

# Document Management Software User licensing

## (The FileHold licensing model explained)

### Introduction

The world of software licensing can be confusing. It seems every software manufacturer has their own idea of the best pricing structure. Often pricing is associated with the number of servers or desktop computers installed or the number of employees who need to use the system. In some document management pricing schemes users are charged by the number of documents they scan each month or by the number of documents they store in the system.

FileHold believes document management software pricing should be based on usage of the software. The more a customer uses it, the more value is received and the more the customer is willing to pay for that value. FileHold document management software has a simple and effective pricing strategy for its Enterprise product. In addition to a fee for our central server FileHold uses both “concurrent licenses” and “registered user” license. These are familiar terms but can be interpreted differently.

For general information about FileHold visit [About document management software](#) .

### FileHold Licensing and the Office Telephone System

To simplify the understanding of the FileHold licensing model it is easiest to think of it like the business telephone system you have in your office - there are three components required for both the telephone system and for FileHold document management software.

**Component 1** - The telephone system requires a central switch that is the heart of the system and acts like a traffic cop to spread calls out to different lines. It also provides security from unwanted intrusion. This can be compared to the FileHold “Server Software” which is the central repository of documents and controls access by users to the system. The central server, like the telephone switch is usually just a onetime charge.

**Component 2** – In the telephone system each person gets their own telephone handset that can be personalized (different color and features) and provides privacy. The personal telephone is like the FileHold “Registered User” license that gives the user a unique ID and Password and can be personalized (“read only” or allowed to “publish or delete”). Just like in a telephone system, registered users are very inexpensive components and companies are not reluctant to give one to every employee.

**Component 3** – In the office telephone system there will be a limited number of lines that come from the switch to the individual handsets. It is not necessary to buy a line for every single handset or employee because they are not used all the time and the cost per line is relatively high. When usage of the telephone system is being determined the number of lines purchased is based on the number of users who may be using the system “concurrently”. Many handsets will have show the lines being used at any one time and a user picks a line that is available for use. These lines are like the FileHold “Concurrent Sessions” that are purchased for each of the users who might need access to the FileHold library at the same time.

Unlike the telephone system the FileHold document management software does not have monthly usage charges after purchase. There are no additional fees for the number of documents stored in the system or the amount of time it is used. To ensure the document management software is always maintained and that upgrades are provided FileHold does have an annual FileCare program. The FileCare program provides unlimited technical support and all product upgrades to guarantee against obsolescence. Once FileHold and FileCare are purchased the system will never become obsolete or have to be replaced.

### **Example**

Just like in buying a telephone system it is easy to buy the switch and determine the number of handsets that are needed. What is more difficult (and more expensive) is to determine how many telephone lines or “Concurrent Sessions” will be needed – all customers are different. Many customers faced with this decision buy a few to start and add more when needed. FileHold encourages customers to “start small” and add licensing as needed. There is no price penalty for adding licenses later and doing it is as simple as an e-mail exchange.

For a company of 100 employees a customer might choose to buy everyone a “registered user” license so that for security and user tracking every employee can have a unique user ID and log on password. The system administrator can set some employees to have “read only” rights or “publish” rights as may be appropriate. It is easy to buy these licenses as they have a onetime charge of only \$40.00 per user. Determining the number of employees who will use the system concurrently is a bit more difficult but a good starting point would be 10 concurrent sessions (lines) and then add to that if it turns out more are needed. Ultimately the number of concurrent session will depend on how intensively the document management system is being used (shift workers, different time zones, etc). In most cases people only use document management software for the moments they are checking document in or out – the rest of the time it sits idle. The users who make intensive use are those using document scanning and adding documents continuously. All of these factors will determine the number of concurrent session needed.

To learn more about document management software licensing contact [sales@filehold.com](mailto:sales@filehold.com) or to learn more about how to buy FileHold go to [how to buy document management software](#) .