

The Small/Medium Business (SMB) Essential Guide to Licensing Microsoft Office 365™



Today, SMBs are working differently, leveraging cloud and mobile technology to improve efficiency, productivity, flexibility and create a competitive advantage. They need easy and affordable solutions that enable their employees to work from multiple locations and on multiple devices.

Many SMBs are harnessing the power of cloud services like Office 365 to propel their business forward. If you too are planning a move to Office 365, you likely have questions about choosing the right product offering and licensing model for your business.

This guide will walk you through the options best suited for SMBs, and includes information on the licensing programs and key considerations.

1 GETTING STARTED: WHAT ARE THE PRODUCT OFFERINGS AVAILABLE?

There are three Office 365 plans designed and available to meet the needs of SMBs (customers approximately <250 employees). These new plans provide the applications and services SMBs need to be productive and successful. They offer greater flexibility, with the ability to mix and match plans to meet specific employees' needs.

The Office 365 plans for SMBs include:

Office 365 Business: The full Office applications—Microsoft Outlook, Word, Excel, PowerPoint, OneNote, Publisher and OneDrive for Business cloud storage, which makes it easy to access, edit and share your documents across your Windows PC, Mac, iPad, Windows tablet and smartphone.

Office 365 Business Essentials: The core cloud services for running your business—business class email and calendaring, Office Online, online meetings, IM, video conferencing, cloud storage and file sharing and much more.

Office 365 Business Premium: Get everything from both the Office 365 Business and Business Essentials plans.

		Business	Business Essentials	Business Premium
Core Details	Price per user per month \$USD (with annual commitment)	\$8.25	\$5	\$12.5
	Seat Cap	300 (for each plan)		
Office Applications	Word, Excel, PowerPoint, Outlook, OneNote, Publisher	•		•
	Install Office desktop applications on up to 5 Windows PCs or Macs	•		•
	Access to core Office apps and documents from all major smartphones, Windows tablets and iPad	•		•
	Office Online – online versions of Word, Excel, PowerPoint and OneNote for collaborating on documents	•	•	•
Standard Services	OneDrive for Business – 1TB personal online document storage & access on PCs, smartphones and tablets	•	•	•
	Email – 50 GB email, contacts, shared calendars (Exchange)		•	•
	Online meetings – Web conferencing, IM, video, presence (Lync)		•	•
	Sites – Team collaboration & internal portals, public website (SharePoint)		•	•
	Private social networking (Yammer)		•	•
Other value	99.9% financially-backed uptime guarantee	•	•	•
	24/7 phone support from Microsoft for critical issues	•	•	•
	On-premises Active Directory synchronization for single sign on	•	•	•

These new plans have been specifically designed for SMBs at a price point that makes Office 365 an easy decision.

2 HOW TO LICENSE OFFICE 365

Open Business License Program

For SMB customers, Office 365 can be licensed through an Open Business Agreement or from Microsoft directly with Softchoice as the Partner Advisor. The standard minimum requirement of a 5 license minimum for Open Licensing is waived for Office 365 Open. The program offers discounts compared to Microsoft direct pricing and you can use Open Business Licenses for up to 300 seats (Note: if you have over 200 seats there is a savings opportunity via another agreement. Discuss with Softchoice to learn more.) With an Open Business License, you must purchase an annual subscription to Office 365. If you are making more than one Office 365 license purchase in a given year, it is best to initiate a new Open Business agreement term for each purchase. Keep in mind by doing so you will need to manage multiple agreements and end dates.

In addition to options for commercial businesses, Microsoft also offers Open Programs for the following industries:

- » Government organizations
- » Health organizations
- » Educational institutions
- » Qualifying 501(c)(3) nonprofit organizations
- » Multinational organizations

Microsoft Products and Services Agreement (MPSA)

An MPSA can benefit organizations with a minimum of 100 seats. All of the same online services for Office 365 are available through the MPSA (either as standalone products, or as Enterprise Suites) but at greater discounts than the Open Business License Program. No entry minimum is required to begin purchasing through the MPSA. However, to maintain purchasing and discount eligibility you must commit to meeting minimum point threshold within each product pool you purchase. This needs to be done by the compliance anniversary date. The compliance anniversary date is the one year anniversary of the month you first sign your MPSA. Discuss with Softchoice to learn more about this option and if it suits your organization's needs.

3 Office 365 FAQs

Can I run Office on premise and in the cloud?

If you are licensed for an Office 365 E3 or E4 Suite as well as for on premise server products such as Lync and Exchange, you are entitled to have a hybrid environment for both on premise and cloud utilizations across these products. If utilizing Office Pro Plus for 365 you are entitled to a local install of Office Pro Plus 365 on up to five devices. The E1, E3 and E4 Suites include Office Web Apps for any online usage.

Office 365 Add-ons

Microsoft allows you to add Office 365 to your existing agreement. This add-on is a per-user/per-month additional line item that will be billed for the amount of months remaining in your agreement. You can purchase components on an ad-hoc basis. Upon renewal, you have the option to continue with how you are currently licensed (with the add-ons), transition fully to the cloud or move to back to on premise.

How do I license Office 365 for the iPad?

Apple allows free downloads of Word, Excel and PowerPoint from the iTunes store. The apps offer the same functionality as their desktop-based cousins. While you may use this free version to view files, you need an Office 365 E3 or E4 subscription to use them to edit and create work.

To license Office 365 for the iPad, you need Office 365 Business or Business Premium, an E3 or E4 subscription that includes Office Pro Plus as well. You may also purchase a stand-alone agreement for Office Pro Plus for Office 365. Users who have Office 365 subscriptions may run Office on up to 5 unique devices. The breakdown is up to five desktop or laptop devices, up to five tablet devices and up to five mobile phone devices. To access these installations, download Office 365 from the iTunes store and enable full features through Office 365 login credentials.

If I don't like the cloud, can I go back?

If you have purchased on-premises licenses and have Software Assurance (SA), you may go back to an on-premises model with Software Assurance at any time without having to rebuy the license.

Is it true Office 365 only streams from the cloud?

With the right license of Office 365, it is a local install and doesn't stream from the cloud. Business Essentials and the E1 licenses only include the cloud version of Office Professional Plus.

Is there a home use program for Office 365?

Yes. You are entitled to run Office Pro Plus on up to 5 devices per user. This includes desktops, laptops, tablets and mobile phones. (See Licensing Office 365 for the iPad above for a complete breakdown) This allows users to access Office whether they are in the office, at home or on the road.

4 GETTING IT RIGHT

Whether you are looking at a new agreement, approaching the end of your term or want to move to the cloud mid-agreement, it's worth contacting an expert. Softchoice offers free consultations that:

- ✓ Lower your total cost of ownership and improve workplace productivity by standardizing Office 365 across your organization
- ✓ Assess the size of user base to determine the best licensing program
- ✓ Determine the optimal mix of cloud vs. on premise installations
- ✓ Receive the best possible discounts on moving to Office 365

Ease your transition to Office 365.

Contact your Softchoice Account Manager or call 1-800-268-7638.

Related guides in this series

» [Operation Migration](#)

» [How to choose a migration partner](#)

About Softchoice.

With over 40 locations across the U.S. and Canada, Softchoice is one of North America's largest providers of IT solutions and services. The company's holistic approach to technology includes solution design, implementation, and managed services. Through unique offerings like Softchoice Cloud, and deep expertise in Microsoft Office 365, Softchoice makes it easy for organizations to source, implement, and manage the right cloud solutions for their business.

Other guides in this series:

» [How to choose a Microsoft Office 365™ Migration Partner : Moving to the Cloud without Risking Productivity, Collaboration or Security](#)

» [Operation Migration : Six lessons learned from migrating 20,000+ Microsoft Office 365™ mailboxes](#)



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