

The IBM Authorized SAM Provider ("IASP") Program

User Guide

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Overview

IBM's Authorized SAM Provider ("IASP") Program provides an alternative to periodic audits by IBM. Clients who enter into an IASP agreement with IBM will not be audited by IBM and will receive other benefits as long as they continue to meet the requirements of the IASP agreement.

These requirements include engaging one of four IBM-approved providers to provide a Software Asset Management ("SAM") managed service encompassing the client's entire IBM estate, as well as providing quarterly baseline reporting to IBM.

This document provides guidance on the IASP Program and explains the benefits and requirements and its operation in practice. It also covers client considerations when deciding whether to apply for enrolment in the IASP Program and guidance on successful implementation.

This guide is intended as a general licensing knowledge resource. While it may explore scenarios and discuss the licensing implications of specific configurations, it is not intended to provide advice for individual customer circumstances. Always consult your IBM representative should you have any questions about the IASP Program.

Key Terms

The following terms are used throughout this document and are fundamental to understanding its contents. This is not an exhaustive list, and some concepts may be discussed in other licensing guides or rely on assumed knowledge.

Baseline

An Effective License Position comparing actual deployments of IBM programs with the available entitlements.

Effective License Position ("ELP")

A reconciliation of license entitlement to consumption.

IBM License Metric Tool ("ILMT")

An IBM tool used to measure consumption of certain IBM software metrics. Use of ILMT or HCL BigFix Inventory is one of the eligibility requirements for Sub-Capacity licensing.

IBM License Service

An IBM tool used to measure consumption of certain IBM licensing metrics in containerized environments. Use of IBM License Service is a prerequisite to take advantage of IBM's Container Licensing policy.

Software Asset Management ("SAM")

The practice of recording, tracking, managing and reporting use of licenses and reconciling these to entitled quantities to ensure compliance with license limits and other licensing terms.

Introduction

Many well-intentioned organizations struggle to achieve effective SAM. Examples of common complexities that make SAM difficult include:

- The changing technology landscape with new virtualization and infrastructure models
- Product bundling/packaging; and
- The variety of licensing and procurement options created by software publishers to accommodate clients’ many different needs and use cases.

As a result, clients who have not invested in developing their SAM capabilities often find it difficult to determine whether they are over-deployed (non-compliant) or under-deployed (not optimized) with respect to their software licenses, let alone by how much. This is common in respect of most publishers’ software, including IBM’s.

Because of the challenges in achieving effective SAM many organizations have increasingly turned to SAM managed service providers to improve license compliance and to achieve cost savings. A good service provider can bring other benefits such as access to publisher-specific licensing expertise, SAM discovery tooling assistance, and flexible resourcing. Most importantly, organizations that manage SAM well, directly or with a service provider, are able to maximize the value of their software spend by right-sizing and optimizing their license consumption.

IBM’s Authorized SAM Provider Program (IASP) is intended to support those clients who are ready to make a clear commitment to SAM and prepared to engage with one of IBM’s Authorized SAM Providers. IBM benefits from clients which are compliant, and which maximize the value of their software spend. The IASP Program allows the client and IBM to take a forward-looking approach, with greater transparency and in a more collaborative context. While clients are active participants in the IASP Program they will not be audited by IBM.

The Program is summarized in the figure below.

IBM Authorized SAM Provider (IASP) Offering

Enhanced Software Consumption ROI for Clients • Improved Client Experience • Stronger Controls Posture

 Client Challenges	 Value to Client	 How Does it Work?	 Client Future Vision
Under optimized licensing (both over and under)	Exemption from verification review	Sign IASP agreement with IBM Sign SOW with IASP	ISO 19770-1:2017 ITAM Model
ILMT & SAM Tool challenges	Sub-capacity licensing if in IASP offering	Fine-tune SAM tool Establish initial ELP Ongoing SAM Managed Service	Digital Transformation
Incomplete understanding of entitlements and associated terms	Prospective license purchases Commercial pricing for excess licenses	Purchasing per normal commercial terms	Cyber Agenda
Risk of business disruption and large unbudgeted settlements	IBM license optimization Metric optionality analysis Re-harvesting Maintenance reduction Maximize purchasing options	Periodic report to IBM	Move to Hybrid Cloud
No process to capture non-PVU products	Better control & decisions Deployment right-sizing	No changes to base IBM agreements	Ability to Introduce Enterprise-Wide SAM
Lack of knowledgeable multi publisher SAM resources	IASP’s SAM & Multi publisher licensing knowledge	If satisfied, add more publishers	More Informed Decisions & Optimized Software Estate

Deciding whether IASP is right for you

Entry into the IASP Program requires you to be nominated either by an IBM Authorized SAM Provider or by IBM. IBM nominations usually require the sponsorship of both the account team and the License Compliance team. Clients that wish to be nominated can pursue either route on their own initiative, either via their IBM representative or through an Authorized SAM Provider.

In our experience, clients that have benefitted most from the IASP Program have many of the following characteristics:

- ✓ Are large, rapidly changing and complex organizations;
- ✓ Have multiple sites and subsidiaries and varied businesses;
- ✓ Use products from many software publishers across their IT estate;
- ✓ Understand the wider aspects of digital transition and what it takes to move critical workloads to cloud;
- ✓ Are willing to invest in SAM and Cyber, with an appreciation of the benefits of governance and avoidance of risk; and
- ✓ Understand the challenges around cyber security.

In general terms, the more complex the client's IBM estate, the greater the benefits of the IASP Program.

If these descriptions match your organization, you should consider enrolment into the Program.

The decision to join the IASP Program

When considering whether to apply for the IASP Program, you should assess the benefits, obligations and costs carefully.

As well as the general benefits of working with a SAM managed service provider, the IASP Program provides important benefits specific to IBM software, including the following:

- Planned and ongoing compliance verification in place of unexpected audit activity by IBM;
- Ability to transact through preferred channels and to be eligible for commercial pricing;
- Ability to utilize alternative tools to IBM License Metric Tool (“ILMT”) or HCL BigFix Inventory for Virtualization Capacity reporting, including Flexera, USU/Aspera, Snow, and ServiceNow.

In addition, by working with an Authorized SAM Provider, you can right-size your IBM deployments as part of the initial baseline, avoiding the risk of compliance exposures on, for example, extended migrations, past failures to generate Virtualization Capacity reports, unintended deployments and back-subscription and support on over-use.

For many clients, avoiding the risk of audit enables IBM, client and Authorized SAM Provider to work together more collaboratively and enables the client to raise licensing questions and “what-ifs” without fear of triggering audit activity.

Enrolling in the IASP Program

Enrolling in the IASP Program requires you to contract for a managed service from one of IBM's authorized SAM providers. The list of authorized SAM providers is located [here](#). Through this service both you and IBM will have ongoing visibility of your adoption and consumption levels of IBM products. IBM expects that you will work with its Authorized SAM Provider to right-size your software estate and proactively manage the estate to avoid non-compliance.

IASP Program clients have certain obligations in exchange for the benefits of the IASP Program:

1. To produce an initial report on your effective licensing position (the baseline), covering all IBM software currently deployed in all environments including public cloud, and to provide this to IBM, typically within 180 days;
2. To produce quarterly Virtualization Capacity reports for all products licensed by relevant license metrics and to provide these reports to IBM;
3. To produce annual reports on all IBM products and to provide these to IBM;
4. To proactively raise with IBM any compliance issues arising from the reports and to purchase any additional software entitlements required within a reasonable timeframe and under normal commercial terms.

Note: It is expected that the Authorized SAM Provider will either produce the reports for you or will certify that these are accurate, but the reports themselves are submitted to IBM by you. The Authorized SAM Provider itself is engaged by you and is neither required nor expected to report any data to IBM.

The process for joining the IASP Program

Once nominated, clients who wish to be accepted are required to complete the following steps:

1. **To sign an IASP Agreement between IBM and the client.** This agreement formalizes the IASP terms and conditions and supersedes IBM's standard verification terms. The IASP Agreement does not change or alter any existing contractual terms and conditions (including any existing reporting requirements) between IBM and the client, aside from the change to IBM's verification rights.
2. **To sign a managed service agreement with one of the IBM Authorized SAM Providers.** This agreement covers the SAM services necessary to comply with the IASP Program terms.

Finalizing the IASP agreement with IBM

Once you are approved for enrolment in the IASP Program, the next step is to execute an IASP agreement with IBM. The following are some of the typical considerations you need to keep in mind:

- **Entity scope:** the IASP agreements are entity specific. All entities covered must be listed in the agreement and subsequently included in baseline report submissions. All other entities outside the scope of the IASP agreement will still operate under standard verification terms and conditions, and therefore be subject to audit by IBM.
- **Agreement/Product scope:** the IASP agreement specifies which IBM agreements and products it applies to, with the most common being IPLA/ICA (System Z), and IPAA (Distributed Programs/Appliances/SaaS) agreements. All other agreements or products outside the scope of the IASP agreement will still operate under standard verification terms and conditions, and therefore be subject to audit by IBM.
- **Agreement format:** the IASP agreement may be executed as a stand-alone document, as an amendment to an existing IBM agreement, or as part of a new IBM agreement.
- **Virtualization Capacity Metering Tool:** if you wish to utilize a Virtualization Capacity reporting tool other than IBM's approved metering tools, an amendment will be needed to the IASP agreement to reflect this.
- **Sales channel:** if relevant, you may want to allow for an alternative purchasing channel (e.g., IBM Authorized Reseller) for any additional purchases that may be required.

Selecting & Finalizing the Managed Service Agreement with the Authorized SAM Provider

In parallel with finalization of the IASP agreement with IBM, you should select an Authorized SAM Provider and finalize the SAM managed service agreement with that provider.

Note: IBM has selected the Authorized SAM Providers based on their depth of IBM licensing expertise, technical competence, professional conduct, their understanding of the broader software marketplace, and consistent client satisfaction.

You may want to approach several of the Authorized SAM Providers to assess which of them might best fit the needs of your organization, and to receive competitive pricing.

Once an Authorized SAM Provider has been selected, a service agreement should be finalized and executed with that provider. The following considerations should be borne in mind:

- **Entity and product scope:** the SAM managed service must cover a product and entity scope which mirrors or exceeds the requirements of the IASP agreement between the client and IBM.
- **Reporting frequency:** the SAM managed service must mirror or exceed the frequency of reporting specified in the IASP agreement between the client and IBM.
- **Reliance on internal work:** clients may already have varying degrees of internal resources, IBM licensing knowledge and SAM information, and this will facilitate the work required to report to IBM. However, the Authorized SAM Provider must be involved in a substantive role, sufficient to allow the SAM Provider to validate the completeness and accuracy of the information.
- **Multi-publisher:** economies of scale are often available to the client when engaging the Authorized SAM Provider to manage other publishers in addition to IBM.

Once the service agreement with the Authorized SAM Provider has been finalized, IBM should be notified of the service start date.

Minimum ASP Reporting and Service Requirements

Initial Baseline	Quarterly	Annually
If relevant, IBM License Service, ILMT (or another approved tool) to be installed and configured, all agents operational, bundling and other product information updated within the tool or verified.	Review Virtualization Capacity metering tool health, coverage and accuracy and complete any necessary configuration or remediation Update entitlement inventory	As per Initial Baseline
Data collection & analysis procedures executed for all IBM programs	Prepare or verify quarterly Virtualization Capacity report	All metrics, PVU, non-PVU, SaaS and MLC as applicable
Procedures executed to ensure the reasonable completeness & accuracy of all discovered deployment data		
Entitlement inventory prepared		
Baseline report prepared		

The First Baseline

Completing an initial baseline and submitting it to IBM by the specified deadline (usually 180 days) is a requirement of the IASP agreement. Because this may be the first time you have assembled a full baseline, there may be many one-time activities to be completed in a relatively short timeframe in addition to the normal level of effort involved in producing a baseline. Such one-time activities include setting up the managed service itself, deploying tools and/or assessing their health and remediating issues identified, identifying product owners and gathering and analyzing entitlements. These activities can take significant time, and in the case of entitlements it is common that several iterations are required to arrive at a final position.

More information is set out in the “How to understand your entitlement position using PA Online” user guide. In addition, the information in the “Preparing for an IBM audit” user guide will be relevant. Both are available on the [Guides](#) page.

One of the first steps is to ensure an effective deployment of the latest version of approved Virtualization Capacity metering tools (ILMT or IBM License Service), which the Authorized SAM Provider will perform. Without a properly configured tool, complete and accurate information about IBM software product consumption cannot be collected, and this is also a pre-condition for Virtualization Capacity eligibility.

More information is set out in the “IBM Licensing Tools: ILMT and IBM License Service” user guide on the [Guides](#) page.

The baseline should also cover your mainframe deployments, so MLC and IPLA licensed products should be measured. The Sub-Capacity Reporting Tool (SCRT) will aid you in collecting the information necessary for MLC charges and for measuring the MSUs required for IPLA licensed products. There are additional mainframe programs which have their own specific license metrics; these must be measured individually.

The baseline must be prepared or certified by the Authorized SAM Provider and provided to IBM by you.

Dealing with issues that come up in the first baseline

If a license shortfall is identified in the first baseline report, you have 60 days to purchase any shortfall through your usual purchasing process on your normal commercial terms. Specifically:

- If there is a license shortfall IBM will not seek the standard back S&S fees for up to two years which are normally required in a compliance context: this can result in a saving of up to 40% of the license fees; and
- If the products are properly reported on a Virtualization Capacity or Container Licensing basis in the baseline report, IBM will not pursue any shortfalls which might have been due through past failures to monitor and report Virtualization Capacity or Container licensing.

Future Reporting

You should continue to submit baseline reports to IBM at the frequency specified in the IASP agreement. This is quarterly for deployments measured under Virtualization Capacity, supplemented by an annual full baseline covering all IBM programs. This is likely to be an easier exercise as existing information is simply updated, but changes to IT infrastructure, M&A activity and cloud migrations, for example, would affect this.

As with the initial baseline, the reports must either be prepared by the Authorized SAM Provider or certified by it.

Exiting the IASP Program or Switching Authorized SAM Provider

If you no longer wish to remain part of the IASP Program, or if you no longer qualify (for example, because you no longer engage an Authorized SAM Provider), you must notify IBM within 30 days of this change in circumstance. IBM will put you back onto the standard IPAA verification terms which include software license compliance audits.

If you choose to switch from one authorized SAM Provider to another, you must notify IBM of the change with at least 30 days' notice. You will not need to repeat the baseline with the new Authorized SAM Provider.

Tangible Benefits

The following scenarios illustrate some of the ways in which the IASP Program delivers tangible benefits for clients.

Avoiding licensing change impact – non-supported technologies

An operating system or a virtualization technology that reaches end of support by its vendor is removed from the list of technologies eligible for sub-capacity reporting and the list of technologies supported by License Metric Tool. IBM provides 180 days for clients to move to a newer version of such a technology. Failure to do so means that the client will no longer be eligible for sub-capacity pricing. The impact of the change in licensing from sub-capacity to full capacity can be very large for some clients.

A managed service from an Authorized SAM Provider can help you stay on top of eligibility changes. The Authorized SAM Provider can highlight the systems that will be impacted by the upcoming changes and help ensure the organization understands the licensing impact of not updating affected technologies.

Clients beginning their Sub-Capacity reporting journey

As clients are constantly shifting workloads into virtual environments, whether on-premises or in private/public cloud, there is a significant learning curve to ensure that appropriate license tracking is enabled and configured to maintain compliance. Specifically, there is a significant learning curve involved in configuring a sub-capacity reporting tool for IBM. An Authorized SAM Provider can help not only in installing the tool, but in training your team to keep the tool configured correctly and reporting accurately.

Clients shifting workloads to Red Hat OpenShift Container Platform containers

As software deployment strategies evolve, SAM practices need to adapt to help monitor and reflect such changes. Having an Authorized SAM Provider help you understand the different reporting technologies such as IBM License Service, that are required for tracking software usage within a containerized environment, is valuable as the full capacity licensing impact can be significant. Ensuring that packages are registering to License Services and ensuring that proper quarterly reporting is being maintained within the containerized environment is one of the benefits of using an Authorized SAM Provider. As deployment technologies and strategies evolve, clients are increasingly facing a need to use multiple tools for properly discovering data throughout their enterprise.

Managing complex entitlements/contracts

One consequence of increasing client flexibility is that IBM entitlements and contracts have also become more complex to manage. For example, IBM has introduced the concept of Cloud Paks where a single part number may be purchased whilst maintaining flexible utilization of multiple related products. IBM also offers growth catalogues in larger multi-year agreements. Tracking the usage of products when there are multiple purchasing options can add significant complexity to the reporting. Identifying the best licensing model for product deployment can dramatically increase the value realized from IBM products. The Authorized SAM Provider can help you navigate these complexities and understand current use cases for such deployments as well as the projection for product use expanding/shrinking within the enterprise.

FAQs

We use a non-authorized SAM services provider: can this provider deliver the services required by the IASP Program?

While there are many SAM service providers with different capabilities, IBM restricts the IASP Program to clients using one of IBM's Authorized SAM Providers because of their familiarity with IBM offerings and their long experience of working in this area.

What effort and cost does the IASP Program require?

The client's internal effort is no different from the time and resources necessary for building and maintaining an effective SAM capability. This depends on the size and complexity of the client's IT environment and the number and metrics of the IBM products deployed. For example, non-PVU metrics are generally harder to manage, as are complex hybrid environments with cloud and on-premise infrastructure.

The same factors affect the costs of the Authorized SAM Provider to verify the completeness and accuracy of the collected usage data. Additional costs (and benefits) can accrue if the Authorized SAM Provider is providing additional services like managing the sub-capacity reporting tool or automated collection of usage data. The four Authorized SAM Providers will provide cost indications on request.

IBM has notified us of an impending audit: can we enroll in the IASP Program instead?

No, if you have been notified by IBM of a forthcoming audit you will need to finish this first. However, once the audit is complete the audit report can be used as the baseline should you decide to enroll in the IASP Program within 6 months of the end of the audit.

We have a large, international enterprise with independent operating entities. Can we do IASP for a subset of our entities?

As IBM allows clients to use entitlements on an enterprise level, IBM expects that an IASP agreement will be implemented on an enterprise level too. If, exceptionally, it is not possible to implement the IASP Program at all entities of an enterprise, IBM is willing to work with you on a better fitting IASP Program scope. This will depend upon the extent to which the entities in the Program, and their entitlements and usage, are separable from the non-IASP Program entities.

We have a strong SAM team: why do we need an external provider to verify our reports?

There is no requirement for an external party to verify the reports which clients are required to prepare and retain under the standard verification terms. Use of an external provider is only required for clients enrolled in the IASP Program and balances IBM's release of its standard verification terms.

How long do we have to remain in the IASP Program?

IBM's expectation is that you work with your Authorized SAM Provider for a minimum of one year. You can inform IBM that you wish to return to standard verification terms at any time. You can remain in the IASP Program as long as you fulfil the requirements.

We are confident we are already compliant with IBM's licensing terms. How would the IASP Program benefit us?

Even once compliance is achieved, remaining compliant can be a challenge given changing corporate, business model and IT landscapes. Enrolment in the IASP Program limits the risk of non-compliance, and reduces the financial risks of non-compliance, by removing the risk of audit in favor of a planned and scheduled verification process under client control and securing settlement of any non-compliance on the client's normal commercial terms. Many IASP Program clients also value the more collaborative working between the client and IBM, and the ability to ask detailed licensing questions without the risk of audit.

How do we contact an IBM Authorized SAM Provider?

You can find their contact details on [this page](#).

If we enroll in the IASP program, can IBM access or see my records without my knowledge?

No.

Can an Authorized SAM Provider send our records to IBM without our consent?

No. When Authorized SAM Providers work for clients in the IASP Program, they are contracted by that client and will have obligations to that client, including obligations of confidentiality.

Do we have to pay a fee to IBM to be part of the IASP Program?

No. However, you will have a separate fee arrangement with your Authorized SAM Provider.

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