Q & A

Technical Support Services Pricing Q&A

General

Q. What Technical Support Services (TSS) programs will the TSS pricing Q&A address?

A. This document will address mainstream Cisco[®] Customer Advocacy TSS programs that have service pricing methodologies similar to those for SMARTnet[®] services, Service Provider (SP) Base (except Europe, the Middle East, and Africa), Small and Medium-Sized Business (SMB) Support Assistant, Software Application Services, and the Cisco Shared Support Program.

Q. How is service pricing determined on Cisco Systems[®] products?

A. Cisco service pricing is related to the cost of delivery, the value of the service, and market forces. Cisco makes every effort to help ensure prices remain competitive in the marketplace.

Q. What is chassis-based service pricing?

A. Chassis-based service pricing assigns a single service price for each level of service, regardless of the quantity or type of line cards installed in any given chassis. The single price is a percentage of the product list price and is based on the "average configuration" of the chassis and does not take into account line card variation. Typically, a single service price is associated with the top level or chassis of the product. This service part number will cover all field-replaceable units (FRUs) parts within the chassis.

Q. What is chassis-plus service pricing?

A. Chassis-plus service pricing assigns prices for each level of service to the chassis and to each line card in any given chassis. The multiple service prices are based on the "actual configuration" of the chassis and are applied to both the chassis and the FRUs within the chassis configuration.

Q. Why do some line cards have service pricing attached even though they are part of a chassis-based service pricing configuration?

A. Service pricing is attached to new products that significantly increase base product capability: bandwidth, users, priority, or speed. Examples include firewall or security modules on the Cisco Catalyst[®] 6500 and 7600 series products.

Q. Why does Cisco charge for service on the firewall and security blades over and above the service pricing on the Cisco Catalyst 6500 and 7600 series products?

A. Cisco wants to reflect the proper value in the relationship of product to service. Pricing based on "average configurations" does not reflect the increased value and increased costs associated with servicing high-value cards such as the firewall and security blades.

Q. How frequently will price changes be announced?

A. In the past, price increases were announced semiannually. In the future, price change announcements will align with the monthly publication of the TSS service price files. The monthly price change announcements will include price increases, price decreases, and termination of service availability (excluding end of life, which is communicated separately). The TSS price change announcements are posted at the following Webpages:

- <u>Cisco.com SMARTnet page</u>
- <u>Cisco.com Software Application Support/Software Application Support plus Upgrades (SAS/SASU) page</u>
- <u>Cisco.com SP Base and SP Base Onsite page</u>

Q. How do I make sure the service pricing quotes correctly when a customer's product configuration has changed?

A. Any product moves, adds, or changes must be updated on the service contract in the Cisco Service Contract Center (SCC) located at <u>http://www.cisco.com/public/scc</u>. This will help ensure that the service contract quote will be correct at the time of renewal.

Q. Can a product configuration have FRUs under different service levels?

A. No. A product configuration is considered a single unit and must have the same service level assigned to all the chassis and line cards (that is, FRUs).

Quoting and Ordering Service

- **Q.** Where can I find Cisco TSS pricing?
- **A.** Service contract pricing is available online at:
 - SCC: <u>http://www.cisco.com/public/scc</u>
 - Cisco Marketplace using the Ordering Tool or the Dynamic ConfigurationTool (DCT): http://www.cisco.com/en/US/partner/ordering
- **Q.** What pricing and support tools are available?
- A. Service pricing and support tools are located at the following URLs:
 - Dynamic Online TSS pricing resources:

Pricing Tool: <u>http://www.cisco.com/cgi-bin/front.x/pricing</u>

DCT: <u>http://www.cisco.com/order/apollo/configureHome.html</u>

Ordering Tool: <u>http://www.cisco.com/cgi-bin/order/ipc_entrance.pl?ipc_store=CISCO_NETWORKING_PRODUCTS_NEW_OT</u> Ordering Assistance: <u>http://www.cisco.com/en/US/partner/ordering/index.shtml</u>

Partner Business Central: http://www.cisco.com/appcontent/echannels/pbc/

Downloadable TSS price files:

Pricing Tool: http://www.cisco.com/cgi-bin/front.x/pricing?Request=ViewDownloadListPage

Q. How do I download TSS price files to my computer?

A. TSS price files are updated once a month to include all current Cisco product part numbers and the corresponding service pricing. The TSS price files are located at <u>http://www.cisco.com/cgi-bin/front.x/pricing?Request=ViewDownloadListPage</u>. Click the Service Price List and choose the price list you want to download.

Q. How often are the manually posted TSS price files updated on the Pricing Tool?

A. The TSS price files are updated only once per month by the 10th. The information in the price files is only as current as its last update. The files are clearly dated.

Q. Are the TSS price files the best source to find TSS pricing?

A. All TSS price files are a resource to locate TSS pricing. However, they are not considered the best source because the TSS price files can not automatically generate a service quote based on the product configuration or bill of materials associated with the product. The best way to create a service pricing quote is to use one of the Cisco online dynamic tools: DCT or SCC.

Q. How do I quote service pricing on a product bundle?

A. The most efficient method of quoting service on a product bundle is to configure the product bundle and service in the DCT located on the Ordering Webpage of Cisco.com, located at <u>http://www.cisco.com/en/US/partner/ordering/index.shtml</u>.

Q. How is service pricing attached to a product bundle?

A. Service pricing is attached to a product bundle based on the product structure, the product type, or the service pricing methodology. Here are some examples:

- Cisco structures product bundles known as Assemble to Order (ATO) or configurable product bundles with a \$0 value on the top-level part number, such as Unity-4.0 or CISCO15454, because all of the configurable hardware and software options underneath the top-level part number have an associated dollar value. The service is priced on the configurable hardware and software options underneath the top-level part number as well.
- Cisco software applications that include a hardware platform in the product configuration, such as CallManager-4.1 or MP-8106-48 (MeetingPlace[®]), are examples of a product type that requires SASU to be priced on the software options and SMARTnet to be priced on the hardware options within the product bundle. When configuring a product bundle in the DCT, it is important to realize that a service quote for the software and hardware must be completed in a two-step process. After you configure the product, first choose SASU from the service menu pull-down and save the quote. Next, choose SMARTnet from the service menu pull-down, save the quote, and combine the service pricing on both the hardware and software into a single quote.
- Product bundles with chassis-plus service pricing, such as AS5850-EG-SK, MGX8850, or CISCO15327, will have a service price associated on all FRUs, including the chassis and line card-level FRUs.
- **Q.** What does it mean when I see a service price of zero or X?
- **A.** A service price of zero or X may occur for the following reasons:
 - The corresponding product is actually a bundle, and service is priced on the configurable options rather than the top-level product part number. For example, CON-SAU-UNITY-4X has a service price of X because all of the service is priced on the configurable software options.
 - Service may not be available globally. For example, TSS pricing will be absent, shown as X, from a regional price list if service is not available in that region.

Missing Service Pricing

- **Q.** Why is service pricing missing for a specific product part number?
- **A.** Service pricing for a specific product part number may not be available for a variety of reasons, including:
 - The product is orderable before the service is ready. Service availability and/or service pricing may not be finalized at the time the product becomes available.
 - Service is not available for expendable product accessories such as cables, blower assemblies, power cords, and rack mounting kits.

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- Service pricing does not appear on Cisco IOS[®] Software or Catalyst OS software for hardware-based platforms because the software is supported under the hardware service contract.
- Service pricing is not available on FRUs within a chassis-based product configuration because the service price is based on the overall chassis configuration rather than on the individual FRUs.
- Service pricing systems experience a time delay when populating service pricing in Cisco quoting and ordering tools, price lists, and so on.
- System pricing errors may prevent the appearance of service pricing from Cisco pricing, quoting, and ordering tools.
- The product has reached end of support, and service pricing is no longer available.
- Service delivery is not available in a particular region, and therefore service pricing is missing from the region-based price list.

Q. If a FRU within a specific product configuration does not have service pricing, does that mean Cisco will not support that FRU?

A. As long as all the FRUs that were available for quoting at the time of the sale were covered with a service contract, Cisco will provide support for the entire product configuration.

- **Q.** Why are a product and corresponding service price not listed on TSS price files?
- **A.** There are three main reasons why a product and corresponding service price are missing from TSS price files:
 - The product and service pricing have become orderable within the last 30 days, and the information has not been uploaded to the TSS price files, which are statically created and posted once a month.
 - The product has reached end of support, and service pricing is no longer available.
 - Due to delivery restrictions, service may not be available in every region, and therefore the service pricing may be missing from regionbased price lists.
- **Q.** Why is two-hour pricing missing from a specific product part number that has service available?

A. For a variety of reasons, not all service levels – for example, two-hour – are available on all products. The following business factors will affect the service-level availability:

- Service on heavy equipment can be limited because of shipping restrictions.
- Lack of market demand determines service-level availability (for example, IP phones do not require onsite support).
- Service availability on original equipment manufacturer (OEM) products can be limited based on the OEM's ability to provide support to Cisco customers.
- Service availability can be limited because of Cisco cost of support (for example, specialized technologies such as optical incur a higher level of support costs).

Product End-of-Sale/End-of-Life

Q. What is the Cisco service commitment after the product end-of-sale date?

A. Overall product support for Cisco hardware and system software is provided for five years after the publicly announced end-of-sale date. Overall product support for Cisco application software is provided for three years after the publicly announced end-of-sale date.

Q. Where can I find more information on Cisco products that have reached end of sale?

A. More information is located at <u>http://www.cisco.com/en/US/partner/products/products/products end-of-life_policy.html</u>. A list of end-of-sale and end-of-life products is located at <u>http://www.cisco.com/en/US/partner/products/prod_end_of_life.html</u>. Questions about product end of life can be directed to the Customer Service Case Management Tool located at <u>http://www.cisco.com/cgi-bin/front.x/cs/caseTracking.cgi</u>.

Q. Why is service no longer orderable on a product that is in the fifth year of post-end-of-sale support?

A. When a product reaches nine months prior to the last date of support (LDoS) in the end-of-life process, all of the service part numbers and pricing are removed, and the product is no longer orderable.

Software Application Services

Q. What is the SAS pricing methodology?

A. SAS is calculated as a percentage of product list price. The percentage is determined by many factors, including product complexity, software royalties, and market factors.

Q. How is service pricing determined for software upgrade part numbers?

A. Service pricing is calculated as a percentage of the software product part number for a particular major release. It is not calculated as a percentage of the product upgrade cost from one version to another. This is because service is being provided for the entire product, not just the incremental portion associated with the upgrade from one version to another. This also helps ensure that new customers buying a major release, as well as customers that have upgraded to that same release, both pay the same price for service. If a customer has an SAS contract, there is no charge for maintenance or minor release upgrades. If a customer has an SASU contract, there is no charge for maintenance, minor, or major software release upgrades.

Q. Is software support priced on a per-server, per-feature, per-user, or per-subscriber basis or on a combination of all these factors?

A. Typically, software support is based on the way the software license is sold. Licenses may be sold by the server, by the number of users, or by the software options.

Q. When I calculate the price of software support as a percentage of product list prices, I notice the percentages vary from product to product. Why is this?

A. Cisco prices software support based on market value. Cisco is also diligent about benchmarking the support pricing and the total cost of ownership for the software against those of our competitors. Cisco also factors in the cost and complexity of support and other market drivers. Subsequently, software support as a percentage of the software list price will vary across solutions and technologies



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