**Screen #: 1 of 87**

**Perry Holley – File 214.MP3**

|  |
| --- |
| Before beginning the module, please consider the contents of this screen. |
| Selling Essentials modules require the latest version of Apple QuickTime to be installed on your computer. |
| Click on ‘Download QuickTime’ on this screen to download the newest version. |
| Please wait until each screen has fully loaded images and text before you interact with the screen |
| to ensure correct functionality of the module. |
| You must reach 100 percent on the progress bar to receive credit for this course. |
| To reach 100 percent progress each screen must fully load and you must click through to the last screen. |
| When you reach 100 percent completion, you will also get Think 40 credit for your time. |
| Make sure your browser window is maximized so that all tools and functionality work properly and to avoid scrolling. |
| For additional information please visit the Selling Essentials wiki FAQ page accessible by clicking on the ‘on screen’ text. |
| [ END ] |

**Screen #: 3 of 87**

**Tom Wroblewski (onscreen) – File 227.MP4**

|  |
| --- |
| Hello, I'm Tom Wroblewski, and welcome to the "Software Licensing Overview," |
| one of the modules in the Selling Essentials curriculum. |
| These modules are available to the entire Worldwide IBM Software Group Sales Team to raise your level of performance. |
| Has a Client ever asked you a software-licensing question, |
| and you didn't have the answer? |
| Did you know where to find it? |
| In this module, Sheila McAndrew, IBM Software Legal Counsel, and three IBM Licensing subject matter experts |
| will summarize the basic knowledge you should know about IBM Software licensing. |
| They will show you where to find more detailed information when you need it. |
| And, finally, they will illustrate the value you'll bring to your Client when you have a better understanding |
| of the IBM agreements. |
| By the end of this module, you will be better informed, more confident, and prepared to provide your Client |
| with answers to software licensing questions. Click next, and Sheila will get us started. |
| [ END ] |

**Screen #: 4 of 87**

**Sheila McAndrew (onscreen) – File 228.MP4**

|  |
| --- |
| Hi, my name is Sheila McAndrew, Counse for the IBM Software Group. |
| I’ll be your guide through the critically important world of IBM Software agreements. |
| Over the past 20 years at IBM, I have worked with many of you, and other IBM Sellers all over the world, on issues relating to SWG contracting. |
| I’ve found that our most successful Sellers are those who understand our contracting, and can address |
| and even anticipate Clients’ questions in this area. |
| When you, the Seller, can answer questions relating to the contract, it can help speed negotiations, because many times your knowledge |
| and explanation at the business level can help shorten the list of items to be addressed in my part, the Legal negotiation |
| [ END ] |

**Screen #: 5 of 87**

**Sheila McAndrew (onscreen)v- File 229.MP4**

|  |
| --- |
| IBM Software is intellectual property that’s an integral part of our Clients’ business and success. |
| IBM licenses that intellectual property to our Clients, providing them with certain rights and privileges. |
| These rights and privileges are clearly explained in our software licensing agreements. |
| They address these terms in several different categories: |
| The first category is “Legal.” |
| These terms encompass topics such as liability limitations, privacy rules, and the protection of IBM’s intellectual property. |
| Other terms apply to our “Business” offerings: subscription and support, virtualization technology, Software-as-a-Service, |
| and product licensing metrics, which are the methods of charging for a product. |
| And finally, there are terms that explain items such as “payments,” delivery and taxes. |
| [ END ] |

**Screen #: 6 of 87**

**Sheila McAndrew (onscreen) – File 230.MP4**

|  |
| --- |
| In this module: You will learn the importance |
| of software licensing for you and your Clients |
| You’ll examine how different license agreements affect SaaS, Distributed software, System z software, and Appliances |
| You will find and download the key license documents that govern IBM Software offerings |
| And, you will practice using those documents to find answers for your Clients |
| [ END ] |

**Screen #: 7 of 87**

**Sheila McAndrew (onscreen) – File 231.MP4**

|  |
| --- |
| Licensing agreements aren’t just for lawyers. |
| You, the Software Seller, are the face of IBM and have the responsibility to know what it is you are selling. |
| When you understand and can apply the licensing and business terms that govern your Clients’ use of IBM Software, |
| you will build credibility with your Clients, become a trusted consultant, and help protect IBM revenue. |
| Your knowledge will also strengthen IBM’s ability to build long-term, productive relationships. |
| And, it will possibly help to shorten the sales cycle by addressing questions and potential issues earlier, |
| rather than later. Let’s now listen to two people who know the value of understanding software-licensing agreements. |
| [ END ] |

**Screen #: 8 of 87**

**Melissa Krauss (onscreen) – File 177.MP4**

|  |
| --- |
| I thought selling software was just about getting clients to purchase our technology to solve their business problems. |
| I focused on how many user seats I could sell, not on the licensing rules and regulations. |
| Software license agreements? |
| ICA – IPLA – Product License Information? … |
| I thought that was something for the lawyers to worry about, not me. |
| However, as the deals I engaged in became more complex, I realized that being able to answer |
| my client’s questions using the license agreements was very powerful and allowed me to be a true consultant. |
| For example, the License Information document has helped me overcome objections that were impeding sales. |
| When my client wanted to deploy software that they purchased as part of a restricted bundle, the agreement helped me |
| clarify terms of use, options, and restrictions. |
| Understanding licensing agreements has also helped me clarify |
| and  eliminate my Client's confusion about Subscription and Support. |
| The use of IBM’s Intellectual Capital through software licensing may seem complicated. |
| But understanding the rights and limitations of the software |
| that I sell, can definitely help shorten the sales cycle. |
| I make sure I know where to find the information I need to guide my Clients and help keep the sales process on track. |
| [ END ] |

**Screen #: 9 of 87**

**Randy Grady (onscreen) – File 178.MP4**

|  |
| --- |
| Ya know, I spent the first seventeen years of my IBM career as a brand specialist |
| in Systems Technology Group primarily selling hardware. |
| I developed a thorough understanding of my product set and how it fit within my customers’ business. |
| And, transitioning from STG and a single product line with a single license agreement to my current role |
| as a Software Client Leader, with multiple brands and thousands of products was a significant change for me. |
| The Clients remain the same, however the process in which we sell, transact, and support the Client is entirely different. |
| For example, early on I had a Client sign an enterprise agreement with acronyms that I had never heard of |
| nor did I know what software was included and how it was licensed. |
| I soon realized the importance of understanding what governs the software licenses and why I had to learn the foundational |
| agreements such as the IPLA and IPAA to help my Clients. |
| I remember my Client asking me to find them a license for a specific Cognos product. |
| I knew exactly where to go... and I quickly found the LI, or License Information, |
| and was able to build the trust and confidence my Clients expect from an IBM seller. |
| [ END ] |

**Screen #: 10 of 87**

**Sheila McAndrew (onscreen) – File 180.MP4**

|  |
| --- |
| So, what do you need to know about how and why IBM licenses its software? Click on the link to see the |
| Outcome and Objectives of this module, and you’ll find out. |
| [ END ] |

**Screen :11 of 87**

**Sheila McAndrew (voiceover) – File 186.MP3**

|  |
| --- |
| Let’s start with the basics of the IBM Software Portfolio. |
| The software you sell runs on either Distributed or System z servers. |
| With each product, you sell a software license. |
| The two primary types of licensing charges are One-Time Charge, or OTC, and Monthly License Charge, or MLC. |
| There is the growing area of “Software-as-a-Service,” or SaaS, a bundling of software functionality that is managed |
| and maintained in the IBM Cloud. Clients access the software-as-a-service over the internet. |
| You may also sell IBM Appliances – products designed for a particular function that generally |
| include both hardware and software. |
| [ END ] |

**Screen #: 12 of 87**

**Sheila McAndrew (onscreen) – File 195.MP4**

|  |
| --- |
| So, what, exactly, is a software license? Let’s define it in simple terms. |
| The software license is the agreement that allows the user to do certain things that would otherwise |
| be an infringement of copyright. This agreement outlines the rules of use. |
| You, as the Seller, are the representative of this license for IBM and need to know its basic terms. |
| As you just heard from two of our top Sellers, understanding licensing agreements puts you |
| in a better position to represent our products. |
| By understanding these concepts, you are able to consult and move your deals forward. |
| Let’s look at the wide range of IBM licensing agreements. |
| [ END ] |

**Screen #: 13 of 87**

**Sheila McAndrew (voiceover) – File 200.MP3**

|  |
| --- |
| We sell various offerings and, because the IBM business is very large, we have multiple ways to sell to our Clients. |
| We use agreements like the IPLA, PA, and CSA. |
| Do you know which agreements are used for the software you sell? |
| Have you ever read any of these documents? |
| Have you ever helped a Client answer a licensing question on your own? |
| Do you know what governs the S&S for your Clients? |
| Click on each acronym for a brief description. We have included an Acronym Dictionary with this module. |
| You may want to click on the link and print it out as a reference to use as you go through the module. |
| [ END ] |

**Screen #: 14 of 87**

**Sheila McAndrew (voiceover) – File 203.MP3**

|  |
| --- |
| Let’s simplify this – You may be most familiar with (Build 1) Passport Advantage. |
| Most of the business terms for software that runs on distributed servers are in the PA agreement, which is also called |
| the International Passport Advantage Agreement, or IPAA. |
| The PA agreement is tied to a foundational agreement, (Build 2) called the International Program |
| License Agreement, or IPLA. |
| But, if the IPLA and the PA have different contract terms for the same thing, PA wins the argument. |
| There is PA software that runs on both Distributed and System z servers. |
| Another agreement, (Build 3) the IBM Customer Agreement, or ICA, governs software that runs on System z, not Distributed. |
| The IPLA and ICA lay the ground rules. All other agreements add layering, depending on the type of software |
| [ END ] |

**Screen #: 15 of 87**

**Sheila McAndrew (onscreen) – File 209.MP4**

|  |
| --- |
| Three subject matter experts are also here to help you understand what you need to know about these agreements, |
| to build credibility with your Clients and answer their software licensing questions. |
| Throughout the module, if you need an acronym refresher, click on the link for a Glossary of Common Terms. |
| Let’s start with Passport Advantage, and I’ll turn it over to our SME, Scott Wallman. |
| [ END ] |

**Screen #: 16 of 87**

**Scott Wallman (onscreen) – File 211.MP4**

|  |
| --- |
| Thank you, Sheila! My name is Scott Wallman. |
| As a Consultant for the Passport Advantage global team, I have worked with hundreds of software Sellers and their Clients |
| on questions and issues about their distributed software products. |
| In this section on PA, I will share with you the more common questions I am asked and help you understand the answers |
| to them and how they apply to real Client situations. |
| [ END ] |

**Screen #: 17 of 87**

**Scott Wallman (onscreen) – File 212.MP4**

|  |
| --- |
| Passport Advantage is not a license, but a program used by IBM to license Distributed software. |
| It is not a program in the sense of downloading an application to your phone or desktop, |
| but a volume purchasing model. Think of it as a frequent buyers reward program... Passport Advantage offers better pricing |
| for volume purchases, over time. |
| The agreement that governs Passport Advantage software is the International Passport Advantage Agreement, or IPAA. |
| This agreement actually overrides, or supersedes some of the terms in the IPLA. IBM conducts compliance reviews |
| in order to verify the licenses a Client is currently using against those they originally purchased. |
| The terms of the compliance reviews are included in the PA agreement. |
| So, let’s see what Passport Advantage governs |
| and when you will use it. Click “Next” to find out! |
| [ END ] |

**Screen #: 18 of 87**

**Scott Wallman (voiceover) – File 245.MP3**

|  |
| --- |
| Software licensed under PA can run on multiple hardware platforms, including the mainframe. |
| However, the majority of licenses are sold for Distributed servers, mostly on a One-Time Charge, or OTC basis. |
| When software is sold through the PA program, the Client licenses the software using the IPLA. |
| PA defines program-specific terms for your Clients, which allow them to participate in volume pricing, |
| virtualization, Software S&S, Fixed-Term licenses, and more. |
| The final piece of the IPLA software package is the LI, or License Information, which sets out contract terms specific |
| to the individual product or offering being sold. Software licensed under PA is governed by all three agreements: |
| the IPLA, the PA and the LI. |
| [ END ] |

**Screen #: 19 of 87**

**Scott Wallman (onscreen) – File 248.MP4**

|  |
| --- |
| PA is used to introduce most new offerings in the marketplace – changing to meet our clients needs, particularly SaaS offerings. |
| Today, PA has expiring and non-expiring licenses: |
| With expiring licenses, Clients pay a one-time charge for fixed term licenses that expire at the end of their term. |
| With non-expiring licenses, Clients pay a one-time charge for the licenses and may use them indefinitely, |
| as long as they comply with the terms. |
| The PA software is licensed for use within the Enterprise, not to a specific machine. |
| The business environment and the rules for using software are constantly changing. |
| Passport Advantage is continually revised to keep pace with these changes. |
| This is why it is important to learn these basics now and know where to find the latest agreements |
| to monitor the changes for your software portfolio. |
| It's important you know when PA changes and understand those changes, so you can answer the questions your Client may have. |
| [ END ] |

**Screen #: 20 of 87**

**Scott Wallman (voiceover) – File 252.MP3**

|  |
| --- |
| With the PA program, Subscription & Support (also referred to as S&S) is included with the software license |
| purchase the first year, or for the duration of the license if it is a term license. |
| S&S is critical to your Client’s success and their satisfaction with IBM Software solutions. |
| It is one of the most cost-effective ways for your Client to ensure they have access |
| to the latest technology and support when they need it. |
| S&S must be renewed annually in order to remain current. If the Client chooses not to renew S&S they may still use |
| the software, but are not entitled to automatic upgrades or technical support. |
| Keep track of your Clients' S&S renewal dates. Making sure they renew each year gives you |
| a great opportunity to reach out to them. |
| [ END ] |

**Screen #: 21 of 87**

**Scott Wallman (voiceover) – File 257.MP3**

|  |
| --- |
| PA also governs Software-as-a-Service, or SaaS. SaaS is such a critical topic we have a complete |
| section later in this module to discuss the offering-specific documents and agreements. |
| For now, let me just explain that for SaaS, technical support is included in the service subscription. |
| PA also incorporates Appliances. |
| If the Client purchases an Appliance, PA includes both software and hardware support terms. |
| We will discuss Appliance S&S later in this module. |
| [ END ] |

**Screen #: 22 of 87**

**Scott Wallman (voiceover) – File 269.MP4**

|  |
| --- |
| I mentioned earlier that PA is a “volume-pricing model” – the more the Client purchases, the better the price. |
| Many software deals are proposed with a special bid, but this pricing model is the foundation for PA software. |
| The price is based on their “Relationship Suggested Volume Price, ” or RSVP level. |
| Do you know how that RSVP Level is determined? |
| Does the Client accept terms of the PA by signing it? |
| What determines the Client’s authorized level of use for a PA program license? |
| Let’s go find the latest PA agreement and answer these questions! |
| [ END ] |

**Screen #: 23 of 87**

**Scott Wallman (voiceover) – File 274.MP3**

|  |
| --- |
| Follow the instructions on the screen and don’t forget to save the url to the PA agreement which is provided. |
| You will use it often for your own information and to answer your Client’s questions. |
| Once you’ve downloaded the IPAA document, click “Next” to continue the “Go Find It!” challenge. |
| [ END ] |

**Screen #: 30 of 87**

**Scott Wallman (onscreen) - File 298.MP4**

|  |
| --- |
| How did you do? |
| Remember, you must be familiar with the basics of the licensing agreements so that you can answer your Client’s questions, |
| and truly be a consultant. |
| Click “Next” to listen to an interesting story from one of your peers on the importance of knowing how IBM Software is licensed. |
| [ END ] |

**Screen #: 31 of 87**

**Shari Aser (onscreen) – File 303.MP4**

|  |
| --- |
| Throughout my career – as an IM Sales Specialist, A Client Executive, a Software Sales Manager |
| and a Business Unit Executive – I cannot think of a time when having a clear understanding of software licensing |
| was NOT important – and, in all stages of the sales cycle! |
| Selling your clients the right entitlements will help them to receive value from their purchase as quickly as possible. |
| With the wrong entitlements, there may be the risk that they will be out of compliance with their usage, |
| which opens the door to them being dissatisfied with IBM. |
| Your knowledge of software licensing also helps you to sell against the competition. |
| If your competitor, licenses by user, and you can offer a different licensing model, having this knowledge |
| will help to differentiate your proposal. |
| Let me give you an example...We had a multi-national organization that had the potential of having hundreds of millions of people |
| go to their website to consume public information - they had no idea how many users there actually would be. |
| The seller initially developed a proposal based on the estimated number of users, which would never have been accepted |
| by the client because of the cost. |
| The seller was unaware that there were other options using a special bid, which helped create a competitive proposal |
| that ultimately won the business. |
| The starting point for you to bring this kind of value to your client is by having a strong foundation of knowledge |
| about how distributed software is licensed through Passport Advantage. |
| Take it from me, it WILL increase your ability to compete for the business. |
| [ END ] |

**Screen #: 32 of 87**

**Scott Wallman (onscreen) – File 307.MP4**

|  |
| --- |
| As an IBM Software Seller, it is your responsibility to be able to convey the basics |
| of software licensing to your Clients. |
| Communicate the value and advantages of our agreements to your Clients by remembering these 5 Key Points about PA: |
| First, PA is a world-wide program governed by a common set of terms and conditions and tools. |
| Second, PA is a volume-pricing program. The more your Client purchases, the better the pricing they receive. |
| Third, S&S is included in the first year with a distributed software license. They come together when the license |
| is purchased and cannot be separated. |
| Next -- In the distributed OTC model, licenses do not typically expire. Except for fixed term licenses, |
| your Client may use the license indefinitely, as long as they comply with the terms. |
| And finally, the license can be used by any entity within the Client's enterprise. |
| When you can communicate these 5 Key Points to your Clients, you will increase your credibility |
| and the speed to closure of your deals. |
| [ END ] |

**Screen #: 33 of 87**

**Scott Wallman (onscreen) – File 311.MP4**

|  |
| --- |
| To increase your knowledge and find out more about the PA program, click the links on this screen to: |
| Help your Client enroll in Passport Advantage |
| and Answer frequently-asked questions |
| [ END ] |

**Screen #: 34 of 87**

**2 Actors (voiceovers) – File 312.MP3**

|  |
| --- |
| [Seller] My Clients constantly have questions about Passport Advantage. |
| I really need to learn more about this. How? |
| [Manager] Start with the The Worldwide Passport Advantage page, |
| which provides worldwide scope of the PA program noting descriptions, Value Propositions, resources and tools. |
| In addition, each GEO has their own GEO specific PA page to answer your specific GEO questions. |
| There are a lot of great country resources you can access to help you better understand the GEO nuances. |
| Finally, see the specific Passport Advantage pages for your geography. |
| [Seller] Thanks! I'll do that. It will be a big help. |
| [ END ] |

**Screen #: 35 of 87**

**Scott Wallman (onscreen) – File 315.MP4**

|  |
| --- |
| All these great resources help you better understand Passport Advantage. |
| And, don’t forget to review the licensing documents, now that you’ve downloaded them. |
| We talked about the importance of SaaS. |
| Click “Next” to find out a little bit more about SaaS and Appliances. |
| [ END ] |

**Screen #: 36 of 87**

**Sheila McAndrew (onscreen) – File 316.MP4**

|  |
| --- |
| Thank you, Scott! Software-as-a-Service is critical to our Clients and to IBM. |
| It is important that you, as the software Seller, understand the basics of how SaaS is contracted |
| and to become familiar with those documents. |
| SaaS is a software delivery model that is managed and maintained in a cloud environment. |
| Clients access it as a service over the Internet. |
| SaaS is only provided for as long as the Client pays for it. |
| [ END ] |

**Screen #: 37 of 87**

**Sheila McAndrew (voiceover) – File 318.MP3**

|  |
| --- |
| There are two contracting options for SaaS: |
| The first is Passport Advantage, or PA |
| The second is Cloud Services Agreement, or CSA |
| The Passport Advantage agreement is broad and cover all distributed OTC software, Appliances and SaaS. |
| The Cloud Services Agreement is for Clients who purchase only SaaS. |
| It is a simpler, stand-alone alternative to the PA agreement. |
| The CSA is helpful when dealing with a “white space” Client – those doing business with IBM for the first time. |
| The CSA covers only SaaS and other cloud-based offerings, such as Cloud Services. |
| Some Clients prefer to use the CSA when they first start dealing with IBM and are only purchasing SaaS. |
| This way, they don’t need to work with contract language for offerings they’re not purchasing. |
| [ END ] |

**Screen #: 38 of 87**

**Sheila McAndrew (onscreen) – File 330.MP4**

|  |
| --- |
| Every software product or offering you sell has terms and conditions focused on only those offerings |
| being purchased by your Client, in addition to the PA or CSA. |
| For OTC software using IPLA, they are called “LI’s,” or “License Information.” |
| For SaaS using PA, they are called “TOU’s” or “Terms of Use.” |
| For SaaS using CSA, they are called “SD’s” or “Service Description.” |
| We will review the LIs later in the module and even have an exercise on finding them. |
| For SaaS, the ToU under Passport Advantage and the SD under the CSA, both convey the same general points, |
| but are formatted differently. |
| Click on the links to locate the CSA, ToU, or the Services Description for the SaaS offerings you are selling. |
| When you’re ready, click “Next” to learn about: Appliances. |
| [ END ] |

**Screen #: 39 of 87**

**Sheila McAndrew (voiceover) – File 337.MP3**

|  |
| --- |
| Some Appliances consist of only Software Programs and are called “Virtual” Appliances. |
| More commonly, though, an Appliance is made up of both Software and Hardware, |
| and these are called “Physical” Appliances. |
| They are “turnkey appliances” – the integration of the hardware and software is done at the factory, |
| and they are designed for quick and easy implementation and integration. |
| They help organizations turn the focus from the technology to what really matters—simplifying the implementation |
| Click “Next” and we’ll learn how contracts and Appliances intersect. |
| [ END ] |

**Screen #: 40 of 87**

**Sheila McAndrew (onscreen) – File 340.MP4**

|  |
| --- |
| The terms relating to Appliances, such as volume-pricing, are outlined in Passport Advantage. |
| We talked earlier about layering agreements. |
| There are several layers governing Appliances. |
| The Program itself is licensed under the IPLA. The hardwar component – the machine -- is covered by language |
| in Passport Advantage that was essentially cut and pasted from the ICA. |
| We have Clients who have purchased from IBM under both the ICA and IPLA. |
| This hardware language in the Passport Advantage Agreement offers them some consistency. |
| For greater detail regarding Appliance Services, take a look at the Appliance Support Handbook |
| – it provides valuable information. Click on the link to access it. |
| [ END ] |

**Screen #: 41 of 87**

**Sheila McAndrew (voiceover) – File 345.MP3**

|  |
| --- |
| We’ve covered the Programs and Hardware that make up Appliances, and told you about the Appliance Support Handbook. |
| Now, let’s talk a bit more about upgrades and support. “Appliance Services” is S&S AND hardware maintenance |
| in a single offering sold under a single part number. |
| Like traditional S&S, Appliance Services is renewed on an annual basis. Remember the importance of S&S |
| – your Client receives both the latest technology and technical support. |
| As a Seller, don’t miss the opportunity to renew that contract! |
| [ END ] |

**Screen #: 42 of 87**

**Sheila McAndrew (onscreen) – File 94.MP4**

|  |
| --- |
| We’ve finished the first part of software licensing, Passport Advantage, which covers: |
| Distributed OTC software, |
| SaaS, and |
| Appliances |
| Let’s now go to David Chase, who will continue with System z software licensing. |
| [ END ] |

**Screen #: 43 of 87**

**David Chase (onscreen) – File 143.MP4**

|  |
| --- |
| Thank you, Sheila! My name is David Chase and I am the Worldwide System z Software Licensing consultant for IBM. |
| I have delivered hundreds of seminars to thousands of IBM Sellers, executives, Managers, Business Partners, and Clients. |
| When there is a new software offering, I am the person to help unite the business intent with the contracts. |
| I get many questions every day, from all over the world, about licensing software for System z. |
| Whether simple or complex, I rely on the knowledge of the foundational software licensing agreements |
| and knowing where to go for answers. Let’s start with the basics. |
| [ END ] |

**Screen #: 44 of 87**

**David Chase (voiceover) – File 144.MP3**

|  |
| --- |
| We will start with the area that Scott and Sheila covered: Passport Advantage. There is PA software that runs |
| on Linux on System z. It is governed by the same agreements as it is on Distributed servers: |
| The IPLA foundational agreement, |
| Passport Advantage, and |
| The LI, or License Information for a particular product or offering |
| The S&S is handled the same – included in the 1st year and renewed annually. |
| The software is licensed to an enterprise, not to a specific machine, and can be used within the enterprise. |
| [ END ] |

**Screen #: 45 of 87**

**David Chase (voiceover) - File 151.mp3**

|  |
| --- |
| System z also has software governed only by the IPLA and the LIs, but not Passport Advantage. |
| Clients are billed a One-Time Charge, or OTC, for the right to use the software up to the purchased entitlement level. |
| For IPLA software that only runs on System z, we sometimes refer to it as “zOTC.” |
| This license never expires and is also not licensed to a specific machine. Clients are allowed to move their IPLA |
| entitlements within their enterprise. zOTC software uses a different contract to receive software |
| updates and technical support – the International Agreement for Acquisition of Software Maintenance, |
| or IAASM, not the PA. This agreement is more commonly referred to as the S&S contract. |
| Clients have the option of paying an annual fee for S&S – the 1st year’s S&S is not included with the OTC, |
| like it is with Distributed. |
| If they stop paying the annual fee, they may still use the software, but can no longer receive support |
| or future releases and version upgrades. |
| This is an excellent opportunity for you to go back to your Client and discuss the value of renewing. |
| Like with S&S on distributed servers, our top Sellers engage in the zOTC S&S discussions 6 months in advance, |
| to review the IBM value and ensure that their Clients renew. |
| [ END ] |

**Screen #: 46 of 87**

**David Chase (voiceover) – File 162.MP3**

|  |
| --- |
| Another agreement used for System z software is the IBM Customer Agreement, commonly referred to as the ICA. |
| Under the ICA, your System z Clients in most of the world pay a Monthly License Charge, or MLC. |
| The MLC is the fee that allows the Client to use the software on a specific designated machine for one month. |
| Each MLC license is renewed automatically the following month. |
| MLC software is not licensed to the enterprise like IPLA and PA software. |
| MLC software is tied to a particular machine. |
| The MLC fee is typically based on monthly usage. |
| If the Client stops paying the monthly charge, the software must be deleted from their system. |
| [ END ] |

**Screen #: 47 of 87**

**David Chase (voiceover) – File 163.MP3**

|  |
| --- |
| The MLC fee also gives your Client the right to call the IBM Support Center to receive technical assistance |
| Even if IBM eventually withdraws support because a newer version is available, the MLC must be paid |
| as long as your Client uses the program. |
| Help your Clients keep current on the latest versions of MLC software so they have access to technical support |
| and can take advantage of the latest features. |
| This description of ICA software fits the majority of our System z Clients worldwide. |
| There are exceptions for some Asia Pacific countries, such as China. |
| Click on the “Exceptions” link to learn more about these “Exceptions” and contact your local licensing specialist. |
| [ END ] |

**Screen #: 48 of 87**

**David Chase (onscreen) – File 167.MP4**

|  |
| --- |
| Now that you know what these agreements are, do you know how to find them? |
| To build credibility and trust between you and your Client, you must know how to find license agreements |
| and locate pertinent information. Click Next to learn how to find the IPLA. |
| [ END ] |

**Screen #: 49 of 87**

**David Chase (voiceover) – File 171.MP3**

|  |
| --- |
| Start by typing “IBM Software License Agreements” into Google or go directly to the URL you see on the screen. |
| Save the link to this page and share it with your Clients. |
| You will find the latest version of many software license agreements you need through this site. |
| Follow the instructions on the screen to reach the two access pages and to download the IPLA. |
| [ END ] |

**Screen #: 50 of 87**

**David Chase (voiceover) – File 174.MP4**

|  |
| --- |
| Now you know how to find the IPLA. What can you learn from it? |
| Common questions that Sellers get asked are: |
| What determines our authorized level of use? |
| Whose responsibility is it to verify compliance? |
| Can you answer these questions? The Go Find It! Challenge will show you how. Click “Next” to start the Challenge. |
| [ END ] |

**Screen #: 55 of 87**

**David Chase (onscreen) – File 184.MP4**

|  |
| --- |
| How did you do? |
| Your key take-away should be that the licensing agreements are available to you and your Clients, and the answers |
| to your Client questions are in the agreements. |
| You need to become familiar with the terms and conditions of the software agreements for the products you sell. |
| But remember, you are not alone. |
| There are people, like me, who deal with contracts on a daily basis, such as Dealmakers, |
| the Software License Management Team, and the IBM Legal Staff. |
| Always feel free to contact us with your questions. |
| If you primarily sell System z software, there is another layer of knowledge you may need. |
| Click “Next” to see if you relate to the following scenario. |
| [ END ] |

**Screen #: 56 of 87**

**2 Actors (voiceovers) – File 192.MP3**

|  |
| --- |
| [Seller] I have other questions about System z Software Licensing. |
| Where I can I go to learn more, so that I can be better prepared for questions from my mainframe Clients? |
| [Manager] Start with the IBM System z Software Pricing Reference Guide. |
| It provides information on the agreements and licensing payment plans, and defines the acronyms |
| for the various software pricing metrics. |
| Then, take the Introduction to Contracts for System z Software self-study course, |
| which introduces the three basic contracts for System z. |
| [Seller] That's great, thanks. But, what if I'm with a Client, and they ask something I can't answer? |
| [Manager] Again, start with the IBM System z Software Pricing Reference Guide. |
| Then look at the System z Software Pricing website; it will provide most of the answers you'll need. |
| [ END ] |

**Screen #: 57 of 87**

**David Chase (onscreen) – File 198.MP4**

|  |
| --- |
| There is a lot of useful information on the System z Software pricing web pages at the link provided. |
| You can also view a series of System z Software Licensing Educational webcast recordings at the 2nd link. |
| Click “Next” to hear from a top software sales leader on how this knowledge has helped him with his Clients, |
| who have both System z and Distributed software in their accounts. |
| [ END ] |

**Screen #: 58 of 87**

**Raj Datta (onscreen) – File 233.MP4**

|  |
| --- |
| Having started my career in services, followed by STG and Software Group, licensing did not come naturally to me. |
| I was not familiar with terms and acronyms that even many of my clients already knew. |
| I began my Software Group career in System z software sales and immediately realized that knowing only bits and pieces |
| of IBM's licensing methodology would not be good enough --if I wanted to be viewed as a solution provider to my client, |
| versus just another "sales guy". |
| I remember... at one client, we did not have an SCL on the account, and the client expected me to know both the System z |
| AND distributed software licensing components. |
| Wanting to make myself the face of IBM to the client, |
| I spent a lot of time with our deal makers learning pricing, terms, and creative deal structures. |
| Once I strengthened my software licensing knowledge, |
| I was able to develop a trusted advisor |
| relationship with the client. |
| Eventually we grew an account that used to buy "one off" licenses (via credit card!), to an ELA account |
| that has become one of our premier Software clients. |
| Your ability to have a meaningful software contract discussion with your client |
| is not an option, but rather, it is essential to your success. |
| Once you have the basics down, you then have the foundation |
| to build upon them and to realize the same benefits that I've seen both as a seller and as a manager at IBM. |
| Becoming proficient in the knowledge of software licensing agreements, |
| is well worth your effort. |
| [ END ] |

**Screen #: 59 of 87**

**David Chase (voiceover) – File 235.MP4**

|  |
| --- |
| As you just heard, you’ll want to learn the basics and know where to find more information. |
| The time you spend will pay major dividends in positioning yourself as a consultant with your clients, |
| and help to promote successful deals. |
| We’ve talked about how the products are licensed and about Subscription and Support. |
| Now, let’s look more closely into S&S, with our subject matter expert, Martin Hewitt. |
| [ END ] |

**Screen #: 60 of 87**

**Martin Hewitt (onscreen) – File 237.MP4**

|  |
| --- |
| Thank you, David! My name is Martin Hewitt. |
| Being part of the global Subscription & Support community for many years, my role in Strategic Subscription and Support |
| Sales centers around working with Client Teams and Clients to help them better understand |
| the value they receive from S&S. |
| As Sheila said at the beginning of this module, the provision of S&S is among the terms in a licensing agreement, |
| and it’s an important part of your sales process. |
| S&S comes as a single offering, but provides two very different benefits for your Client. |
| Except for zOTC software, S&S is included with the initial distributed license in year one. |
| After that, it’s an optional annual renewal for your Client. |
| Let’s talk about what that means to both your Clients and you. |
| [ END ] |

**Screen #: 61 of 87**

**Martin Hewitt (onscreen) – File 239.MP4**

|  |
| --- |
| Why is Software Subscription and Support important to your Clients? |
| It provides a continuous value: |
| S&S is one of the most cost-effective ways for your Client’s business to ensure that they have |
| access to the latest technology. |
| It’s a comprehensive product upgrade and Technical Support offering that is renewable. |
| S&S allows the Client to choose when to take advantage of the offerings in S&S and gives them the opportunity |
| to maintain a healthy current environment on their timetable. |
| I strongly recommend your Client renew their S&S annually to assure they can take full advantage |
| of the latest technology and support. |
| Let’s discuss each component individually – SUBSCRIPTION, and then SUPPORT. |
| Click “Next” to learn about SUBSCRIPTION |
| [ END ] |

**Screen #: 62 of 87**

**Martin Hewitt (onscreen) – File 241.MP4**

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| --- |
| With Subscription, you need to understand and communicate the following three benefits for your Clients: |
| Access to Software Updates |
| Product Notifications |
| And Announcements & News |
| First, Access to Software Updates: |
| Your Clients receive access to new, generally available releases and versions of their licensed software. |
| These versions and releases include the latest features and functions that contain new fixes |
| and improved security features. |
| Next, Product Notifications - Your Clients have the option to receive product notifications when new releases |
| and versions become available. And finally, Announcements &News - The My Notifications |
| service allows your Clients to receive customized daily or weekly announcements through e-mail, |
| custom Web pages and RSS feeds. These may contain important news, and new or updated support content such as |
| publications, hints and tips, technical notes, product flashes, and downloads and drivers. |
| [ END ] |

**Screen #: 63 of 87**

**Martin Hewitt (onscreen) – File 247.MP4**

|  |
| --- |
| Now, let’s examine Support. |
| Technical support is a critical part of the value we bring to our Clients. It includes: |
| Access to support 24 x 7 |
| Rapid response to Severity 1 issues |
| Help with deployments, migrations and code questions |
| As a worldwide company, we offer support in 140 languages around the globe. |
| Support can be accessed several different ways: |
| \*First, the IBM Support Portal on the web. |
| This provides information on basic support so that your Clients can help themselves. |
| It includes activities like finding the right product information, troubleshooting ideas, and help to determine |
| how to prevent problems and download fixes. |
| \*Another resource is the online Software Support Handbook, which includes: |
| \*An introduction to IBM Software Support, and |
| \*A guide on how to access the different types of support IBM offers, including electronic and voice support. |
| Check out more in the IBM Support Portal from the link onscreen. |
| That’s why S&S is important to your Clients. |
| Why is it important for you? |
| [ END ] |

**Screen #: 64 of 87**

**Martin Hewitt (onscreen) – File 250.MP4**

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| --- |
| S&S is a vital part of your sales process. |
| Once you have made the sale, it’s important that your Client deploys and uses that software to ensure |
| they get the most out of their investment. |
| Here are some of the benefits for you, the IBM Software Seller: |
| \*You can assure your Client of a low-cost way to upgrade their software over time. |
| \*When software is deployed at the latest version, Clients maximize its value |
| and competition will have a tougher time competing against you. |
| \*It is easier to sell to an existing satisfied Client than a new Client, and S&S is an integral part of Client satisfaction. |
| \*Since S&S is renewed annually, it gives you a reason to call on your Client. |
| You can discuss new sales opportunities that build on top of what they have installed, creating a solid |
| install base and larger S&S renewals in the future. |
| If your Client does not renew their S&S, you will need to sell five times more new license revenue |
| to make up for the lost S&S stream. |
| Let’s hear from a top Seller about how their view change from dreading the S&S discussion to welcoming it. |
| [ END ] |

**Screen #: 65 of 87**

**William Lopez (onscreen) – File 255.MP4**

|  |
| --- |
| Saludos! I remember starting out as a new software seller with a shiny used laptop |
| and a keen focus for winning new license revenue. |
| It seemed that challenges were always coming from my clients regarding the value and benefits versus the cost |
| for Renewals, Subscription & Support. |
| I used to hope the topic of S&S would not come up while I was trying to sell our software. |
| I thought: Perhaps I can sell now and defer that S&S until next year. |
| Over time, I realized that the most knowledgeable |
| customers I had were those who knew the value of using their subscription and support services. |
| One of my customers, a Regional Hospital, knew that S&S could significantly |
| affect a life, protect a patient record, a doctor's ability to diagnose and prescribe, or an organization’s ability |
| to disburse and receive payments. You may ask: S&S?? |
| How can this be? |
| Well, think about the technologies with software that support our interactions through patient care. |
| What if the technology support was interrupted at a critical point in time? |
| I'll pray that it never happens. |
| I also discovered how S&S helped me elevate the deal conversation to higher levels in the hospital’s organization. |
| I asked: Who needs to know how much money is spent for IT? |
| After I answered that... |
| I quickly asked: |
| Who else?? |
| Now, I'm communicating with the person and groups who control the Finances, |
| Budgets, Emergency / Contingency Funds. |
| They care about mitigating RISK!!! |
| They understand the benefits of S&S. |
| I'm proud of IBM’s commitment to S&S for its Software products and I don't avoid discussions about S&S. |
| I believe some customers may still challenge me; but I think it's a great conversation starter. |
| The conversation will definitely demonstrate a deep commitment to the client, and open the way |
| for them to see that S&S can be an integral part of a plan to reduce their Total Cost of Ownership. |
| So don’t avoid S&S; it will help you sell! |
| [ END ] |

**Screen #: 66 of 87**

**Martin Hewitt (voiceover) – File 261.MP3**

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| --- |
| Let’s review the basics you need to know about our S&S offering: |
| \*With Distributed software, S&S is included with the licensing fee in year 1, and available as an option |
| in subsequent years, renewed annually. |
| \*With SaaS, Support is provided via the SaaS agreement and billed when the agreement renews. |
| \*Now, look at Appliances – |
| Software-only appliances, or “virtual” appliances, include S&S in the original sales price and is renewable annually. |
| Physical appliances, the combination of hardware and software, come with a 365-day warranty |
| on the package and are renewable annually. |
| \*With zOTC, S&S is renewed on an annual basis with an annual fee, but S&S is optional for System zOTC software |
| \*And, what about System z MLC? |
| There is no S&S per se for MLC software. |
| Support is included with the Monthly License Charge for as long as IBM supports that particular version. |
| If the Client stops paying the fee, the software must be deleted and support ceases. |
| [ END ] |

**Screen #: 67 of 87**

**2 Actors (voiceover) – File 271.MP3**

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| --- |
| [Seller] You've helped me with where to go for more information on licensing products. |
| Now, where do I go for more information on S&S? |
| [Manager]: Go to the IBM Support Portal. |
| There you can find information on Electronic Support, the IBM Support Handbook, |
| and more information on IBM Subscription and Support in general. |
| Keep these urls bookmarked so you can share them with your Client and quickly respond to questions. |
| [ END ] |

**Screen #: 68 of 87**

**Martin Hewitt (onscreen) – File 275.MP4**

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| --- |
| Remember, there are a wide variety of resources available to help you stay well-informed on IBM Subscription and Support. |
| For you to be the respected advisor your Clients want you to be, and to assure that both you and your Client enjoy |
| the full advantage of our unique IBM products and services, S&S must be a part of every sales discussion you have. |
| Sheila, back to you! |
| [ END ] |

**Screen #: 69 of 87**

**Sheila McAndrew (voiceover) - File 277.MP4**

|  |
| --- |
| Thank you, Martin! |
| Now we have an important exercise to continue building the skills you need for your Clients to help them with questions |
| about your software brand, your portfolio of products, the products you sell as a software sales specialist. |
| I am talking about the License Information, or LI, which govern the use of a specific IPLA software product. |
| You can find them at the URL provided on the screen. |
| Click “Next” to see an example of how you can use the LIs for your Clients. |
| [ END ] |

**Screen #: 70 of 87**

**Sheila McAndrew (onscreen) – File 279.MP4**

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| --- |
| Let’s start with an example of how you would use the License Information in your sales role. |
| Now, imagine that you have a Client who has purchased the product Cognos Insight, an analytics reporting tool. |
| The Client says to you, “I have ten analysts in a department running reports, but only half of them |
| are ever on the system at the same time. |
| So, I only need to purchase 5 licenses, correct?” |
| You can answer your Client’s question by reading the License Information for Cognos Insight. |
| Let’s see how. |
| [ END ] |

**Screen #: 71 of 87**

**Sheila McAndrew (voiceover) – File 286.MP3**

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| How would you respond to your Client’s question? Follow the instructions on the screen. |
| Here are a few things to remember: |
| You want to make sure you always find the correct edition of the software-- in order to answer the client’s question accurately |
| -- because there are many LI’s for the same product – different editions, different versions. |
| In our example of Cognos Insight, there is a “Personal” Edition and a “Standard” Edition. |
| As a Cognos Seller, you would know that… |
| \*The IBM Cognos Insight “Personal” Edition is a data analysis and visualization product for personal use, and that… |
| \*The IBM Cognos Insight “Standard” Edition enables the Client to share its insights with others |
| and import data from multiple sources. |
| It’s also important to remember that the License Information documents are sometimes updated between releases. |
| Make sure you have the information for the version and release that your Client is using |
| – in this case, it would be version 10, release 2.1. |
| So, for our client, we will look up the Standard Edition, v10.2.1 |
| [ END ] |

**Screen #: 72 of 87**

**Sheila McAndrew (voiceover) – File 289.MP3**

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| --- |
| So, how would you answer your Client’s question? |
| “I have ten analysts in a department running reports, but only half of them are ever on the system at the same time. |
| So, I only need to purchase 5 licenses, correct?” |
| Do they need 5 or 10 license entitlements? |
| According to the License Information, your Client needs to purchase a separate license entitlement for each authorized user. |
| So, you would need 10, not 5. Use the same steps to find LIs for the products that you sell. |
| If you need help, come back to the module. |
| [ END ] |

**Screen #: 73 of 87**

**Sheila McAndrew (onscreen) – File 294.MP4**

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| --- |
| You’ve learned a lot about software licensing in a short amount of time. |
| So, now you know how to find the key documents that govern your Clients’ use of IBM Software. |
| We’ve shown you how to find the answers to several commonly asked questions in the agreements, and we’ve told you |
| how to find the Licensing Information for your individual Clients. |
| Now, let’s put it all together with a final activity. |
| [ END ] |

**Screen #: 74 of 87**

**Sheila McAndrew (voiceover) – File 296.MP3**

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| --- |
| Do you think you’ve learned licensing basics? Let’s see! |
| Check out your knowledge on OTC vs MLC, license offerings, and product-specific license offerings. |
| Follow the instructions on the screen to complete each challenge in the Summary Activity. |
| We’ll review the correct answers after each one. |
| [ END ] |

**Screen #: 76 of 87**

**Sheila McAndrew (voiceover) - File 304.MP3**

|  |
| --- |
| How did you do with MLC and OTC? |
| Let’s review characteristics for each: |
| This MLC software is licensed under the ICA using a monthly license which automatically renews. |
| Support comes with the license; if the Client stops paying, the license expires and the software must be deleted. |
| MLC software is licensed to a specific-designated machine |
| OTC software is licensed through a non-expiring license for which Clients pay a one-time charge. |
| The S&S must be renewed annually – take advantage of that opportunity! |
| OTC software is licensed to the enterprise, and not to a specific machine. |
| Now, challenge yourself on understanding our offerings, Distributed, SaaS, and system z. |
| [ END ] |

**Screen #: 78 of 87**

**Sheila McAndrew (voiceover) – File 322.MP3**

|  |
| --- |
| How did you do with the agreements governing each offering? |
| Distributed software is governed by the IPLA and PA |
| SaaS may be governed by either PA or the CSA. |
| The Cloud Services Agreement applies only to SaaS |
| System z software is typically purchased on an MLC basis if governed by the ICA, |
| or on an OTC basis if governed by the IPLA |
| Although it was not included in the Challenge, remember that Appliances are upgraded and supported through PA |
| For our final challenge, let’s look at several of the specific agreements. |
| [ END ] |

**Screen #: 80 of 87**

**Sheila McAndrew (voiceover) – File 325.MP3**

|  |
| --- |
| How did you do with these three agreements? |
| PA is a volume-pricing model that determines what the Client will pay |
| The IPLA and LIs govern both distributed and zOTC software |
| And, the ICA governs System z software sold on an MLC basis. |
| I’ll bet you did a great job with each of these challenges! |
| [ END ] |

**Screen #: 81 of 87**

**Sheila McAndrew (onscreen) – File 327.MP4**

|  |
| --- |
| I hope you realize that knowing the basics of licensing is not only your responsibility, |
| but it can help you be that consultant your client needs. |
| Let’s hear from one of your peers about how your knowledge of software licensing makes a difference with your clients. |
| [ END ] |

**Screen #: 82 of 87**

**Nancy Fehrenbacher (onscreen) – File 328.MP4**

|  |
| --- |
| I have worked for more years than I can count, in probably the two most important areas for you, the software seller: |
| As a Deal Maker, I have helped shape and close some of the largest deals in Software Group, and As a Software Licensing Manager, |
| I work on our clients' compliance with our licensing agreements. |
| In fact, I dealt with a client during a Software License Review, who had almost the same scenario |
| as the LI exercise you just went through. |
| They had a Cognos product for over 10 years going back prior to the IBM acquisition. |
| The client thought they were licensed for concurrent users but after locating the original contract, |
| it was determined they had named users and needed a license for every user. |
| I've seen it from both ends of the sales process – for example, from the excitement of closing a new deal with a current client, |
| to having a deal delay because the client has just experienced a difficult compliance review. |
| I know the topic of software licensing can seem complicated at first, but it’s worth your time and effort to know |
| where to find the licensing information and how to guide your clients. |
| My observation......is that deals we close with sellers knowledgeable of their licensing agreements, we close sooner. |
| In addition, the clients who have sellers who help them understand their purchase, |
| have less issues with the review process and are more satisfied when selected for an IBM license review. |
| YOU make a big difference to your clients! |
| [ END ] |

**Screen #: 83 of 87**

**Sheila McAndrew (onscreen) – File 334.MP4**

|  |
| --- |
| So, do you now feel smarter about software licensing? You should! |
| Now you know: The differences in licensing between Distributed and System z software |
| The importance of the Passport Advantage program and its associated licenses |
| How SaaS and Appliances fit into the package and what governs them. |
| The importance of S&S and how it is sold with each product. |
| For a brief review of the key points of licensing, click the link on the screen. |
| Congratulations on finishing the SWG Licensing Module! |
| [ END ] |