



# Cloud Services Provider Cloud Builder and SaaS

Program Transition FAQ for Partners

#### **Executive Summary**

This FAQ delivers important updates regarding the VMware Partner Connect program and the Cloud Services Provider - Cloud Builder (the "Rental" model) and Cloud Services Provider - SaaS (the "MSP" model) routes-to-market.

#### **Program Changes Overview**

#### Why is this happening, and what are the high-level program changes?

As outlined at VMware Explore 2023, Broadcom and VMware are shifting their portfolio strategy to align with market and industry trends for how customers want to and consume our software-defined data center ("SDDC") stack. VMware is moving away from perpetual-licensed offerings to subscription and term-based SaaS offerings, as well as consolidating the portfolio to make it simpler for our customers to consume solutions.

As a major component of this model shift and portfolio simplification, VMware's Cloud Services Provider program – Partner Connect, will be terminated and Cloud Service Providers will be invited into the new program being set up under the Broadcom Expert Advantage Partner Program. VMware Cloud Foundation ("VCF") will be the primary offering available in the new program. With VCF, customers can experience a consistent and simplified cloud experience regardless of where they consume VMware products.

- VMware Partner Connect partners have received notice of termination of their Partner Connect Agreements. This includes all previous
  certifications and verified programs offered by VMware for partners. However, the Cloud Services Provider program will have a transition
  period that extends until April 30, 2024. During this transition period, no new partners may enroll in the Partner Connect program and
  enrollment processing will no longer be available through the Partner Connect portal after April 30, 2024.
- Cloud Services Provider Cloud Builder: The program will end April 30, 2024, and another program will be announced for VMware by Broadcom Cloud Service Providers, with a primary offering for VMware Cloud Foundation ("VCF"). Cloud Services Provider product add-ons such as VMware Cloud Director, Usage Meter, VMware Cloud Director Availability, and VMware Chargeback are all included at zero cost within the VCF offering.
- Cloud Services Provider SaaS: The program is not within the Broadcom VCF charter and will end Q2FY24. More information regarding where Cloud Services Provider SaaS services will be located within VMware by Broadcom will be communicated in the near future.
- Partners who transition to the Broadcom Expert Advantage Partner Program will transition to new licensing and metering systems, beginning **February 2024**, and effective **May 1, 2024**. Prior metering mechanisms and associated programs will be retired effective **May 1, 2024**.

#### When will the program changes begin to occur?

Existing contracts with VMware will continue through April 30, 2024. The last rental usage period will be through March 30, 2024, and bookings must be closed by April 15, 2024. Partners will be invited and/or qualified to join the new business program model starting in early 2024. As we roll out the new program during the first calendar quarter of 2024, partners will begin to transition their customers, which we expect to occur through May 2024.

#### What is the transition period?

The transition period will last from December 2023 through April 30, 2024. Partners will receive more information soon about the new Cloud Services program at Broadcom.

#### What product changes will result because of this strategy shift?

Broadcom and VMware will considerably reduce the number of offerings available for purchase across all routes to market. By leveraging VMware Cloud Foundation as the new offering, partners can offer the complete core portfolio of SDDC services in a consistent and simple fashion for customers, which will help reduce the complexity and associated IT costs of consumption for VMware products as they are deployed across the on-premises, partner, and hybrid cloud estates. With VCF, partners and customers will get continuous delivery of new capabilities and security updates and continue to have global visibility and centralized multi-tenant management via the VMware Cloud Director user interface.

#### How will this change benefit partners?

VMware by Broadcom's Expert Advantage Partner Program means that our partner ecosystem will have a greater opportunity to engage more strategically with VMware's large base of enterprise customers, offer them continuous and differentiated services, and partner for significant new opportunities. We will help our partners to build a greater pipeline of opportunities, and reduce the complexity of delivering, managing, and operating products so they can focus on increasing the scope of their managed services offerings for their customers.

#### What is the Broadcom Expert Advantage Partner Program?

The Broadcom Expert Advantage Partner Program serves as the cornerstone of our partner strategy and customer market approach. It unifies Broadcom partners under one program, streamlining requirements across various business models. Our aim is to strengthen relationships, drive financial success for partners, and offer simplified pricing, improved margins, and enhanced benefits to facilitate business growth.

#### What is the process for becoming a Broadcom Partner?

The Broadcom Expert Advantage Partner Program is an invite-only program with specific requirements and criteria for inclusion. Select strategic partners will be directly invited by VMware by Broadcom to join the Broadcom Advantage program. Additionally, partners may be able to join the Broadcom Advantage program if they meet certain program requirements. These criteria will be communicated in a future announcement in early 2024.

## Will Broadcom honor individual partner levels achieved while at VMware?

Broadcom will honor all partner progression and level changes made through November 22, 2023, until the end of the transition period (April 30, 2024).

## Will partners still be able to progress in the program after November 22, 2023?

Effective November 22, 2023, Partner Connect partner-level changes are paused.

#### Can partners still order NFRs and IULs?

Yes, partners may still order NFRs and IULs during this transition period.

## Will Broadcom partners who are not VMware partners be eligible to offer VMware products?

Only VMware's existing Partner Connect Program partners will be able to participate (subject to criteria being met) in the Broadcom Expert Advantage Partner Program and offer VMware products.

## Will VMware align with Broadcom's Q1 fiscal calendar post-acquisition?

Yes, VMware will align with Broadcom's fiscal year immediately. Broadcom's FY24 year began November 1, 2023.

#### Will partners still have access to VMware training?

Yes, any VMware partner contacts with access to training today will continue to have access until the Partner Connect portal is retired **April 30, 2024**. After the portal is retired, there will not be login access, and the site will be decommissioned.

#### Are there any changes to the VMware brand or logo?

Yes, as of the acquisition, there is a new VMware by Broadcom logo now available on the Partner Connect portal.

#### Where can VMware partners go to find out more information?

VMware partners should refer to the <u>Acquisition FAQ</u>, this Cloud Services Provider FAQ, and other documents posted to the VMware Partner Connect Portal in the <u>Cloud Provider Toolbox</u> 'Priority Updates' section, which will be updated regularly prior to the transition end date. As always, partners may contact their Partner Business Manager or VMware Partner Support at partnerconnect@vmware.com with any questions.

## Cloud Services Provider – Cloud Builder Partners

## How will the VMware Partner Connect Program work during the transition period ending April 30, 2024?

Partners holding active contracts as of November 22, 2023, will remain unaffected and operational throughout the transition period. Any contracts that are due to renew during this transition period will automatically be extended until **April 30, 2024**, and any prepay contracts can be topped up as necessary. No new contracts will be approved. No new contracts will be approved.

#### Will metering or reporting change during this transition period?

All existing metering and billing systems will continue to operate normally during the transition period. Partners will continue to report usage and submit MBOs for each calendar month.

#### When is the final metering and billing period?

March 2024 will be the last metering period, and partners will submit their final MBOs in **April 2024**.

## During the transition period can a partner request additional license keys?

Yes, but it should be for immediate customer needs only.

#### What happens to VMware partners after April 30, 2024?

Select partners will be invited to join the Broadcom Expert Advantage Partner Program. These invitations will be sent out starting in early 2024. Other partners that meet the program requirements will also be allowed to participate. Partners will be invited either by Broadcom or a participating Aggregator.

## What if a partner cannot meet the Broadcom Expert Advantage Partner Program requirements?

Partners who cannot meet the minimum requirements to be included in the Broadcom Expert Advantage Partner Program will have the possible option to use a white-label partner within the Broadcom Expert Advantage Partner Program, giving them the ability to continue offering services under the umbrella of a parent Broadcom Expert Advantage Partner Program partner.

#### What do I tell my customers?

VMware by Broadcom <u>announced</u> overall business transformation plans across all routes to markets. Additionally, partners can relay details regarding their program continuation and wind-down period ending April 30, 2024. Customers who ask about partner plans beyond April can be told that these will be formalized in early 2024 with subsequent communications from VMware by Broadcom.

## How does a partner get more information about the Broadcom Expert Advantage Partner Program?

Partners can read more about the Broadcom Expert Advantage Partner Program on <u>this website</u>. When further details regarding the program for VMware partners is available we will communicate that to you.

## Is there any possibility of a program extension beyond April 30, 2024?

No, all VMware systems will transition to Broadcom Advantage systems and existing systems will be retired.

#### If a partner will not be transitioning to the Broadcom Expert Advantage Partner Program - what options does the partner have to transfer a customer to another partner?

VMware will, if possible, assist to help transition customers of a partner to a Broadcom Advantage partner.

## During the transition period, are monthly usage reports still due by the 15th day of the month?

Yes, no change.

## Is it mandatory that all partners report their usage during the transition period?

Yes, it is mandatory that partners report their usage on time.

## Will I be required to perform any revalidations for badges such as Cloud Verified?

No, partner revalidations are no longer required as the program winds down. You will retain existing badges for the remainder of the program through **April 30, 2024**.

## Can a partner still use their validated service marketing benefits?

At this time all marketing benefits for validated services are stopped, including services like CIO.com, blogs, weekly social media postings, video success stories, and company promotions etc.

#### Will my relationship with my aggregator be impacted?

Aggregators, similar to partners, will need to transition to the Broadcom partner program. Further details regarding aggregators under Broadcom will be communicated in future notifications.

## During the transition period can a partner use the cancellation policy to exit the program?

Yes, they can use the cancellation policy.

## Cloud Services Providers – SaaS Partners

### How will the VMware Partner Connect "Cloud Services Provider

- SaaS" program offerings work during the transition period ending April 30, 2024?

VMware will communicate further information regarding SaaS programs in the near future.

#### What will happen to Cloud Partner Navigator?

VMware will communicate further information regarding SaaS programs in the near future.

#### Will reporting change during this transition period?

All existing metering and billing systems will continue to operate normally during the transition period. Partners will continue to report usage and submit MBOs for each calendar month.

#### When is the final metering and billing period?

March 2024 will be the last metering period, and partners will submit their final MBOs in **April 2024**.

## During the transition period, are the Cloud Services Provider - SaaS monthly usage reports still due by the 15th day of the month?

Yes, no change.

## Is it mandatory that all partners report their usage during the transition period?

Yes, it's obligatory for all CSPs, whether they proceed with the new program or not. Our expectation for our Aggregator partners is that ALL CSPs report their usage on time.

## During the transition period can a partner use the cancellation policy to exit the program?

Yes, they can use the cancellation policy.

## What does this mean for partners who have been transacting SD-WAN/SASE products in VCPP?

Partners transacting SD-WAN/ SASE in VCPP will need to transition to a new partner program. The Software Defined Edge (SDE) business unit will be working to migrate those partners in the future, more information about the SDE program will be communicated in January 2024.

#### Additional Resources

#### Where can I get more information?

Refer to the following table of resources.

VMware by Broadcom Partner Day1 General FAQ	Partner Connect Link
Partner Termination for Convenience	Partner Connect Link
Business Transformation Blog	Blog Link
Partner 12/11 vmLIVE (VCF Portfolio & Positioning Update)	Partner Connect  Replay Link  Deck  FAQ

