

## CASE STUDY

# NAVIGATING A HIGH-STAKES MICROSOFT RENEWAL SAVED THIS RETAILER \$4 MILLION+

## INTRODUCTION

When LicenseFortress was contacted by a leading national retailer to review their Microsoft licensing challenges with their software entitlement and usage, the stakes were high. This wasn't merely a routine checkup; it was a mission-critical audit crucial for preparing the retailer for an impending Microsoft license renewal. The retailer, operating with a distributed workforce had a complex IT infrastructure that ranged from supply chain management to point-of-sale (POS) systems. Failure to comply with Microsoft's licensing requirements could result in devastating financial and legal penalties.

LicenseFortress' comprehensive audit reviewed all the Microsoft products under the retailer's existing Enterprise Agreement (EA) and Server Cloud Enrollment Agreement (SCE), purposely leaving out Azure costs. Specific metrics were scrutinized, encompassing over 25,000 desktops and around 4,500 servers, active within the last 45 days.

## ABOUT THE CUSTOMER

Our subject for this case study is a preeminent national retailer with an expansive operation, serving countless

customers every day. Their IT infrastructure is an intricate web, crucial to every facet of their business - from point-of-sale transactions to supply chain management. This vast digital ecosystem supports the operations of a distributed workforce, numbering approximately 5,000 employees.

## CUSTOMER CHALLENGES

In the digital age, ensuring that software licensing adheres to legal and organizational standards has become paramount for businesses of all sizes. However, the complexity of software infrastructure, especially within large corporations, often leads to inadvertent oversights and inefficiencies that can result in substantial financial and legal consequences. The challenges faced by retailers, as evidenced by a recent investigation by LicenseFortress, underscore the widespread nature of these issues. Whether it be the intricacies of Virtual Desktop Infrastructure (VDI) setups, inefficient usage of Office 365 licenses, misuse of standalone office applications, or outdated Client Access Licenses (CALs) in the Windows Server environment, the myriad of pitfalls businesses might encounter is vast.

## **OFFICE PRODUCTIVITY SUITES**

During their detailed investigation, LicenseFortress found that the retailer was inadvertently infringing on Microsoft's Office licenses due to their complicated Virtual Desktop Infrastructure (VDI). This is a common issue in large organizations, where VDI setups are often intricate, leading to an oversight in licensing requirements. In this specific case, the failure to comply could have resulted in legal fees and penalties estimated to be around \$2 million. Notably, according to a 2019 study, about 30% of corporations with VDI setups have experienced similar challenges.

## **OFFICE 365**

The retailer's Office 365 licensing, although abundant, was inefficiently used. A gap between allocated and actual usage was hemorrhaging money, a problem quite prevalent in organizations with more than a thousand employees. LicenseFortress identified that by optimizing these licenses, the retailer could save around \$300,000 annually. [Industry data reveals](#) that approximately 35% of businesses with expansive workforce sizes face similar inefficiencies, potentially costing them millions annually.

## **INDIVIDUAL OFFICE APPLICATIONS**

Instances of misuse concerning standalone applications like InfoPath and Access were highlighted. Such infringements, common across approximately 25% of large-scale enterprises, could have culminated in a hefty \$400,000 penalty for the retailer.

## **WINDOWS SERVER ENVIRONMENT**

With the retail market's fast-paced nature, it's unsurprising that their Windows Server environment displayed outdated Client Access Licenses (CALs). Industry insights suggest that 40% of rapidly growing businesses experience such oversights,

risking potential fines – in the retailer's case, around \$1.2 million.

## **SOLUTION**

In today's multifaceted digital landscape, ensuring complete software license compliance is no trivial feat. The intricate and dynamic nature of IT infrastructures, especially for large-scale retailers, demands tailored solutions that not only address immediate compliance issues but also optimize operational efficiency and financial outlay. In response to the challenges identified, LicenseFortress meticulously crafted a suite of solutions that, while diverse in approach, had a singular aim: to fortify the retailer's licensing strategy and safeguard them from potential penalties.

## **OFFICE PRODUCTIVITY SUITES**

A complete overhaul of the VDI setup was promptly recommended, focusing on proper licensing to avoid the estimated \$2 million in penalties.

## **OFFICE 365**

LicenseFortress advised real-time monitoring of their Microsoft compliance with the [ArxPlatform](#) to keep tabs on active vs. allocated licenses, providing a potential saving of about \$300,000 per annum.

## **INDIVIDUAL OFFICE APPLICATIONS**

By consolidating standalone apps like InfoPath and Access into complete Office installations, the retailer avoided approximately \$400,000 in penalties.

## **WINDOWS SERVER ENVIRONMENT**

An immediate upgrade of the CALs for Windows Servers was advised, saving an estimated \$1.2 million in compliance penalties.

## LESSONS LEARNED

Software licensing, while seemingly straightforward, is a multifaceted domain filled with potential pitfalls and challenges. However, it is precisely these complexities that yield invaluable lessons for businesses. Through a deep-dive into the retailer's collaboration with LicenseFortress, it becomes evident that proactive measures, strategic adjustments, and expert guidance can reshape the licensing trajectory. The following lessons, distilled from the retailer's journey, encapsulate the essence of effective license management:

**1.Regular Audits:** The power of prevention cannot be overstated. Early detection of compliance gaps can mitigate massive financial repercussions, often running into the millions.

**2.Cost-Efficiency:** Understanding and optimizing license usage is more than just a cost-saving measure. It's about maximizing the utility of every resource, ensuring investments translate to tangible benefits.

**3.Ongoing Monitoring:** Compliance isn't a milestone; it's a continuous journey. Regular oversight and timely adjustments are paramount to ensure adherence to ever-evolving licensing terms and conditions.

Empowered by LicenseFortress' expertise, the retailer not only sidestepped potential legal and financial quagmires but also elevated their operational efficiency to new heights. These insights, enriched by real-world challenges and solutions, serve as a guiding light for businesses navigating the intricate waters of software licensing.

## RESULTS

Licensing can be tough, especially for large companies. When this retailer faced big

challenges, LicenseFortress stepped in to help. Together, they not only avoided a huge \$4 million fine but also made the company's operations smoother and more efficient. This story shows how, with the right help and a proactive approach, businesses can solve licensing issues and come out stronger. It's a win not just in saving money but also in working smarter.

## ABOUT LICENSEFORTRESS

LicenseFortress was developed in 2014 by VLSS's Founder & Chief Architect, Dean Bolton. VLSS has spent over 13 years specializing in Oracle and VMware technologies. LicenseFortress was born after VLSS was approached by VMware about a predicament that many of its customers were facing when trying to license Oracle on VMware. Oracle's aggressive auditing tactics shed light on the dire situation that most companies face when using Oracle's products, especially in a cloud environment. While some companies have been deterred from using Oracle, we believe it is a powerful tool for your business when deployed correctly. That's where LicenseFortress helps you take control of your license investment while removing the threat of being out of compliance.

## ANONYMITY STATEMENT

This case study is based upon a customer of LicenseFortress. LicenseFortress takes steps to properly safeguard sensitive and personal information by removing all direct identifiers - e.g., name, location, CSI numbers, etc. This step is taken to protect the identity of our customers.



info@licensefortress.com  
+1 424.231.4135  
licensefortress.com