



# Software License Compliance in the Subscription Era

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vmware<sup>®</sup> by BROADCOM

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- 6 years Microsoft Auditor/Advisor at KPMG
- 3 years Auditor at VMware
- 2 years Cloud Migration Advisor at AWS & Vendor
- 1 year Auditor at VMware by Broadcom



Over the last 3 years, 44% of organizations spent **\$1M+** on audits

**32% of organizations paid \$1M+ in audit settlements**

**36% of companies have complete visibility of their IT environment**

**Globally, \$46.3B annually is lost to software piracy**

Flexera 2026 State of ITAM Report  
Unisphere Research 2025 Survey of Enterprise Software Licensing and Audit Trends  
Business Software Alliance 2018 Global Software Survey



*Never attribute to malice that which is adequately explained by ignorance and apathy.* – Hanlon's Razor

- It's someone else's job
- Software contracts and EULAs are boring and hard to read
- Technology changes and terms change
- Licensing rules can be very complex

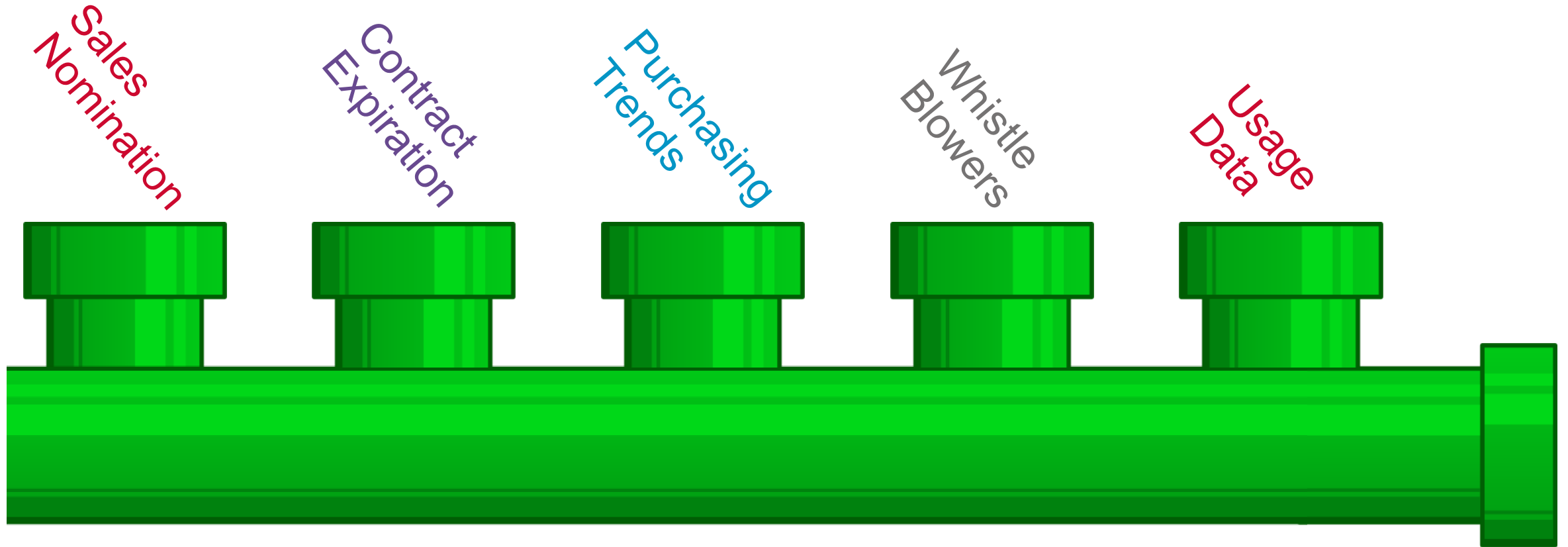


# Ways Customers Violate License Terms

- Over deployment
- Sharing licenses with affiliates
- Deploying outside of the licensed country or territory
- Installing updates after support/maintenance expires
- Violating product/license specific terms



# Identifying Audit Targets



# Process Overview



**Kick Off &  
Planning**



**Data  
Collection**



**Data  
Validation**



**Data  
Analysis**



**Resolution**



# Data Categories





# Subscription Licensing

**Adobe**

 Microsoft 365

 **AUTODESK**

**vmware**  
by **Broadcom**

**INTUIT**

**citrix**™

**ORACLE**



# Compliance Subscription License Benefits

- Fewer products (with bundling)
- License keys expire
- Support/maintenance included
- No entitlement history
- Only recent terms and conditions apply
- Limits duration of compliance issue



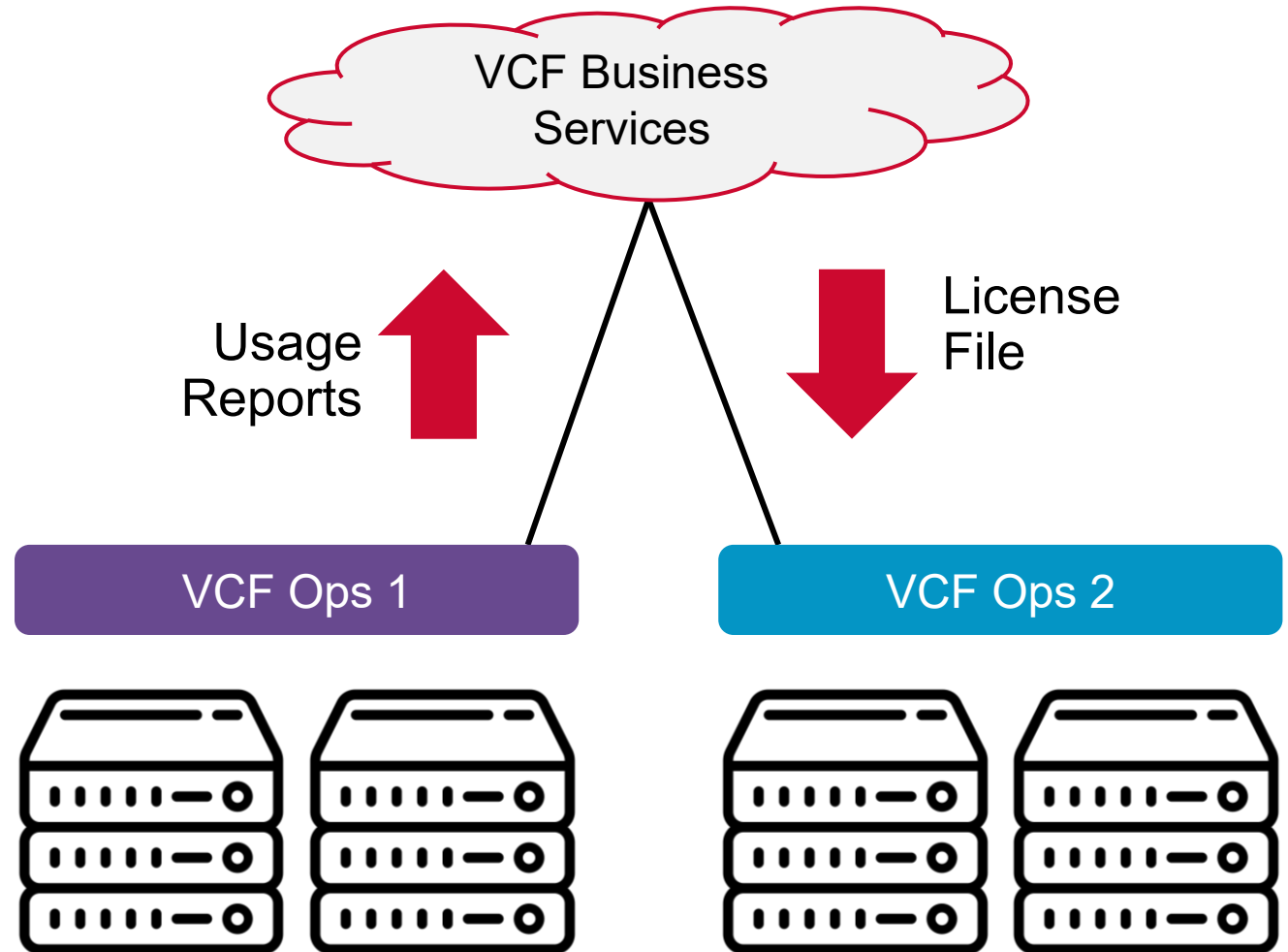
# Compliance Challenges Migrating to Subscriptions

- Perpetual licenses still exist
- Mixed environments have more build violations
- Customers are attempting to revert to old perpetual licenses
- Customers are testing our audit rights more
- Mixing standalone and bundled licenses can multiply compliance violations



# Automated Compliance with VMware Cloud Foundation

- License files over license keys
- Extended existing management capabilities to include licensing
- Mandatory usage reporting
- Enforcement is built in with feature degradation



# Future Compliance Opportunities

- High variability in usage data
- Tampering with usage data
- Frequent re-allocation of licenses
- Duplicate license server



# Immediate Steps to Improve Software Compliance

1. Have a dedicated team of product compliance knowledge experts
2. Review the verification of use rights in your contracts/user agreement
  - Does the language support the verification requirements?
  - Do verification rights extend past license expiration?
3. Restrict support to deployments with active license assigned
4. Ensure executive alignment between Sales and Legal functions





# Thank you