

Autodesk Follows Adobe's Shift to Subscription Only Cloud Offerings By Christopher Barnett

In May 2013, Adobe announced that CS6 would be the last version of its Creative Suite software product line that would be available under traditional, stand-alone, perpetual licenses. Instead, all releases of Creative Suite products since then have been available exclusively through Adobe's Creative Cloud solution, with users paying a monthly subscription fee to access Creative Suite products.

Being as much a fan of recurring revenue as Adobe, and hot on the heels of its recent decision to terminate perpetual license <u>upgrades</u>, it appears that Autodesk will be pursuing a similar tactic for future releases of its commercial computer-aided-design programs. On February 4, 2015 Autodesk <u>announced</u> that "new commercial seats of most standalone desktop software products will be available only by Desktop Subscription beginning February 1, 2016." As with Adobe's Creative Cloud, the Autodesk <u>Desktop Subscription</u> software will be downloaded to and run on local computers, rather than hosted over the Internet. The software will remain functional as long as the subscriptions remain valid and paid.

In taking away perpetual licenses as an option for its customers, Autodesk once again has blamed the victim and has alleged that it is a change those customers demanded:

"How the world is designed and made is changing, and how software is delivered is changing as well. The companies that embrace these changes will lead their industries toward a more nimble, connected and richer future," said Andrew Anagnost, Autodesk senior vice president of Industry Strategy & Marketing. "Our customers have long asked for greater flexibility and more value from their software investments. The shift to subscription allows Autodesk to deliver both, as well as an improved user experience and easier access to a broader portfolio of technology."

In my experience, software licensees actually tend to prefer having more options, rather than fewer options, especially when they may prefer for financial reasons to avoid additional, recurring IT costs.

That said, the move to cloud-based subscription licensing seems to be gathering steam. With Autodesk and Adobe now having announced (or implemented) the transition of their most popular product lines to that model, it may be only a matter of time before Microsoft pulls the plug on desktop licensing for Office products in favor of focusing on Office 365. Time will tell.



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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