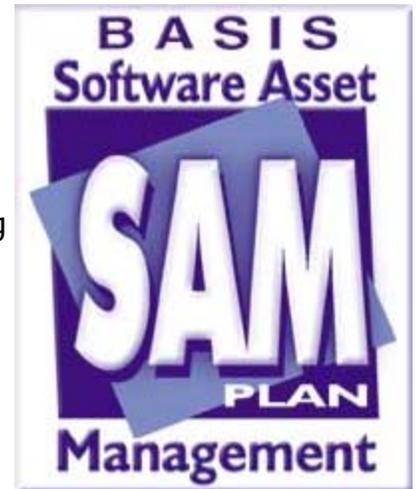


SAM Plan
Managing Your Software Assets
The Smart Approach to Upgrades
By Nico Spence

The BASIS Software Asset Management (SAM) Plan extends the suite of service offerings for Value Added Resellers (VARs). In today's complex environment, VARs, developers, and customers who remain flexible and embrace change have the competitive advantage. Implementing a maintenance plan that includes SAM removes the obstacles faced when deploying the latest technology. The BASIS SAM Plan provides a sound maintenance solution for VARs and their client base.



Services revenue is often the lifeblood of a typical VAR's income stream. Predictable revenue streams enable VARs to strengthen their organization's financial stability. Furthermore, maintaining sustainable income from an equivalent SAM Plan product enables the annual delivery of new functionality and features. The income earned from an annual SAM Plan maintenance fee supplies the VARs with the funds necessary to research and develop new product enhancements and perform support services. The SAM Plan approach to maintenance leads to a win-win solution for both VARs and their customers.

Consider the following advantages of a SAM Plan, and how VARs and their customers can benefit from a maintenance plan built on the SAM Plan foundation.

SAM Plan subscribers receive:

- Automatic upgrades to the latest BASIS product, ensuring operating system compatibility and access to the latest product features and functions
- Reduced pricing when adding users to a BASIS license
- New features and services that are otherwise chargeable, such as redundant licensing and license consolidations
- Five free technical support incidents, valid for one year (technical support otherwise costs \$100 USD per incident)
- Discounts on BASIS training classes

Furthermore, the SAM Plan allows VARs and their customers to finance upgrades more efficiently by incorporating product upgrades into annual maintenance. These costs become operational expenses, rather than capital expenses. Therefore, users spread out software expenditures over the life of the system. Users receive immediate tax write-offs for these operational expenses. The balance sheet no longer contains software assets, thereby improving key company financial ratios.

Benefits to the Channel

The BASIS SAM Plan benefits the sales channel in the following ways:

- Guarantees upgrade schedule, ensured annual delivery of a major product release

- Provides annuity-based income stream, without the need to track feature and functional upgrades to BASIS products
- Guarantees upgrade revenue
- Complements application maintenance offerings
- Eliminates the requirement to sell application component upgrades that the end user often considers unnecessary
- Strengthens the relationship between VARs and their customers by providing a channel for regular contact

For a maintenance plan to succeed, the subscriber must see the value of the plan. For example, BASIS's SAM Plan subscribers see the value when they install a product upgrade more frequently than once every five years because the subscriber pays only 20 percent per year of the current base price. It becomes even more obvious when the customer considers the many other benefits of SAM, beyond the free product upgrade feature. From a sales and marketing perspective, making a maintenance plan a requisite part of the initial product sale sets the precedent for subsequent renewals of the maintenance plan.

The concept of a software maintenance and service contract is commonplace in the software industry. BASIS's SAM Plan and the VARs' equivalent are essential components for the financial health of the Business BASIC community. BASIS and its partners positioned themselves to move forward by leading the Business BASIC community in delivering new value to their customer base.