

SQL Server Licensing Perils: Free and Paid Components

By Christopher Barnett

Correct licensing for Microsoft SQL Server database software can be a complex undertaking, and in light of the prices charged for certain kinds of SQL Server licenses, it also is an undertaking where mistakes can be extremely costly.

SQL Server actually is a package of various software components with different functions in creating and managing a SQL database, so one of the more challenging aspects of analyzing SQL Server license obligations is determining how many licensable SQL Server instances are installed on company computers. Some of those components can be installed, effectively, on an unlimited number of network computers, provided that the core components are correctly licensed. Those “free” components include:

- Business Intelligence Development Studio
- Client Tools Backward Compatibility
- Client Tools Connectivity
- Client Tools SDK Management Tools - Basic
- Management Tools - Complete
- SQL Client Connectivity SDK
- Microsoft Sync Framework
- SQL Server 2008 R2 Books Online

However, the core components of SQL Server – the Database Engine and the Reporting, Integration and Analysis Services – all require separate licensing. This means that if a company wants to separate the core SQL Server components across several different servers (for security or workload-distribution reasons, for example), then it must purchase the same number of SQL Server licenses that it would need to purchase if it were deploying all of the core components on each of those machines. Those licensing costs can add up very quickly (per-processor licenses for certain editions of SQL Server can cost between \$25,000 and \$50,000 per physical processor that is activated on the servers where the software is installed).

Complicating matters is the fact that some automated software-inventory products sometimes report the “free” SQL Server tools and the “paid” SQL Server components the same way. That can lead the users of those inventory products to believe that the number of SQL Server product installations for which they need to purchase licenses is lower than it really is, resulting in a licensing gap and potential audit-related exposure.

Businesses with questions about licensing for SQL Server and other costly, mission-critical software owe it to themselves to discuss their requirements with knowledgeable licensing counsel before proceeding with license purchases that may be either inadequate, in terms of quantities acquired, or incorrect, in terms of product versions, editions and license types included in a purchase order.



About the author Christopher Barnett:

Christopher represents clients in a variety of business, intellectual property and IT-related contexts, with matters involving trademark registration and enforcement, software and licensing disputes and litigation, and mergers, divestments and service transactions. Christopher’s practice includes substantial attention to concerns faced by media & technology companies and to disputes involving new media, especially the fast-evolving content on the Internet.

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