

Corporate Compliance with Licensing Requirements

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Software and technology licensing fees are often tied to the number of users or devices that access an application or database. More users, or more devices, will often mean higher licensing fees.

The terms and conditions of the license agreement should specify how licensing fees work with respect to the products and programs your company uses. It's important to remember that licensing structures and their associated fees are often the primary means by which software and technology suppliers generate revenue and get paid for their products.

But in this ever-connected world, where employees often use multiple devices (desktop/mobile/tablet) to access licensed programs, it can sometimes be difficult to match company use to license terms and make sure that the organization is not exceeding permitted users/devices specified in the license agreement.

That's why it's crucial to review corporate technology licenses and stay compliant to avoid the risk of litigation, fines and/or penalties that may result if your company use exceeds the limits agreed to. This is especially true with respect to the increasing number of mobile devices that companies now rely upon.

For example, as noted in a recent [article](#) in the Memphis Business Journal, Microsoft's Email server product, Microsoft Exchange Server, may under some guidelines require a company to acquire a separate license for each device that accesses it. And the Microsoft SQL Server may require a separate license for a device to access information and a separate license for database system.

Often, problems arise because a company adds new employees or authorizes additional devices for access to company applications and systems without thinking about limits that exist in the license agreements that exists for such applications and systems.

It is, therefore, crucial that responsible personnel review and communicate license limits that apply when technology is first acquired, and that procedures be established to monitor and audit use on a regular basis to ensure continued compliance so that suppliers can be contacted to discuss additional licenses when needed.

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