Microsoft Product Integration Program Announcement Q & A

Date October 1994

Purpose This document is meant to accompany the announcement of the new Microsoft Product

Integration Program. Provides answers to some commonly asked questions regarding

Microsoft Product Integration Program.

Q1. What is the Product Integration Program?

A1. The Product Integration Program is the easiest way for Independent Software Vendors (ISVs) and Solutions Providers (SPs) to integrate and resell Microsoft Products with their value-added business solutions.

Q2. Why did Microsoft develop the Product Integration Program?

A2. The Product Integration Program was developed in response to requests from ISVs and SPs who needed the ability to integrate Microsoft's products into their business solutions for resale to their customers.

Q3. How will I benefit from the Product Integration Program?

- A3. The Product Integration Program offers three key benefits:
 - The Product Integration Program makes it easy to integrate and resell Microsoft products with your value-added solution because it utilizes a standardized Product Integration Agreement and existing product distribution channels.
 - The program includes a broad-range of Microsoft products. The program includes all
 Microsoft products and versions that are available through the standard distribution
 channel today.
 - The Product Integration Program provides the opportunity to improve margins by allowing ISVs/SPs to resell Microsoft licensing products, as well as Full-Packaged Product. License types available include the Microsoft License Pak (MLP), Microsoft Multi-unit License Pak (MMLP), and the Microsoft Open License Pak (MOLP).

Q4. How do I know if I should join the Microsoft Product Integration Program?

A4. If you are delivering Microsoft product to your customer in Full Packaged Product form (i.e. in a shrink wrapped box) and you **are not** integrating or copying Microsoft Product into your application or providing one unified installation media, you don't need to join the Microsoft Product Integration Program. All you need to do is resell Microsoft product like any other reseller. There is no need to sign a special Product Integration Agreement.

On the other hand, if you wish to integrate Microsoft Product software into your application or would like to provide one unified installation media, then you need to join the Microsoft Product Integration Program and sign a Product Integration Agreement.

Q5. What do I have to do to take part in Microsoft's Product Integration Program?

- A5. Becoming part of the Product Integration Program is very easy. It only requires the ISV/SP to do the following:
 - 1. Sign a Microsoft Product Integration Agreement. Once the standard agreement is processed, the ISV/SP will receive a confirmation letter with an agreement number.
 - Buy one Full-Packaged Product (FPP) to serve as a master disk set for integration purposes.
 Once you have a master disk set, you may copy the Microsoft product onto the Solution disks, or other media as required.
 - 3. If you wish to provide a single installation, ensure that there is a unified set-up routine which installs both the solution, and the Microsoft product at the same time.
 - 4. Build a start-up "Break-the-Seal" (BTS) screen which, during installation, informs end users of Microsoft's License requirements.
 - 5. The BTS screen should also direct all end user product support questions to the ISV/SP. If you are not providing product support, you must inform the end users that there will be no support for the solution.

Keep complete records of all products integrated. Microsoft is allowed to audit at any time to ensure compliance and proper reporting.

Q6. What do I pay for Microsoft products purchased through the Product Integration Program?

A6. You simply contact a Microsoft-authorized distributor or reseller to obtain pricing and purchase terms on Microsoft products.

Q7. What paperwork do I have to complete to qualify to resell Microsoft Products through the Microsoft Product Integration Program?

A7. Once you have established an acquisition relationship with a Microsoft authorized distributor or reseller the only paperwork required to participate in the Product Integration Program is the completion of a Product Integration Agreement. This agreement is available through your Developer Relations representative or your Solution Provider representative, or in the U.S. by calling the Microsoft Sales Fax Service at (800) 727-3351, or the Developer Solutions Fax Service (206) 635-2222. For locations outside of the U.S., contact your nearest Microsoft subsidiary.

Q8. What sort of Product Support is available for those Microsoft products that I have sold as part of a value-added solution?

A8. As part of the Product Integration Agreement, you must be the primary point of contact for endusers requiring product support. You are also required to notify end users via the BTS screen of the product support that is available for any value-added solution developed and sold.

Q9. How do I get a master disk set of a Microsoft product?

A9. You can purchase a Full-Packaged Product from a Microsoft-authorized distributor or reseller to server as the master for integration into your value-added solution.

Q10. What is the purpose of the "Break-the-Seal" Screen (BTS)?

- A10. The Product Integration Agreement requires you to include a "Break-the-Seal" screen that appears when the solution is first installed. The BTS screen accomplishes the following:
 - It informs the end user that they are receiving a Microsoft product and should have received a valid Microsoft license or license amendment along with the solution.
 - It requires the end user to respond to a prompt at the end of the BTS screen in which they "accept" the Microsoft product license terms and conditions.
 - It informs the end user that the ISV/SP is the primary support contact for the solution, if they have any product questions.

Q11. What is the minimum order quantity under the Product Integration Program?

A11. One unit. When reselling Microsoft product, you will be able to use the following license types under the Product Integration Agreement: Full-Packaged Product (FPP), Microsoft License Pak (MLP), Microsoft Multi-unit License Pak (MMLP) and the Microsoft Open License Pak (MOLP). The product license type you choose will depend on the number of solutions sold to each customer. Minimum volume requirements for each license type are shown in the table below:

License Type	Volume Requirement
Microsoft License Pak (MLP)	1 license
Microsoft Multi-unit License Pak	20 or 100 licenses
(MMLP)	
Microsoft Open License Pak	50+ units (MOLP allows certain products to be
(MOLP)	combined to reach minimum unit requirements.
	Products vary by unit count, e.g., Microsoft Excel
	counts as 1 unit; Microsoft Office counts as 2 units.
	See MOLP questions below.)

Q12. What is the minimum quantity commitment under the Product Integration Program?

A12. There are no volume commitments under the Microsoft Product Integration Program.

Q13. Can you provide more details on how MOLP works?

A13. The Microsoft Open License Pak (MOLP) is an entry-level volume licensing program targeted at small- to medium-sized organizations. Price depends on the number of initial software licenses purchased.

There are three MOLP initial purchase levels: MOLP A for 50 units, MOLP B for 500 units and MOLP C for 1,000 units. The higher the purchase level, the lower the price. Final pricing is established by the Microsoft-authorized distributor and reseller.

MOLP offers a broad range of products that are grouped into three convenient product pools: the Applications Product Pool, Systems Product Pool and Servers Product Pool. Products within each pool can be combined to reach higher purchase levels, but products between pools may not be combined. Contact your Microsoft-authorized distributor to find out what products are available in each product pool.

Customers can continue to re-order under their existing MOLP agreement, provided they reorder a minimum of 20 units at a time.

Q14. How can I resell MOLP with my solution?

A14. You can resell MOLP if you are selling 50 or more units of Microsoft product along with your solution into a single customer. (Remember, MOLP cannot be split between multiple customers as defined in the MOLP License Amendment.) In addition, since MOLP is an amendment to the Microsoft End-User License Agreement (EULA), you are required to resell one Full-Packaged Product (FPP) or Microsoft License Pak (MLP) of each specific Microsoft product needed within the solution. Once the FPP or MLP is provided, you may resell MOLP to cover the additional units needed. Remember, products vary by unit count; for example, the Microsoft Office counts as two units.

Example: Say you have developed a solution which integrates Microsoft Office. If you sell 26 copies of your solution to one customer site, you can fulfill the Microsoft Office component with one FPP of Office and a MOLP for 25 copies of Microsoft Office.

Q15. How do I get MOLP?

- A15. Once you have determined that the volume requirements of the customer satisfy the MOLP minimum purchase level, you can easily acquire MOLP by doing the following:
 - 1. Contact the Microsoft Distributor for price quote.
 - 2. Order one copy of FPP or MLP to serve as customer's master disk set to provide the End-User License Agreement that will be amended by the MOLP License Pak Amendment.
 - 3. Order the MOLP that reflects the number of licenses needed to ship with the integrated solution one MOLP per customer.
 - 4. Receive the MOLP License Pak from the distributor and ship to customer along with one FPP or MLP and the value-added solution. The MOLP license Pak includes the MOLP authorization number that is needed for any MOLP reorders.
 - 5. Invoice the customer upon delivery of the Microsoft Open License Pak. Note: if a customer requires additional units over the initial purchase, a MOLP reorder may be placed for the additional units (minimum requirement: 20 units).

Q16. Can you provide an example of how the Product Integration Program process would work?

A16. Here is an example: The ISV/SP is reselling a solution based on Microsoft Office to a customer who requires 20 copies. The ISV/SP first acquires a Full-Packaged Product (FPP) of Office to serve as the master disk set. Then, when selling one copy of the solution, they must include either an FPP, MLP or MMLP for Office. Most likely, the ISV/SP would choose to resell a 20-unit MMLP of Office. The MMLP would be delivered to the customer along with the solution.

O17: How can the value-added solution be distributed to end users?

A17: The value-added solution may be distributed directly to end users or through "manufacturer's representatives" who sell the value-added solution directly to the end user. The value-added solution may not be distributed through a distribution or retail channel.

Q18. Can the ISV/SP export the Microsoft products with their solution?

A18. Yes, with a special condition. The ISV/SP can integrate the Microsoft products into their solution and then export the solution, as long as the Microsoft product license delivered to the end user is acquired from a distributor or Microsoft subsidiary authorized in that country/region.

Example: An ISV/SP integrates Microsoft Office into their solution in the U.S. and wants to resell the solution in Germany (fulfilling with a Office MLP). The ISV/SP can integrate Office from their master copy in the US and ship the solution to Germany as long as they acquire the Office MLP from a distributor or subsidiary authorized in Germany.

Q19. Is the end user eligible for upgrades to the Microsoft products sold with a solution?

A19. Yes. This is because the end user receives a Microsoft license or license amendment (through MOLP) they would be eligible for an upgrade. However, it is important to remind end users that, before upgrading, they should contact the ISV/SP that sold them the solution as upgrading the Microsoft product without upgrading the solution may break the solution.

Note that any products enrolled in MOLP may also be enrolled in MOLP Maintenance. MOLP Maintenance provides an attractive price for all eligible product upgrades (major, minor and maintenance releases) for a two-year period.

Q20. Can I sell Microsoft product upgrades to an end user?

A20. Yes. An ISV/SP can sell a Microsoft product upgrade to an end user if they meet the distributor or reseller upgrade validation requirements (see your distributor or reseller for a copy of these requirements).

Q21. Does signing the Product Integration Agreement allow the use of any Microsoft logos or the Office Compatible program?

A21. No. The Product Integration Agreement does not grant any rights to use or alter any Microsoft packaging, logos or references to the Office Compatible program.

Q22: Can an end user order documentation and/or disks of the MS product?

A22: The customer can contact the ISV/SP to coordinate ordering documentation and/or disks through the reseller or the customer can use the documentation and disk order form included with the MLP and MMLP products.

Q23. How soon after the ISV/SP signs the Product Integration Agreement can they start reselling Microsoft products?

A23. After the ISV/SP completes the Product Integration Agreement and returns it to Microsoft, they must wait to receive their confirmation letter. The confirmation letter will include an agreement number and include special instructions. This process should not take more than two weeks from when Microsoft receives the completed agreement.