Not For Resale:

Cisco Fiscal Year 2019 Program Changes and Highlights

This document describes how Cisco is simplifying the Not-For-Resale (NFR) program and discounts, including demo/lab software.



Highlights

What's Changing?

- Cisco is improving the Not-For-Resale program with a new Enhanced level, increased purchasing limits for qualified partners, a new enrollment process, and more.
- Additionally, we are announcing new, simplified discount categories and up to 100% discounts on demo/lab software.

When

Starting July 29, 2018

Enable your business and capabilities with Not For Resale

The Not-For-Resale (NFR) program rewards Cisco you with *generous discounts* on products used in non-revenue generating activities for your own *internal use*, to stand up your own *demo lab*, or to use for *training* purposes.



Run Your Business

- Bring Cisco technology into your back office
- Realize business outcomes
- 'Walk the talk' with your customers via Cisco Solutions



Stand Up Your Lab

- Showcase Cisco Technology to customers and build expertise
- Realize a new Software and recurring revenue (RR) business model with up to 100% discount on select software technologies
- Create new process and services capabilities throug test on vironments



Train & Enable

- Learning partners leverage latest technology to gain competitive advantage
- Enable partner sales engineers to stand up and break down labs to ease the provisioning process



What's new in FY19?

Here's what you can look forward to with the NFR program in Cisco FY19:

- Reward your growth with the new Enhanced program level featuring increased annual purchasing limits for qualifying partners
- Take advantage of new, simplified discount categories include: Core, Compute, Services, and Small Business Technology Group (SBTG)
- Make the most of discounts up to a 100% on demo/lab software
- Gain access to the program quickly with the new partner enrollment process

How does the new enrollment process work?

- ✓ Beginning July 29, 2018 (Cisco FY19), you will be required to enroll annually into the NFR program through Cisco's <u>Partner Program Enrollment (PPE)</u> tool
- ✓ Enrolling into the program allows you to review and agree to the Terms and Conditions, as well as gain access to the NFR discount codes in Cisco Commerce (CCW)
- ✓ Enrollment is open year round and you have the ability to enroll at any time
- ✓ Remember, you must enroll into the program before you are able to register your NFR deal

Check out the new NFR Enhanced Level

As you know, NFR can be purchased by any registered partner, there is no change to that. However, we have new purchasing limits based on qualifying criteria that allow you to purchase above the certification level limits.

In order to qualify for the Enhanced Purchasing Level, you must:

- ✓ Hold a Gold, Select or Premier Certification
- ✓ Meet a minimum annual bookings requirement and demonstrate Cisco growth

As you grow with us, we want to invest back into you. Leverage the additional purchasing limits to support your business and continue to build your practice.

Figure 3: NFR Standard & Enhanced Levels



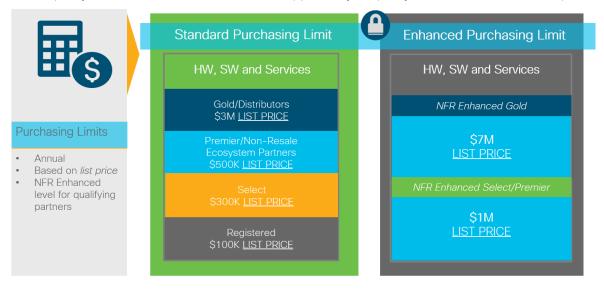
Qualifying for increased purchasing limits

Previously, the purchasing limits were a bit complex, so we decided to simplify them.

· Limits will continue to be on a Cisco fiscal annual basis



- Limits are based on list price of products
- Partners who qualify for the Enhanced level have the opportunity to qualify for an additional level of purchasing limits



How do you unlock the benefit of becoming an NFR Enhanced-level partner?

The Enhanced level is all about the Value Exchange. We want to reward you for doing the right things with Cisco. We want to reward your growth with higher purchasing limits and further enable your investment in Cisco Technology. That's why we increased the purchasing limit to \$7 million for Gold partners.

To qualify for the Gold level:

- To qualify, you have to hold a Gold certification
- You must have a minimum of \$100M net bookings, which is calculated on a rolling 4-quarter basis
- You are required to show growth on the 4 rolling quarters

To qualify for the Select/Premier Enhanced level:

- You have to be a Premier or Select partner
- You have to have a minimum of \$1M net bookings again that's a rolling 4-quarter calculation
- And you have demonstrated growth for the 4 rolling quarters

Please note qualifications are done in Cisco Q4 each fiscal year; qualifying partners will be notified to enroll in the Enhanced Level.



It's all about the simplified discounts

In addition to unveiling a new Enhanced purchasing level, we have made strategic changes to simplify and support new buying models. Here's what we've changed:



Discount Highlights

Simplifies discounts

• Standardized discounts from architectures into Core/Compute categories

Enables your transition to software and recurring revenue (RR)

 Announcing up to 100% discount on select software product IDs (PIDs) for Demo/Lab use only

Includes services for your gear

Services renewals added into NFR

- In the past there were a variety of levels based on architectures or acquisitions, so we've simplified it into core and compute categories.
- Most importantly the 'up to 100% discount' on the demo/lab software enables your transition to software and recurring revenue (RR) models.
- We also changed how you can renew your services on NFR gear by adding renewals to the program.

IMPORTANT WHEN ORDERING:

To ensure you receive the up to 100% off for demo or lab equipment, there are two ways you can purchase – either for internal use or lab use. You must select LAB under 'Intended Use' when you are registering your deal to get the up to 100% discount.

Call to Action / Training & Resources

- To access region-specific NFR training, discount sheets, and demo/lab software discount product ID lists, go to the <u>SalesConnect Partner Programs hub</u> and click on Not For Resale.
- Access the <u>NFR web page</u> to learn more about the NFR program and how to maximize NFR discounts.