Microsoft BizSpark™

Program Guide for Startups

Microsoft®

Contents

This Program Guide will be updated with program changes and important information.
Visit the Microsoft® BizSpark™ website at http://www.microsoft.com/bizspark often to stay up to date.

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What is BizSpark?

Program Overview

BizSpark is an innovative new program designed to unite Startups and resources to support them into a single community. BizSpark is uniquely designed to help Startups engaged in software development, by:

- providing them with "express access" to Microsoft tools and technologies, for their immediate use in design, development, testing, demonstration, and hosted application production and deployment;

- connecting them with Network Partners and a united, global community of support resources; and

- offering them global visibility on the MicrosoftStartupZone website via the BizSparkDB, an online Startup directory, hosted on the MicrosoftStartupZone website.

Program Structure and Roles

1. *Structure:*

   Basically, BizSpark is a sponsor-based program, with three levels of relationships:

   1) Champs work with and manage *Network Partners*.

   2) *Network Partners* sponsor and manage eligible *Startups*' participation in the Program.

   3) *Hosting Partners* offer hosting services to *Startups* for "software as a service" applications developed by them.

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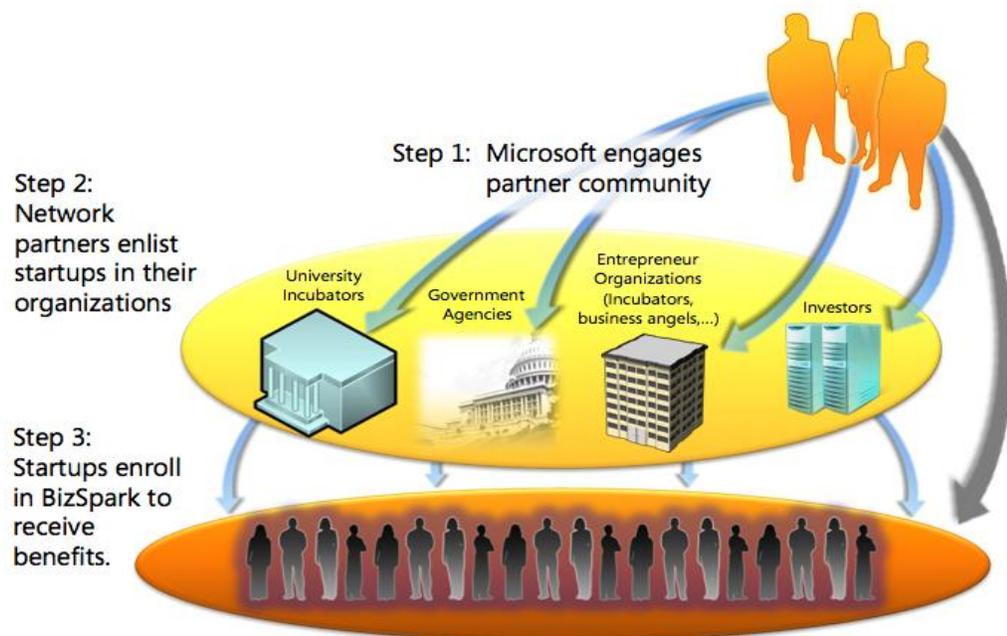
2. *Program Roles:*

- *Champ:* A person who acts as liaison between Microsoft and Network Partners. Champs are responsible contacting Network Partners, approving Network Partner enrollments, and managing the Network Partners during their participation in BizSpark.

- *Network Partner:* An active member of the local software ecosystem engaged with high-potential, early stage Startups. Network Partners may be organizations specifically focused on supporting entrepreneurs and Startup businesses, or whose activities include a focus on promoting and supporting software Startups, through programs, mentoring, networking, business advice, financial assistance or similar activities.

- *Startup:* A technology Startup actively engaged in development of a software-based product or service that will form a core piece of its current or intended business.

- *Hosting Partner:* A designated Network Partner who offers hosting services for "software as a service" solutions developed by BizSpark Startups.

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BizSpark Startups

Why should I join BizSpark as a Startup?

1. The Microsoft BizSpark program is based on the belief that startup success is our success. Microsoft is committed to help technology startups realize their goals on their own terms and in the shortest amount of time. Through BizSpark, Microsoft's goals are to:

   - Help young and innovative software companies gain valuable experience and expertise in Microsoft technologies, with no upfront costs, so they can get the technologies they need when they can least afford them.

   - Help startups establish connections with local and global startup ecosystems - VCs, angels, incubators, entrepreneur associations, etc. - that are equally involved and invested in software-fueled innovation and entrepreneurship.

   - Stimulate vibrant local software ecosystems and promote innovation and interoperability.

   - Work with technology startups as part of the Microsoft BizSpark Network to ensure that we support the broadest possible startup audience in a way that compliments the values of the startups and the network organizations that support them.

2. Microsoft BizSpark offers Startups the opportunity to:

   - *Get Software:* Receive fast and easy access to Microsoft's current full-featured development tools, platform technologies, and production/hosting licenses for immediate use in developing and bringing to market innovative and interoperable solutions. There is no upfront cost to enroll in Microsoft BizSpark.

   - *Get Support:* Get professional support from Microsoft and get connected to BizSpark Network Partners around the world who provide a wide range of support resources for software startups. Network Partners are incubators, investors, advisors, government agencies and hosters who are vested in software-fueled innovation and entrepreneurship.

   - *Get Visibility:* Startups have the opportunity to achieve global visibility to an audience of potential investors, clients, and partners by profiling their company in the online Startup directory, BizSparkDB, on the Microsoft Startup Zone Website. Startups also have the opportunity to be highlighted on the BizSparkDB as a featured company and be promoted as BizSpark Company of the Week on the Microsoft Startup Zone Website.

Startup Eligibility

1. *Startup Eligibility Requirements:*

   An eligible startup must have the following characteristics at the time of joining:

   • Actively engaged in development of a software-based product or service that will form a core piece of its current or intended business[1],

   • Privately held,

   • In business for less than 3 years[2], and

   • Less than US $1 million in annual revenue[3].

   To be eligible to use the software for production and deployment of hosted solutions, startups must also be developing a new "software as a service" solution (on any platform) to be delivered over the Internet.

2. *Term:* Startups can participate in BizSpark for up to 3 years. On the first and second anniversary of initial enrollment, they must update their enrollment (e.g., confirm they haven't gone public and their ownership hasn't changed).

3. *Fee:* A USD $100 program offering fee is due when the Startup exits the Program. As part of Microsoft's commitment to Startup success, there are no initial costs for Startups to join BizSpark.

4. *Special Offers:* BizSpark Startups may also be eligible for additional products or services offerings (from Microsoft or others) from time to time during their tenure in the Program. Startups enrolled in BizSpark will be notified of special offers when they become available as well as the terms and enrollment process to take advantage of them. Special Offers are not part of the BizSpark program benefits and Startup's participation in Special Offers will be governed by the separate terms and conditions for each Special Offer (including licenses, and fees if any)

5. *Technology offering:* The BizSpark technology offering to Startups currently includes:

   • **For development, testing and demonstration:**

     – The software included in the Visual Studio Team System Team Suite (VSTS) with MSDN Premium, plus VSTS Team Foundation Server (Standard Edition) - for the entire development team

   • **For production use** – that is, to deploy and host Startup's new "software as a service" application to be delivered over the Internet to Startup's customers:

     – Windows Server; SQL Server, BizTalk Server, and Office SharePoint Server for Internet Sites hosting, and

     – Systems Center for managing hosting server operations.

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[1] Startups cannot be in the business of providing services to others such as hosting, web agency, system integration or outsourced development.
[2] Startups who are actively engaged in software development but have not yet completed the formalities of establishing a business are also eligible for entry into BizSpark.
[3] This requirement has been adjusted to add local variances calibrated to local economic conditions in the startup's place of business, below. If a Startups' place of business is not listed below, then the revenue limit is US $1 million.
USD $750,000   China
USD $500,000   Greece, Korea, Malaysia, Poland, Russia, Spain, Ukraine
USD $250,000   Egypt, Pakistan, Thailand, Turkey, Vietnam

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The above information regarding software is representative and not comprehensive - see the Startup Program Guide and Program EULA for more details. Products, versions, availability and additional benefits are subject to change. All software is available by download only.

Because this offering is likely to be updated from time to time, Startups and Network Partners should visit the Microsoft® BizSpark website at http://www.microsoft.com/bizspark often to check Program Guides.

- For detailed information on the current BizSpark technology offering and support resources, please see **Appendix A** of this Program Guide.
- For detailed information on production and hosting scenarios, please see **Appendix B** of this Program Guide.

Responsibilities

Startups must:

- Enroll as a Startup on the BizSpark website and maintain an up-to-date profile on the BizSpark website. For additional information on how to do these tasks, see the Startup User Guide.
- Renew its membership on an annual basis.
- Agree to abide by BizSpark terms and conditions as set forth in the BizSpark Startup Agreement , the BizSpark End User License Agreement, the Program website (including Terms of Use, Privacy Statement and Code of Conduct), and the Startup Program Guide.
- Pay a USD $100 Program Offering Fee at the end of its participation with BizSpark.

See the BizSpark Startup Agreement for more details regarding Startup responsibilities.

How do I join as a Startup?

The BizSpark Startup enrollment process:

- The Startup must be associated with a Network Partner before joining. If a Startup is not associated with a participating BizSpark Network Partner, the Startup can select a Network Partner from the "Find a Network Partner" tool on the BizSpark Website. The contact information for the Network Partner will be provided to the Startup and the Startup can contact the Network Partner directly. If the Startup is not able to locate a Network Partner in its region, the Startup can contact a Microsoft representative via the BizSpark website to ask for assistance.
- Once a Startup is associated with a Network Partner and the Network Partner provides Startup with an enrollment code, Startup visits the BizSpark website to join. The Startup's Primary Contact will sign in with a Windows Live™ ID, read and accept the BizSpark Startup Agreement and the End User License Agreement. After entering the enrollment code provided by the Network Partner, the Primary Contact will provide basic contact information about the Startup. For more information on the enrollment process please see the BizSpark Program User Guide.
- Once the enrollment process is complete, the Startup's Primary Contact will receive a "Welcome to the Microsoft BizSpark Program" email that includes their unique Subscription ID required to activate their benefits and download the software (delivered via the MSDN infrastructure).

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How long can I participate in BizSpark?

For three years (renewed annually), unless the Startup goes public, is acquired by a company which does not qualify for BizSpark, or fails to abide by BizSpark's terms and conditions in the Program Materials.

See the BizSpark Startup Agreement for other situations where your participation in the Program could end.

What is the Renewal Process?

Each Startup must renew their participation in BizSpark within 90 days of their first and second year anniversary after enrollment. The Startup's Primary Contact will receive a reminder email from BizSpark when it is time to renew. Renewal is fast and easy – the Startup Primary Contact simply logs in, clicks the renewal button, and confirms that their eligibility has not changed. If the Startup chooses not to renew, the Startup can contact customer support and ask to be removed from the BizSpark Program.

How do I end my participation as a Startup?

You may end your participation in BizSpark as a Startup at any time. To do so, contact Microsoft.

What happens after three years of participation in BizSpark?

Generally, a Startup's participation in BizSpark will end after 3 years or earlier if it terminates its membership or if they're no longer eligible (e.g., go public or are acquired).

At the end of their program participation:

- Startups will continue to enjoy the use rights of the BizSpark Program technology offer to develop, test and demonstrate as long as all members of the Startup comply with the End User License Agreement.

- Startups will no longer have use rights to the BizSpark Program technology offer for production and hosting. However, at the conclusion of their participation in BizSpark, Startups will have had the benefit of the BizSpark experience, better equipped to determine the production and hosting technology that best fits their business needs.

- Startups might choose to take advantage of a Microsoft program like the Service Provider License Agreement (SPLA) (or other Microsoft licensing programs that may be available at the time), but are in no way obligated to do so.

- Startups should manage their agreements with their customers to anticipate the end of their production and hosting rights under the BizSpark Program.

- Startups will be responsible to pay a USD$100 Program Offering Fee.

How do I pay my USD$100 program offering fee?

An invoice for the USD$100 Program Offering Fee will be sent to the Startup's Primary Contact after the Startup exits BizSpark. For more payment information, contact Microsoft.

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Benefits of working with a Network Partner

BizSpark is designed to unite a global community of peers, technical resources and entrepreneurial mentors who can effectively address the unique business development challenges that Startups face. BizSpark directly connects Startups with a community of economic and entrepreneurial development organizations, or Network Partners, who fully understand the startup environment and what it takes to go big quickly. These top-notch advisors specialize in promoting and supporting Startups provide through programs, business mentoring, networking, financial assistance, peer connections, and other resources that drive Startup success

Benefits of working with a Hosting Partner

Hosting Partners are designated Network Partners who can provide hosting services for "software as a service" solutions developed by BizSpark Startups. Generally, Hosting Partners are members of the SaaS ("Software as a Service") Incubation Center Program, which is subject to its own terms and conditions (including, but not limited to, a one-time $10,000 fee for SaaS Business training and ongoing delivery of 1-day SaaS workshops).

Startups that intend to deploy a product on the Internet within 12 months of enrollment are encouraged to engage a Hosting Partner to assist them in hosting their application on the internet. Hosting Partners can offer a wide range of unmanaged to fully managed solutions.

If the Startup is still in product development, it may be most cost-effective to engage a Hosting Partner who offers inexpensive, unmanaged server accounts that allows a Startup to deploy one or more small servers they can configure and manage themselves.

If the Startup's application is headed toward production, the Startup should consider a full-service hosting partnership. A full-service partner will work with the Startup to deploy and run securely at scale, and will give the Startup a performance "service level agreement" for their application (after all – it's the application that Startup's customer is using, not the server!). Many Hosting Partners specialize in helping Startups take their application(s) to the next step of "Software as a Service" readiness, incorporating automated user provisioning, automated usage metering and even automated billing services if the Startup needs them.

A Hosting Partner may operate in specific geographies, and may have special qualifications such as enhanced security certifications. It is important for the Startup to choose a hosting partner that meets their specific needs. To learn more about hosters and selecting hosters in detail please see Selecting a Hosting Partner for Your Software plus Services Application.

To find a Hosting Partner in your geography please visit: http://www.microsoft.com/bizspark.

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Miscellaneous

Notices to Microsoft

All Startups:

Send written notices under your BizSpark Network Partner Agreement to Microsoft at:

> Julien Codorniou
> Microsoft Corporation
> One Microsoft Way
> Redmond, WA 98052
> Email: bzssup@microsoft.com

Additional Resources

Interested in joining as a Startup? www.microsoft.com/bizspark.

For support issues contact: BizSpark Customer Support.

For more information about Startup resources: Visit http://www.microsoftstartupzone.com.

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Appendix A – BizSpark Technology Offering and Support Resources

Design Tools *(Licenses are for development, test, and demonstration only)*	
Microsoft Expression Studio with MSDN Premium Subscription	• One (1) Expression Studio v2 with MSDN Premium Subscription
Development, Test, & Demonstration *(Licenses are for development, test, and demonstration only)*	
Visual Studio Professional with MSDN Premium Subscription	• Visual Studio Team System 2008: – Visual Studio Team System 2008: Team Suite – Visual Studio Team System 2008: Development Edition – Visual Studio Team System 2008: Architecture Edition – Visual Studio Team System 2008: Test Edition – Visual Studio Team System 2008: Database Edition • Visual Studio Team System 2008: Team Foundation Server Standard Edition • Visual Studio 2008 Professional • Visual Studio Team System 2005: – Visual Studio 2005 Team Suite – Visual Studio 2005 Team Edition for Software Developers – Visual Studio 2005 Team Edition for Software Architects – Visual Studio 2005 Team Edition for Software Testers – Visual Studio 2005 Team Edition for Database Professionals • Visual Studio 2005 Professional • Visual Studio 2005 Tools for Microsoft Office System • Visual SourceSafe 2005 • Previous versions of Visual Studio – Visual Studio .NET, Visual Basic, Visual C#, Visual C++, Visual J#, Visual FoxPro
Microsoft Server Software with MSDN Premium Subscription	• SQL Server, all versions • Application Platform Servers – BizTalk Server, Commerce Server, Host Integration Server, Connected Services Framework, Customer Care Framework • Business Productivity Servers – Content Management Server, Exchange Server, Office Live Communications Server, Office Forms Server, Office Groove Server, Office PerformancePoint Server, Speech Server, SharePoint Server, Windows SharePoint Services • IT Operations Servers – Identity Integration Server, Microsoft System Center, Microsoft Operations Manager, Microsoft System Center Capacity Planner, Microsoft System Center Data Protection Manager, Systems Management Server, Internet Security and Acceleration (ISA) Server
Microsoft Dynamics with MSDN Premium Subscription	• Dynamics AX, GP, NAV, SL, Microsoft Forecaster & Microsoft FRx • Dynamics CRM, Point of Sale, Microsoft Small Business Accounting & Financials

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Microsoft Windows with MSDN Premium Subscription	• Windows Vista
	  – Ultimate/Enterprise/Business/Home Premium/Home Basic
	• Windows XP
	  – Professional/Home/Media Center Edition/Tablet PC Edition
	• Windows Server 2008 (all versions)
	• Windows Server 2003 R2
	• Windows Compute Cluster
	• Windows SharePoint Services

Microsoft Office System 2007 with MSDN Premium Subscription	• Office Ultimate/Enterprise/Professional Plus/Professional 2007 • Office Word, Office Excel, Office PowerPoint, Office Outlook & Business Contact Manager, Office Access • Office Publisher, Office InfoPath, Office OneNote, Office Communicator, Office Groove, Office SharePoint Designer, Office Visio Professional, Office Project Standard • Office Accounting, Office Business Scorecard Manager, MapPoint, Office FrontPage • Office Project Professional • Office Project Server, Office Project Portfolio Server
Other Microsoft Tools, SDKs, DDKs with MSDN Premium Subscription	• Access Developer Extensions • Virtual PC, Virtual Server • .NET Framework, .NET Compact Framework, .NET Micro Framework • Windows SDK, Platform SDK, DirectX SDK • Microsoft Baseline Security Analyzer 2.0, Application Compatibility Tool Kit 5.0 • Windows Automated Installation Kit (WAIK), Windows Installer • Windows Driver Kit (WDK), Windows Hardware Compatibility Test • Visual Studio 2005 Extensions for .NET Framework 3.0
Production and Hosting *(For production and deployment of Startup's new "software a service" offer to be delivered to customers over the Internet. See Appendix B below for business scenarios with the Production and Hosting rights.)*	
Hosting Servers	• SQL Server 2008 Standard, Enterprise and Workgroup Editions • SQL Server 2008 Web Edition • Windows Web Server 2008 • Windows Server 2008 Standard and Enterprise • Windows Server 2008 Standard and Enterprise without Hyper-V™ • Biz Talk Server 2006 R2 Branch, Standard and Enterprise Editions • Office SharePoint Server 2007 for Internet Sites
IT Operations Servers	• System Center Configuration Manager 2007 with SQL Server 2005 Technology • System Center Data Protection Manager 2007 • System Center Operations Manager 2007 with SQL Server Technology

Support Resources	

Program and Product Support
(Microsoft support professionals will respond to your questions within business hours.)
	• Two technical support incidents, covering assistance with technical break-fix issues
	  – Benefit limited to the Startup Primary Contact person
	  Connect to http://msdn.microsoft.com/subscriptions/aa948875.aspx for regional support contact information and governing terms and conditions.
	• Unlimited program support for non-technical issues
	  – Connect to http://msdn.microsoft.com/subscriptions/aa948875.aspx for regional support contact information.

The BizSpark technology offering is exclusive to BizSpark Startups and their individual members who have accepted the BizSpark End User License Agreement. The BizSpark technologies must not be transferred to a third party.

The information is representative and not comprehensive. Products, versions, availability and additional benefits are subject to change. Because this offering is likely to be updated from time to time, Startups and Network Partners should visit the Microsoft® BizSpark website at http://www.microsoft.com/bizspark often to check Program Guides, Production and Hosting Scenarios

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Appendix B – Production and Hosting Scenarios

Startups can use BizSpark Hosting and IT operations servers for production use: that is, to host and manage their "software as a service" application that is accessed over the Internet by their customers. Startups can self-host, or contract with a BizSpark Hosting Partner.

BizSpark hosting servers include Windows Server, SQL Server, BizTalk Server, and Office SharePoint Server for Internet Sites products. BizSpark IT operations servers include System Center server products.)

Startups may use BizSpark IT Hosting Servers to deploy a software application that the startup developed and that is accessed by its customers over the Internet. They can use BizSpark IT Operations Servers to manage the application and the servers it runs on.

Examples of applications like this include, but aren't limited to:

- A line of business application, such as a CRM application, which the startup's customer's use to manage their own customer relationships.
- An online auction site.
- Startup's business is logistics (e.g. package delivery).
- A social networking site.

The key points here are:

- The Startup developed the application or service itself, and hosts it (either self-hosted or via a hoster), and
- The customers access the application or service over the internet

The BizSpark servers cannot be used where they don't support an application the Startup developed. In other words, the BizSpark licenses don't apply when the Startup

- Offers the servers simply as a hosted platform(e.g. a SQL Server database)
- Uses the servers as a platform for another company's application, such as a CRM application from a third party

Please refer to the BizSpark Startup Agreement and BizSpark End User License Agreement (both posted on the BizSpark website) for definitive use terms.