Microsoft CSP - M365 Base Plans without Teams

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Overview

On April 1, 2024, Microsoft announced changes to Microsoft 365, Office 365, and Microsoft Teams licensing:

- Microsoft introduced a new lineup of 10 new commercial Microsoft 365 and Office 365 base plans that don't include Teams.
- Microsoft introduced a new standalone Teams product called: Microsoft Teams Enterprise.
- Microsoft announced the end of sale for Office 365 E1/E3/E5 and Microsoft 365 E3/E5 base plans that include Teams (new Microsoft customers only).
- Microsoft will continue to offer SMB & Frontline base plans with Teams.



NOTE

The announcement does not affect Nonprofit, Academic, and US Government products. Currently, this only affects Microsoft's commercial (Enterprise, Business, and Frontline) products.

Additionally, the "end of sale" for the Office 365 and Microsoft 365 base plans do not affect existing Microsoft 365 customers. It only affects customers that are new to Microsoft 365.

New Base Plans without Teams

Microsoft has created the following base plan products that do not include Teams:

Enterprise

- Office 365 E1 (No Teams)
- Office 365 E3 (No Teams)
- Office 365 E5 (No Teams)
- Microsoft 365 E3 (No Teams)
- · Microsoft 365 E5 (No Teams)

Frontline

- Microsoft 365 F1 (No Teams)
- Microsoft 365 F3 (No Teams)
- Office 365 F3 (No Teams)

SMB

- Microsoft 365 Business Basic (No Teams)
- Microsoft 365 Business Standard (No Teams)
- Microsoft 365 Business Premium (No Teams)

New Teams Product

Microsoft has introduced Microsoft Teams Enterprise, which is a standalone product for Teams, and can be paired with the above base plans that do not include Teams.

End of Sale for New Microsoft 365 Customers

After April 1, 2024, the following base plan products that include Teams are no longer available for net new Microsoft 365 customers:

- Office 365 E1/E3/E5
- Microsoft 365 E3/E5

New Microsoft 365 customers must purchase the above new base plans that don't include Teams, and then pair them with the new **Microsoft Teams Enterprise** product.

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NOTE

Microsoft is not retiring the following Microsoft 365 Business (SMB) and Frontline Worker products:

- Microsoft 365 Business Basic
- · Microsoft 365 Business Standard
- Microsoft 365 Business Premium
- Office 365 F3
- Microsoft 365 F1/F3

You can still purchase these products, or if you need the flexibility, you can purchase the (No Teams) version of the products, and pair them with Microsoft Teams Enterprise.

Existing Microsoft 365 Customers

Existing customers with O365/M365 base plans that include Teams can continue to use them as intended, and may continue to:

- Renew their existing licenses for base plans that include Teams
- Increase the quantity of their existing base plans that include Teams
- Upgrade their existing base plans with Teams to higher-level base plans with Teams

Frequently Asked Questions (FAQ)

The changes are intended to realign Microsoft's global subscription product structure to match the changes made in Europe, which occurred in 2023.

For more information, read Microsoft's official announcement, and Microsoft's accompanying licensing details article.

Starting April 1, 2024,

- New commercial customers who wish to provide their workers with both Microsoft Teams and Microsoft 365 E3/E5 or Office 365 E1/E3/E5 base plans will need to purchase two SKUs: one E1 /E3/E5 (no Teams) base plan and Microsoft Teams Enterprise.
- New small and medium business customers will be able to choose between the existing Microsoft 365 Business Basic/Standard/Premium base plans with Teams or the new (no Teams) versions of those base plans.
- For Frontline workers, customers will be able to choose between the existing Microsoft 365 F1, Office 365 F3, and Microsoft 365 F3 base plans with Teams included, or the new (no Teams) versions of those base plans.

Existing customers are customers with an active license for any Microsoft 365/Office 365 base plan with Teams prior to April 1, 2024. However, if at any time the customer no longer has any active licenses to a Microsoft 365/Office 365 base plan with Teams, they will no longer be considered an existing customer.

For existing customers, the introduction of new base plans without Teams adds new subscription license options to their current purchasing channel without removing their prior options.

Existing customers may continue to:

- · Use their existing licenses for base plans with Teams.
- Renew their existing licenses for base plans with Teams.
- Increase the quantity of their existing subscription for base plans with Teams.
- Upgrade their existing base plans with Teams to other higher-level base plans with Teams.
- Add net new licenses to any base plan with Teams that was previously available to them.

Additionally, existing customers may:

Switch to base plans without Teams at anniversary/renewal.

- Add new licenses to base plans without Teams at any time (including alongside base plans with Teams).
- Add new licenses of Teams Enterprise at any time.

Yes. For example, an existing customer could have the following mix of products:

- Qty (100) Microsoft 365 E3 Previously purchased before April 1, 2024
- Qty (50) Microsoft 365 E3 (No Teams) New purchase after April 1, 2024
 Qty (50) Microsoft Teams Enterprise New purchase after April 1, 2024

No, you cannot purchase a net new subscription (with a new term) for any of the end of sale products. You will need to purchase one of the new base plans without Teams.

Microsoft's changes are intended to realign their global subscription structure following changes made in Europe in 2023. The different approach taken in Enterprise vs. SMB and Frontline was a compromise intended to address concerns raised with the European Commission while limiting disruption for customers, partners, and sellers.

No. The changes announced on April 1, 2024 apply only to commercial SKUs (Enterprise, Business, and Frontline). Consumer, Academic, US Government, and Nonprofit-specific base plans are not currently impacted.