to licensing

Organizations of every type have a huge investment in Office client applications such as Word and Excel.

The investment goes far beyond the applications themselves, but also the zillions of files created in the Office file formats as well investments in Office add-ins and other forms of Office application customization and integration with other systems.

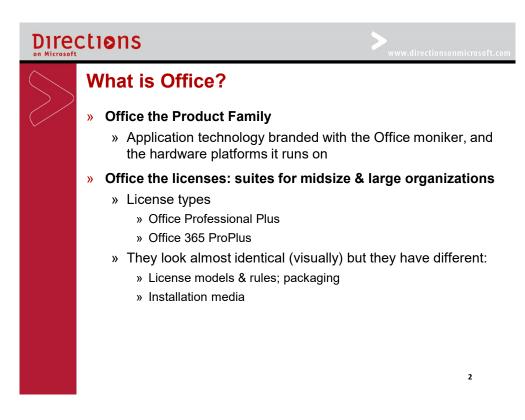
For these reasons, most organizations purchase large quantities of Office suites, usually as organizationwide purchases made through an Enterprise Agreement.

Boot Camp Attendees

During the bootcamp we talk at length about the two Office suites Microsoft currently sells to midsize and large customers: Office Professional Plus and Office 365 ProPlus. We explore the two product's respective

licensing models, which are very different, and dive into the issues these differences can cause.

To get the most out of your Directions on Microsoft Licensing Boot Camp, it is helpful to have some technical background on concepts such as client platforms, local and remote application execution, and so on. So, let's go.

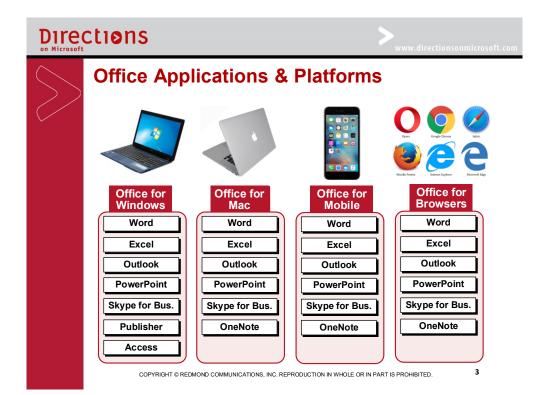


What is Office?

We'll answer this question in two parts.

First, what is Office the product family, in other words, the application technology that Microsoft brands with the Office moniker, along with the hardware platforms the Office applications run on.

And second, what is Office, the license, or shall I say licenses, because there are two of interest to midsize and large organizations. The two have very different license models and rules, product packaging, and installation media. These differences matter a lot. License one but use the other, an easy mistake to make, and you've opened a can of worms.



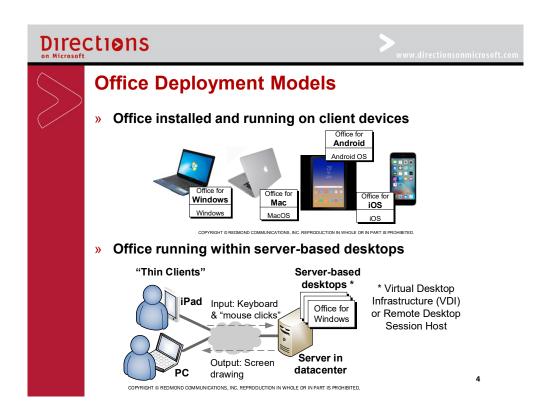
On to Office the product family, the client applications and the hardware platforms they run on.

When Microsoft or others use the term Office, they usually mean Word, Excel, Outlook, PowerPoint, and other Windows or Mac client-side applications bundled together as a suite.

Most of us are familiar with Office applications for Windows and the Mac. You see this illustrated to the left.

However, over the past few years, Microsoft expanded the set of hardware platforms that Office applications can run on. The set now includes Android-based and Apple iOS-based mobile devices.

In addition, Microsoft also introduced lightweight Office applications that run within most any popular browser, meaning the applications can be used on pretty much any client device without ever having to install Office application software locally on a device. You see the Office applications that run within a browser listed at the far right of the slide.



Office applications are generally deployed in one of two ways.

Typically, Office applications are installed and run on a user's client device, as pictured at the top of the slide.

You see Windows PCs, Macs, Google Android, and Apple iOS devices pictured, with platformspecific Office applications running on top of the particular device's native operating system.

So in the most common scenario, Office applications are installed and run on a user's client device, or run within the client device's browser.

However, in the case of Office applications written for the Windows platform, an additional scenario is possible.

It is possible to install and run the Office desktop applications on servers and pipe the output to Windows or non-Windows client devices. That is illustrated on the bottom half of the slide.

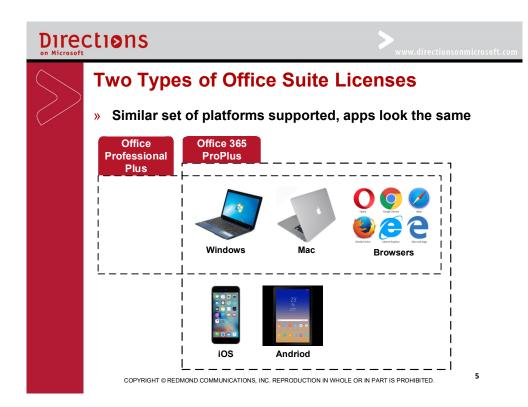
If you've listened to our Microsoft Licensing Fundamentals presentation for the Windows Client Operating System, the lower illustration should look familiar. If you recall, we used the FaceTime analogy. Instead of the Office applications being right in front of you, in other words, installed and executing on your client device, pictured on the left, those applications run on a remote server, pictured on the right. You, the user, essentially FaceTime-s with the applications running on the server. The generic technical terms often used to describe this scenario are thin clients connected to server-based desktops.

There are two generic technologies for deploying server-based desktops. One is called Virtual Desktop Infrastructure, or "V-D-I", which we discussed in the Windows client OS Licensing Fundamentals presentation, and the other is "Remote Desktop Session Host".

We mention these two basic types of server-based desktop architectures here because they may come up licensing conversations, and you may ponder their significance. While your choice of server-based desktop architecture is relevant with respect to Windows client OS and Windows Server OS licensing rules, Office licensing rules do not care about which server-based desktop architecture you use.

Deploy an Office suite within a V-D-I, or deploy an Office suite within a Remote Desktop Session Host environment, Office is licensed the same either way. Office licensing cares about whether you run Office within server-based desktops, not which server-based desktop architecture you deploy.

The answer is the same across both types of Office licenses we are about to discuss on the next few slides.



Office, the license, the set of use rights, is what organizations purchase.

There are two types of Office licenses relevant to midsize and large organizations.

First, there is Office Professional Plus, which has been around for eons. You'll see its label at the far left of the slide.

And second there is Office 365 ProPlus, the relative "new kid on the block."

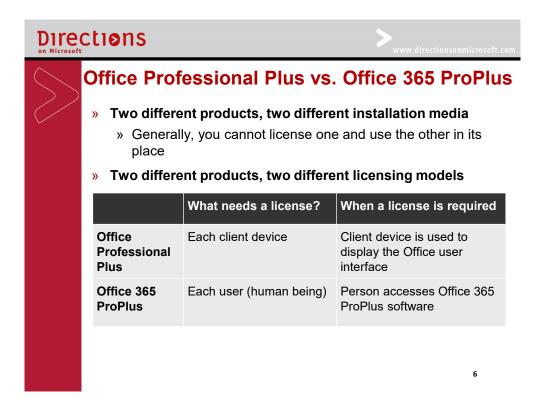
From an end-user perspective, the technology covered by each license type are identical twins. Well, almost. Yes, there are differences with respect to Office applications for iOS and Android devices, as you see depicted at the bottom of the slide; full use of Office mobile applications for business purposes is unique to Office 365 ProPlus.

However, let's put that relatively minor difference aside and focus on the top half of the illustration. Both Office Professional Plus and Office 365 ProPlus provide rights to the same set of Windows, Mac, and browser-based Office applications. For these platforms, the software code included with Office Professional Plus and Office 365 ProPlus licenses runs and displays in a manner nearly indistinguishable from one another.

As with human identical twins, it can be hard for anyone other than close family and friends to tell them apart. And somewhat unfortunately, Microsoft gave its two Office product licenses very similar sounding names, like calling identical twin sisters Cindy and Sandy.

So it is even hard to keep Microsoft's product license names straight in conversation. Here is a trick—always include the "365" when you discuss "Office 365 ProPlus." If you say "Office ProPlus" without mentioning the 365, it can be extremely difficult for someone else to discern which product license you are talking about.

So, in summary, while Office Professional Plus and Office 365 ProPlus look almost the same from an end-user perspective, they are considered by Microsoft to be two separate products with fundamentally different licensing rules. Let's take a high level look at those differences.



While Office Professional Plus and Office 365 ProPlus look very similar from the end-user perspective, they are considered to be separate products governed by very different sets of licensing rules.

When you license one or the other, you marry that specific identical twin and inherit her set of rules. Except in a few corner cases which we explore in the boot camp, when you marry one, you have no right to consort with the other.

And by the way, Office Professional Plus and Office 365 ProPlus are installed using different installation media... meaning that it is easy for auditors to tell them apart... and detect if you are hanging out with the wrong identical twin.

There are several differences between the two product's licensing rules. We explore the differences and their ramifications at depth during the Licensing Boot Camp. Here we will discuss just one difference, arguably the most important. That difference, whether it is a device or a user that needs a license, is what we summarize in this chart.

You'll see a row for each product, Office Professional Plus and Office 365 ProPlus.

With Office Professional Plus, you buy a license for each client device. With Office 365 ProPlus, you buy a license for each user.

Yes, this is somewhat of an over simplification, but good enough for this high-level presentation.

In general, with Office Professional Plus, organizations buy a Device license for each client device where the Office Professional Plus UI is displayed.

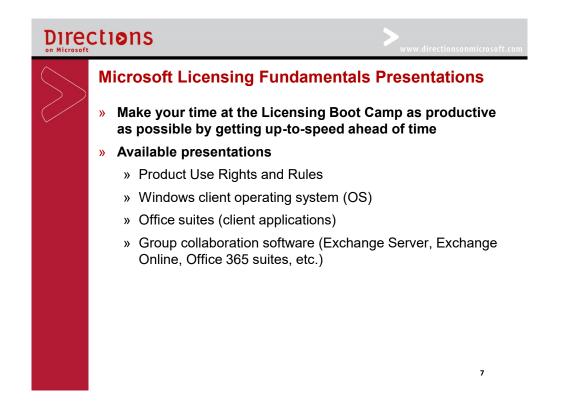
With Office 365 ProPlus, organizations buy a license for every individual who uses Office 365 ProPlus.

The Per Device vs. Per User difference is a big deal and has all sorts of implications which we explore at the boot camp.

Unfortunately, it is not uncommon for customers to license Office 365 ProPlus, but continue to use Office Professional Plus media, assuming that they now get to use Office Professional Plus under Office 365 ProPlus's Per User rules.

So not true. It is not acceptable to marry Cindy and then go on a vacation with Sandy, the other identical twin.

Mixing up the identical twins opens up your organization to future license compliance problems, essentially giving Microsoft the opportunity to shake the money tree, with your organization playing the role of tree in this play.



So now you have a high-level understanding of Office the technology and Office the license, how the two different licensing options for large organizations are fundamentally different, and some sense as to why this matters.

At the boot camp we'll go into a lot more detail, including other differences between the licensing models and their implications, such as the fact that Office Professional Plus licenses are usually perpetual, while Office 365 ProPlus licenses are always subscriptions. We will also talk quite a bit about the licensing implications of deploying Office within server-based desktops, as well as options for acquiring Office licenses as part of larger suites.

And, by the way, almost everything we cover about Office at the boot camp also applies to Visio and Project client applications, with each having their own identical twin-type licensing issues.

If you found this presentation helpful, be sure to check out our other Microsoft Licensing Fundamentals presentations listed here.

See you at a Directions on Microsoft Licensing Boot Camp.