

## [Microsoft Enterprise Agreement – Understanding Qualified Desktops and Users](#)

By Andrew Martin

Software licensing for medium to large companies is complicated. Not only are the software license agreements often hard to read and understand, but the terms frequently change with little notification to the user. Deploying software across an entire enterprise, therefore, can be exceedingly complex, and it requires both technical expertise and a thorough understanding of the practical application of the terms and conditions of the licenses. Many organizations, relying on their senior IT professional to make software purchasing recommendations, fail to submit the licensing agreements to legal review. For those that do submit the licenses to legal, the lawyers reading the agreements often will understand the typical contract language—the indemnities and limitations of liabilities of the world—but they often will not fully appreciate the practical effect of the license on implementation, deployment, and compliance. Over the coming weeks, I will use Microsoft’s volume licensing agreements as an example to highlight some of the legal and practical issues arising from enterprise-level software licensing agreements—issues that affect how companies deploy software, develop and test software solutions, report usage, design data centers, etc.

To ease some of the pain of licensing software for large organizations, Microsoft developed the Enterprise Agreement (“EA”). At its core, the Microsoft EA was created to standardize licensing across all of an organization’s PCs. It accomplishes this by forcing the company to purchase a pre-defined bundle of software titles, the “Desktop Platform,” for each desktop or user considered “qualified” under the agreement. These bundles include a Microsoft operating system, an Office Suite (Professional or Enterprise), and a Client Access License Suite (Core CAL or Enterprise CAL).

Under the standard EA, Qualified Desktops are all desktop computers owned by the company. Another option is to license not by desktop, but by user. Qualified Users are defined as any user that accesses any of the organization’s server software or online services. This means that every desktop (or user) within an organization must be licensed for one of the pre-defined bundles.

Unfortunately, sometimes organizations get into these agreements without fully appreciating what this means to their organization. Many companies have different classes of users—some require the full Office Suite to perform their job tasks, while others may only need intermittent access to e-mail or Word. The standard flavor of EA would roll-out the same desktop platform to every qualified user or desktop; resulting in dramatically underutilized software deployments. With careful evaluation of internal needs along with a heavily negotiated EA, organizations can avoid these overdeployments and can more successfully take advantage of the discounts and licensing efficiencies originally offered by the EA.



### **About the author Andrew Martin:**

As an associate attorney with extensive prior experience advising information technology start-ups, Andrew’s practice focuses on finding solutions for his clients’ intellectual property issues. Due to his extensive experience in the software and technology industries, Andrew understands both the practical and legal issues involved in IP licensing agreements and disputes. In addition to licensing, Andrew helps his clients find new ways to use existing technologies to assist his clients in areas such as data privacy compliance. Andrew uses his diverse background which includes founding a record label and working for a world-wide concert promoter when counseling the firm’s entertainment clients.

Get in touch: [amartin@scottandscottllp.com](mailto:amartin@scottandscottllp.com) | 800.596.6176