Improve Your Business in a Challenging Economy

Fierce competition has led many application producers (software vendors and intelligent device manufacturers) to look for incremental revenue streams. Driven by your customers’ need to reduce shelf-ware, unwillingness to pay large up-front fees for software, dissatisfaction with software audits and growing interest in pay-per-use (utility) models, many producers are adopting new monetization strategies that better meet their customers’ software licensing and compliance needs. To stay competitive you need to make licensing easier, more flexible and adaptable and need the ability to simultaneously support an array of licensing models and metrics.

Based on the products you sell, the markets you serve and your corporate philosophy, you may design and adopt a software licensing and compliance policy that can range from strict enforcement to a more open usage-based trust but verify approach.

Support for the Full Software Licensing Spectrum

Flexera Software’s compliance management solution allows you to implement an array of software licensing models and metrics across the licensing spectrum – from strict enforcement (concurrent, floating, node, token-based, etc.) to usage-based trust but verify (pay-for-use, pay-for-burst, pay-for-ovage, metering, etc.) Having the ability and flexibility to support the full licensing spectrum enables you to:

- Enable flexible monetization and licensing models – the ability to sense and respond to changing market conditions is a significant competitive advantage. Having keen insight into product use enables you to quickly alter monetization models across products and tailor the models for various market segments, geographies, etc.

- Offer mature monetization models for SaaS applications – many producers are developing SaaS applications that require sophisticated, mature solutions to implement the required monetization models the market demands—pay-for-overflow, pay-for-burst, pay-for-use, etc.

- Streamline operations while increasing revenue – managing the back-office operations of a software business with complex licensing models and metrics is a significant challenge for most companies. The ability to automate license compliance streamlines internal operations and reduces the costs of compliance enforcement while ensuring all potential revenue is realized.

**Usage-Based Pricing Expected to Double in Next Two Years:**

The number of application producers that are pricing based on a usage metric (number of uses, time used and number of transactions) is expected to double in the next two years, from 22% to 43%. Usage metrics are expected to experience the most growth as compared to other models.

2011 Key Trends in Software Pricing and Licensing Survey

Flexera Software and IDC

**Software Licensing Spectrum**

- Denial of Service
- Denial & Message
- Message, then Denial
- Message, X% Over-Use, then Denial
- Queue Request
- Message Only, No Denial
- Pay for Overusage (Trust but Verify)
- No Effect - Product Operates

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The Compliance Management Solution for Application Producers

Flexera Software’s compliance management solution includes support for strict enforcement-based (Figure 1) licensing and adds usage-based trust but verify (Figure 2) capabilities. With strict enforcement-based licensing, entitlements are enforced by licensing mechanisms that may either completely disallow access to software when usage exceeds licenses or only allow some limited amount of “overdraft” leeway. With strict enforcement-based licensing:

- Application producers protect and monetize their IP by adopting concurrent, floating, node-locked, token and many additional enforcement-based licensing models
- Customers are forced to stay within their license limits

With usage-based trust but verify licensing, application producers:

- Capture application usage data
- Receive the captured usage information
- Provide a user interface where both the producer and the end-user can view aggregated usage data
- Reconcile usage data against the customer entitlement
- Send reconciliation data to external billing systems (if appropriate or desired)

The compliance management solution gives you the power to protect and monetize software to maximize its value. The compliance management solution is built on the proven FlexNet Licensing and FlexNet Operations products from market leader Flexera Software.
The Industry’s Top Choice for Protecting, Monetizing, and Licensing Software and Devices

Flexera Software provides a complete, integrated end-to-end solution that plays an important role in your company’s profitability. It allows producers to increase revenues by providing customers with many options to try and buy as well as flexible licensing and pricing models to meet the needs of today’s demanding customers, including: concurrent, floating, node, token-based, metered, pay-per-use, pay-for-burst and 100s of other licensing options for protecting and monetizing software.

Flexera Software Professional Services enables you to accelerate and increase the value your organization receives from Flexera Software solutions. Each one of our experts average more than ten years’ experience in software entitlement, licensing, installation and packaging. Through subject matter expertise and a proven methodology, we can help you implement and evaluate current or potential strategies to achieve your business objectives.

Flexera Software: Industry Leader

Flexera Software is the software industry’s solution of choice for software licensing, entitlement and compliance management, software delivery and update management. Helping software vendors and intelligent device manufacturers to innovate products faster, streamline back-office entitlement management processes, and simplify software updating and distribution. Flexera Software licensing solutions are used by over 3,000 application producers to protect and monetize over 20,000 software applications. Flexera Software was awarded the Frost & Sullivan 2011 Global Market Share Leadership Award in Software-Enforced License Management and was recognized by SIIA in 2007 as having the finest solutions for software vendors.

About Flexera Software

Flexera Software is the leading provider of strategic solutions for Application Usage Management; solutions delivering continuous compliance, optimized usage and maximized value to application producers and their customers. Flexera Software is trusted by more than 80,000 customers that depend on our comprehensive solutions from installation and licensing, entitlement and compliance management to application readiness and software license optimization - to strategically manage application usage and achieve breakthrough results realized only through the systems-level approach we provide. For more information, please go to: www.flexerasoftware.com

Key findings from the 2011 BSA Global Software Piracy Study

- Well over half of the world’s computer users admit pirating software.
- The commercial value of pirated software climbed from $58.8 billion in 2010 to $63 billion in 2011, a new record, propelled by PC shipments to emerging economies where piracy rates are highest.

www.bsa.org/globalstudy

Flexera Software Wins 2011 Market Share Leadership Award

Frost & Sullivan presented the 2011 Global Market Share Leadership Award in Software-Enforced License Management to Flexera Software.