

E-licensing with Adobe[®] License Manager

A better way to manage your Adobe software licenses

This white paper examines the challenge of license management; explores the complementary worlds of software asset management and e-licensing; and introduces Adobe License Manager, the ideal tool for tracking and managing Adobe software licenses.

Managing software licenses

Managing software licenses is a necessary part of any operation, but organizations lack the breadth of tools to realize this capability. Software asset management (SAM) solutions are outstanding for tracking applications, versions, and patches. But they are unable to solve the manual challenge of reconciling the number of users with the stack of contracts defining how many are allowed in production. SAM tools do not help organizations ensure their software investments are being used as contracted. What is needed is complementary software for e-licensing.

E-license management is a complementary technology that helps ease the burden of contract compliance. E-licensing means that the product itself is “license-aware.” Working in concert with a license server, the software knows the terms under which it can be deployed. In a single stroke, organizations can confirm, at any given time, how many licenses they have purchased, how many are in use, and how many are available for deployment. And because the underlying software relies on an e-license to unlock its usability, it may be coded to offer different capabilities based on that e-license’s attributes, allowing organizations to use the same software for pilots and production.

Adobe License Manager is an embedded license management system that delivers on the promise of e-licensing, allowing organizations to quickly, easily, and accurately track what software has been licensed and deployed and what is available for use.

Why managing licenses is important

When an organization purchases physical goods, it is relatively easy to ensure they are used according to the terms of the purchase agreement. However, intangible goods like software are often easily replicated and redistributed, making it difficult to monitor their use.

But, as easy as it is to copy software, doing so is not beneficial to any organization. Today’s increasingly scrutinized business environment places a premium on internal governance to safeguard contractual agreements. And a significant penalty can be incurred when legal obligations aren’t met. Recent legislation in the United States, for instance, now demands that public corporations guarantee their adherence to software agreements during their financial reporting processes.

Organizations today are increasingly focused on corporate responsibility and the nurturing of strong business relationships. For many, it is a cherished aspect of their corporate culture that they do business the right way. And for any company that relies on its suppliers as trusted business partners, it makes sense to do business in a transparent and ethical manner, as this fosters stronger relationships.

Also, organizations are realizing that without a clear indication of what software they have (and how much of it is actually in use), it is difficult to budget and make wise purchasing decisions. An awareness of the current status of their software inventory allows organizations to buy only those licenses that are needed.

As a result, organizations large and small have dedicated substantial time and energy to establishing workable solutions for managing their licenses. With the ability to plan more accurately, they can reduce their business risk, improve their internal governance, and even reduce the cost of their software infrastructure.

Why managing licenses is difficult

An IDC survey calculated that half of all medium- and large-sized businesses are dealing with at least 40 software contracts at any given time, and that one-third have more than 70 software contracts. The sheer volume of contracts is one of the main challenges faced by many IT shops.

SAM methodology

Software asset management, the dominant approach to managing large volumes of software licenses, comprises three steps:

Doing it right

- Reduce business risk
- Improve internal governance
- Foster stronger relationships with partners
- Plan more accurately to reduce overall software costs

- **Discovery:** A piece of software popularly known as a “sniffer,” or discovery tool, is used to scan the network for connected computers and to analyze them for installed files and registry settings. It collects the data and sends it back to a central machine.
- **Repository:** All data that has been collected is centralized and stored in a repository that may then be accessed and used by many different systems.
- **Reconciliation:** With the list of installed software prepared, the software asset manager can now access all the software licenses that have been purchased and reconcile the number purchased with the number installed.

SAM challenges

Even if each of these steps were fully automated and all data sources were consistent and predictable, SAM would be a daunting task, involving numerous opportunities for error or inaccuracy. The three chief areas of concern are:

- **False positives and double counting:** Discovery tools often arrive at results that are inaccurate, based on either false positives or double counts.
- **Inability to distinguish usage pattern:** While discovery tools can produce an accurate count of software installations, they generally cannot confirm that software is being used according to the contractual agreement.
- **Manual reconciliation process is tedious and prone to human error:** Even when a reliable repository can be created, reconciliation is inevitably a stumbling block, primarily because the contract records are rarely stored in a manner that allows for automatic reconciliation. In other words, the contracts are unstructured files that must be printed and visually compared with the SAM repository details, increasing the opportunity for error. And this challenge can be exacerbated in companies that employ a decentralized purchasing model.

SAM, then, is the perfect tool for creating and maintaining a comprehensive inventory of applications installed on the computers connected to the corporate network. But to track and manage software licenses and to alleviate the reconciliation headache, e-licensing is the best approach.

E-licensing: The perfect complement to SAM

Normally, organizations distribute software to users throughout the company, and then use SAM tools to detect their use on the network. E-licensing takes a more proactive approach by tracking the distribution of “tokens” (or e-licenses) that unlock the functionality of the software. Without the token, the software won’t work. So, users can have multiple applications installed on their hard drive, but they can only use the software, and are only counted as active users, when they have an e-license.

The e-licensing process works as follows:

- The user starts up a software program.
- An e-license is automatically assigned by the central e-licensing management system.
- The e-license unlocks the functionality of the software for the user.
- An entry is automatically created in the central e-licensing management system, giving software license managers an up-to-the-minute view of software use.
- When the software is no longer needed, the user can return the e-license to the central pool, making it available for another user.
- Again, an entry is automatically created in the central e-licensing management system, helping to ensure an accurate account of license usage companywide.

Because different e-licenses can unlock various subsets of functionality, the underlying software may be marketed, and purchased, in a number of apparently distinct versions when it actually has a single code base. With this flexibility, software publishers can release software broadly and provide different kinds of e-licenses for trial periods, limited-use rights, or other purposes.

Software users can streamline their buying patterns so that they buy e-licenses that unlock only that functionality they require—and negotiate the purchase price accordingly.

E-licensing does not render SAM redundant: The two technologies are complementary. SAM is a vital tool for monitoring software versioning, patching, and usage across a network; e-licensing, however, is the superior tool for license management.

Introducing Adobe License Manager

Adobe License Manager leverages the advantages of e-licensing to give customers an easy, flexible tool for tracking and managing their Adobe software licenses. As an embedded license management system, Adobe License Manager is being introduced into new releases of key Adobe desktop products for volume customers.

Under the Adobe License Manager purchasing model, customers receive not only serial numbers but also a stock, or “pool,” of e-licenses corresponding to the number of licenses purchased. As users within the enterprise install and start to use their software, they each download a single

SAM provides the necessary capabilities for creating, maintaining, and managing an asset inventory and promotes effective patch and configuration management.

E-licensing provides the necessary capabilities to track and manage an organization’s use of software, delivering an inherently reconciled picture of use versus contractual limits.

e-license from the pool, giving software license managers an up-to-the-minute perspective on how many licenses are in use and how many are still available.

Hosted or in-house

The e-license pool itself may be stored either on Adobe's servers (allowing users to download their e-license within 30 days of first starting an application on any Internet-connected computer) or on customers' own internal servers (providing access to e-licenses for any user connected to the customer network). Indeed, customers with mixed environments may choose to have subsets of their e-license pool hosted at Adobe and in-house, providing the broadest availability for their entire user population.

Software license managers can maintain full control over their Adobe License Manager environment when they choose to host their e-license pool in-house. Those who wish to reduce the effort of implementing e-licensing can choose to host their e-license pool at Adobe, shifting the burden of running and maintaining e-license servers to Adobe.

Customizable settings

By setting the appropriate installation parameters for users, organizations can control the extent to which users are aware of the e-license download process. At its "quietest," Adobe License Manager does not alert the user to e-license download activity unless no e-license has been downloaded prior to the expiration of the standard grace period (30 days for most Adobe desktop products).

Security and privacy

Adobe License Manager is not only nonintrusive at a user level, it is also highly secure and sensitive to privacy concerns. When the e-license pool is hosted in-house, information is never sent between users installing software and Adobe—e-license downloads are completed behind the firewall. When the e-license pool is hosted at Adobe, the customer defines whether the machine ID is transmitted or saved. Further, Adobe is committed to not using any data regarding e-license pool usage for sales or marketing purposes.

Low impact on bandwidth

The only additional network traffic created by Adobe License Manager is generated by the download of the very small (5–20Kb) e-licenses. The only software installed to run and manage an in-house e-license management server is specifically designed not to be contactable by any entity outside the customer firewall (except, of course, in response to a request made actively by the server administrator for an e-license download).

Obviously, the e-license download process involves connectivity. For e-licenses hosted at Adobe, the user needs to be able to connect to the Internet, and for those in-house, the user needs to be connected to the corporate LAN or a VPN. However, users always receive a 30-day grace period. And once the e-license has been downloaded, it stays on the computer that downloaded it, so no further connectivity is required. That said, users may choose to return the e-license if they no longer use the software. While this disables their copy, it allows another individual in the organization to have full access to the software. And if the software itself is ever uninstalled, the e-license is automatically returned to the e-license pool.

Overdraft licenses

Adobe License Manager is designed to help manage licenses, not to create bottlenecks, which is why it provides features that keep business running. Every order for Adobe License Manager enabled software includes a defined number of "overdraft" e-licenses. These help ensure that if

Free of charge

Adobe License Manager is provided to volume customers at no additional cost.

the e-license pool runs dry, users can still access a temporary e-license that keeps them working on the full functionality of the Adobe product while purchases are made to replenish the stock of e-licenses. And when the availability of overdraft licenses decreases significantly (along with other user-defined events, such as reduction of the pool to just a few e-licenses), e-mails are sent to the designated license manager so that purchases can be made in an orderly fashion.

Adobe is introducing Adobe License Manager as a feature of key desktop products. This means that it is included at no additional cost. The server software needed to host e-license pools in-house is also provided to volume customers free of charge, allowing them to decide where they prefer to host e-licenses based on organizational preference rather than cost.

Conclusion

Managing software licenses is complex but necessary. SAM solutions are useful for monitoring software versioning, patching, and usage across a network, but they must be supplemented by e-licensing tools for truly effective license management.

E-licensing is not a new technology; it has been in existence for over 15 years. E-licensing has been implemented in some of the most complex corporate environments, delivering high levels of scalability and reliability. While it once was limited to managing concurrent/floating licenses, today's e-licensing is more than capable of managing per-seat licenses.

Adobe License Manager leverages the advantages of e-licensing to give volume customers an easy, flexible tool for tracking and managing their Adobe software licenses.

Committed to privacy

Adobe will not use any data regarding e-license pool usage for sales or marketing purposes.

Better by Adobe.™



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