Cisco Smart Software Licensing Frequently Asked Questions (FAQs)

Objective

Cisco Smart Software Licensing is a new way of thinking about licensing. It simplifies the licensing experience across the enterprise making it easier to purchase, deploy, track and renew Cisco Software. It provides visibility into license ownership and consumption through a single, simple user interface.

Frequently Asked Questions

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Context of Smart Software Licensing

1. How is Cisco addressing the demand from customers to consume software in new ways?

Today, you want flexible ways to consume software, and you want to buy complete, end-to-end solutions that include software, hardware, and services. Buying, activating, and managing software should be simple and consistent across Cisco.

The strategy of Cisco is to enable new software business models such as software subscriptions, usage-based offers, cloud-based software, and companywide agreements that allow customers to easily deploy solutions and adapt quickly to new business environments. Additionally, offers will be standardized so that you experience simplified pricing, consistent billing mechanisms, and consistent licensing mechanisms across product families of Cisco.

Cisco has invested in the Software Operations Transformation Initiative to help ensure that Cisco can support you in the changing software market.

2. What are some examples of new business models and products of Cisco?

- Own up-front and purchase software upgrades and support: Customers can continue to make a one-time investment in Cisco® software, receive it embedded in hardware, and purchase upgrades and support for that product. Cisco is making this model easier for you by reducing the complexity of product SKUs and working toward embedding consistent and simplified licensing practices in these models. Examples of products sold using this model are Cisco Software Application Support and Upgrades (SASU), Cisco Unified Communications Manager (CUCM), and Essential Operate Service.
- Software subscription: Subscription offers allow you to invest in software for a period of time and easily move to new features or offerings when business priorities change, without abandoning a major up-front investment. Subscription offers can be delivered in the cloud or on your premises and provide the right to use a set of software functionality at a specific capacity or over a period of time. These offers are generally billed up-front or periodically (monthly or quarterly). Examples of Cisco software offered on a subscription basis are Cisco Cloud Services Router 1000v, IronPort®, Identity Services Engine, Meraki®, WebEx®, EnergyWiseTM Management, ServiceGrid®, and Hosted Collaboration Solution (HCS) White Label.
- Software-as-a-service and X-as-a-service, or the utility model (SaaS/XaaS): Cisco SaaS offers allow you to use software when needed and pay on an as-you-use basis. Delivery can be by third-party equipment or through the cloud. XaaS includes any service that can be delivered over the Internet, such as infrastructure or platform as a service. WebEx and ScanSafe are sold as SaaS offers. The following products are offered on a XaaS basis: Data Center as a Service (DCaaS), TelePresence as a Service (TPaaS), and Compute as a Service (CaaS).
- Finally, companywide agreements or enterprise license agreements (ELA) are offered on an invitational basis for our large enterprise customers who want to use software and hardware in a variety of ways to support their business. For large customers, it can be more cost-effective and efficient to negotiate a solution that meets all needs: hardware and software, upgrades and support, and subscription offers where needed. In accordance with the model, a Cisco companywide agreement provides software deployment and service consumption rights for an entire organization in a single, co-terminated, multiyear agreement.

3. When will enhancements to new software models be available?

Cisco Software Operations supports subscriptions, utility, and companywide agreements today, and new capabilities are currently being developed to help automate, scale, and make it easier to do business.

Today the fulfillment and activation activities for companywide agreements are manually managed and transacted. Cisco is working toward automating software management activities with access through a single view. This will create a streamlined and unified management experience for sales and customers. Goals include:

- Simplifying and speeding licensing and administration
- Implementing a standardized bill of materials structure
- Reducing the cycle time and number of touch points

The SaaS and XaaS capabilities, including the ability to order and manage a SaaS/XaaS subscription in Cisco Commerce Workspace and Subscription Billing Platform, are now available as a pilot in the United States, Canada, and United Kingdom with a limited number of partners (1-Tier) and direct enterprise route-to-market customers. WebEx products will be the first to use the SaaS renewal platform, including the following capabilities:

- Four SaaS licensing and pricing models: Active Hosts, Employee Count, Named Hosts, and Ports
- Self-service capabilities to create standalone orders and make follow-on purchases for more users or subservices in Cisco Commerce Workspace. The ability to make changes to existing subscriptions
- Recurring billing and invoicing
- An auto-renewal option
- Ability to pay in advance or be billed in arrears
- Ability to cancel a subscription renewal by contacting your customer success manager; however, midterm cancellation for convenience is not permitted

Customers will be able to receive real-time consumption reporting and automated invoicing and renew XaaS offers in Cisco Commerce Workspace.

4. What will the new Cisco Smart Software Lifecycle be like?

Cisco Smart Software Lifecycle Management includes presales activities, ordering software, delivery and software activation, maintenance, and renewal or upgrade. Cisco is making changes that simplify, streamline, and standardize, thus helping increase productivity throughout the entire software lifecycle.

Product simplicity

New software solutions will contain simplified software products, with fewer product numbers (SKUs) and licensing configurations.

Cisco is offering entire solutions that may include hardware, software, and services together. Suites of software products, such as Cisco ONE, based on use cases that address business and user needs in the marketplace are also being offered.

Cisco is committed to supporting different pricing models. You will have the option to buy via subscriptions or on a utility (pay-as-you-go) basis and can also choose to host your software on your premises or through the cloud.

Cisco is working to support our changing software business and make software purchasing choices relevant and simplified for you.

Easy purchase, download, and activation

Cisco has already and will continue to make it much easier for you to purchase, download, and monitor software.

Purchasing entire solutions will be easier, with the ability to order most software, hardware, and services in a single, integrated workspace. Cisco is working on enabling all software models in the Cisco Commerce Workspace environment for a unified purchasing experience.

Fulfillment for standalone software (as opposed to software that is embedded in hardware) will be primarily by eDelivery. Nearly all of our standalone software is available through eDelivery, which can reduce order lead times from 4 days to 90 minutes after holds are removed and eliminate the hassle of dealing with large physical shipments.

Manual software registration effort is being reduced, even as we work toward standardized, simplified licensing practices in the future. Traditional product authorization key (PAK)-based licenses can now be registered in bulk on the License Registration Page. In the future, Smart License enabled products, requiring only one company token to be entered during product configuration, will allow software to self-register, eliminating the need to enter PAKs.

You will be able to monitor software usage to help you manage licenses and make better-informed renewal and upgrade decisions.

Better informed decision making

When it comes to software support, maintenance, and renewal, Cisco is committed to increasing your ease of doing business.

The lack of visibility into your installed base has decreased productivity and caused frustration. In the future, Cisco will maintain an installed base record of your purchased software, hardware, and services. Visibility into your installed base will be shared between you, your approved partners, and Cisco. When entitlement questions arise, the proof of purchase burden will no longer be on you. When it is time to renew, easy visibility into what you own and what you are using will make renewal choices much easier.

With strategic planning and a greater understanding of what Cisco software can do for you, you can meet emerging market demands with Cisco solutions. You will be able to make better-informed renewal and upgrade decisions, and the process will be easier.

Cisco is increasing our ability to support invoicing for new software models. You already can receive automated invoices on a recurring basis for subscription term or usage. In the future, you will be able to receive automated invoices on demand.

These are just some of the ways that Cisco is enabling new software operating models throughout the software lifecycle.

Smart Software Licensing

5. Why is Cisco changing software licensing?

The innovation of Cisco has led the networking market for two decades. Our engineering teams produce world-class products and solutions for our customers. The evolution of products, along with numerous acquisitions, has introduced a variety of methods for purchasing, licensing, activating, renewing, and upgrading our products. This practice has led to significant inconsistency and confusion for those of you who own products from across product lines of Cisco.

Today, your Cisco software lifecycle experience includes up to 19 steps and multiple stopping points that require support. Cisco currently has:

- Too many software licensing technologies
- Various licensing tools
- No central location where all your software entitlement and related data is stored and visible

- A strong reliance on node-lock technologies that require your intervention upon installation or deployment of every product instance, including return materials authorizations (RMAs)
- Too many touch points with Cisco Support to complete licensing tasks

In order to transform the Cisco software lifecycle, we have designed Smart Software Licensing to create simpler and more flexible offer structures and provide you with an easier, faster, and more consistent way to purchase, activate, manage, renew, or upgrade your software products across the Cisco portfolio.

6. How will Smart Software Licensing work?

Cisco Smart Software Licensing will make it easier to buy, deploy, track, and renew Cisco software by removing the current entitlement barriers and providing information about your software-installed base. This is a major change to the software strategy of Cisco, moving away from a PAK-based model to a new approach that enables flexibility and advanced consumer-based models.

With Cisco Smart Software Licensing, you will have:

- Visibility into devices and software that you have purchased and deployed
- Automatic license activation
- Product simplicity with standard software offers, licensing platform, and policies
- Possibility of decreased operational costs

You, your chosen partners, and Cisco can view your hardware, software entitlements, and eventually services in the Cisco Smart Software Manager interface.

All Smart Software Licensed products, upon configuration and activation with a single token, will self- register, removing the need to go to a website and register product after product with PAKs. Instead of using PAKs or license files, Smart Software Licensing establishes a pool of software licenses or entitlements that can be used across your entire portfolio in a flexible and automated manner. Pooling is particularly helpful with RMAs because it eliminates the need to rehost licenses. You may self- manage license deployment throughout your company easily and quickly in the Smart Software Manager.

Through standard product offers, a standard license platform, and flexible contracts, you will have a simplified, more productive experience with Cisco software.

7. What products will have Smart Software Licensing, and when will they be available?

Cisco Smart Software Licensing will eventually cover all Cisco products. For now, it is available for a select group of products.

Cisco will work to retrofit most existing products, as well as enable all new products and acquisitions for Smart Software Licensing. Some older products with limited lifespans may not be migrated.

Cisco have also formed a community of advisors consisting of partners and customers who meet with us four times per year to provide feedback and help ensure that the solution aligns with their business needs. For more information about the community of advisors, contact Israel Garcia.

For additional details see the below video:

8. Who can I contact for more information about Smart Software Licensing?

For questions about Smart Software Licensing or to inquire about how you can trial it in your network, speak to your Cisco sales account manager or Ben Strickland.

9. How do I request for a Smart Account?

The creation of a new Smart Account is a one-time event and subsequent management of users is a capability provided through the tool. To request a Smart Account, visit https://software.cisco.com . For step-by-step instructions on how to request for a Smart Account, click here.