Backup Software Licensing Moves from Pounding Headache to a Dull Throb

If your head starts to hurt anytime you think about backup software licensing, join the crowd. Backup software licensing must rank as one of the most unpleasant topics to discuss in all of IT. Anytime any conversation turns to backup software licensing, one can almost see people's heads start to hurt.

Unfortunately, avoiding the topic solves nothing as one cannot escape the need to license backup software. Thankfully, backup software providers have made significant strides in recent years to simplify their licensing. Not only have they made it easier to license their software, organizations have five simpler licensing options from which to choose.

It's Gotten Easier

One reason organizations hate discussing backup software licensing stems from its legacy of complexity. Before they could even buy the software, organizations may have had to determine one or more of the following:

- The number of servers under management
- The number and types of applications they needed to protect
- The number and types of operating systems they needed to protect
- The number and type of backup targets used (disk, tape, cloud)
- The amount of data to protect
- The number of storage networking ports
Ascertaining these and other factors made protecting organizational data more of an accounting than a technical exercise. Organizations first had to inventory their entire IT environment before they could buy any software. Then, once in place, they had to do so annually to renew their software licensing and support.

While all the complexity associated with backup software licensing has not gone away, it has certainly gotten easier. This simplicity comes out of the new types of backup software licensing that providers use. Backup software licenses are now largely all-inclusive in that they include most or all their software features for one flat fee. However, each provider calculates its total licensing cost using a different methodology.

Here are the five most common backup software licensing models available from providers today.

**#1 – Capacity-based – Backend Terabytes (BETB)**

This model bases its software licensing cost upon the total amount of data stored and managed in its vault. Providers offering this option usually license their software in 1TB increments with a one TB minimum purchase. Any time an organization crosses a 1TB threshold, it must obtain another 1TB capacity license from the provider. These TB licenses may be calculated annually or even monthly.

Assuming the backup software offers compression and deduplication, some organizations may find this licensing approach attractive. Organizations can potentially protect a lot of data for a nominal cost.

**#2 – Capacity-based – Frontend Terabytes**
(FETB)

This model bases its cost upon the total amount of data residing on servers that organizations must back up. Providers offering this option usually license their software in 1TB increments with a one TB minimum purchase. Any time an organization crosses a 1TB threshold, it must obtain another 1TB capacity license from the provider. These TB licenses may again be calculated annually or even monthly.

This licensing option generally appeals to organizations in one of the following two situations. It has a lot of data that does not deduplicate or compress well or its applications experience high data change rates, but not much actual growth. In these two scenarios, the amount of data being protected stays roughly the same though the data in the backup vault could grow significantly.

#3 – Per CPU Core

This model determines cost by counting the total number of CPU cores in the server and licensing the software accordingly. As the number of server CPUs changes, the software licensing also changes. These per CPU core license calculations may be done annually or even monthly.

The trick here is to establish which server CPUs the backup software counts. Some software licenses count the number of CPUs in the physical machine that hosts the backup software. Others count the number of CPUs in the virtual or physical machines they protect.

This licensing option often appeals to heavily virtualized organizations that use powerful physical machines to host their virtual machines (VMs). In this way, they can protect many VMs at a potentially lower licensing cost.
#4 – Per Protected VM

This model emerged in the era of server virtualization. It determines cost by counting the total number of VMs in the environments and licensing its software accordingly. As the number of VMs changes, the software licensing changes to match. These per VM license calculations may be done annually or even monthly.

This licensing option often appeals to heavily virtualized organizations that only have a few VMs and expect minimal growth. In this way, they can protect their VMs at a potentially lower licensing cost.

#5 – Per Physical Backup Server

This approach most closely resembles the legacy model of licensing backup software. An organization buys a single backup software license that it installs on one physical backup server.

The main difference from past licensing models is that this software license includes most or all the software’s features. Features organizations should prepare to license separately are integration with deduplication appliances or storage arrays and replication.

This licensing option often makes sense for environments that want simplest of the licensing options. They do not need to count or monitor the number of CPUs, VMs, or total capacity to calculate backup software licensing.

From a Pounding Headache to a Dull Throb

Organizations have no shortage of data center topics to discuss that cause them ample stress and pounding headaches. While one cannot and should not consider backup software licensing as solved, recent changes have certainly simplified
it.

Backup software providers now primarily license their backup software in one of five methods. Further, many give organizations at least two options to license their software. One even monthly analyzes each client bill and bills the client based upon the licensing model most favorable to the client.

These types of improvements in backup software licensing have helped to make it less complex than it used to be. While potentially still a hassle, it now more closely resembles a dull throb than the pounding headache it used to be.

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