Case Study

Easier Licensing Drives Michelin's Software-Led Growth

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– **Pierre-Yves Mauriere, Product Owner for TameTire**

You know Michelin as the people who make your car's tires. What you may not know is that Michelin, which is known around the world for physical products such as tires for everything from bicycles to space shuttles, is moving towards software-led revenue.

This transition is far from simple for a company like Michelin. The company has annual revenue exceeding 20 billion Euros per year and more than 100,000 employees throughout the world. They also have a reputation for quality in everything they do.

Groundbreaking Simulation Software

One of Michelin's software products is TameTire, innovative simulation software they developed for sports car manufacturers and motor sports teams. This highly-specialized software predicts tire behaviors in reaction to various forces, torques and temperatures.

TameTire helps manufacturers produce sturdier, faster car models at reduced costs. It also helps motor sports teams test and fine-tune their vehicles in a much safer and more convenient manner.

Michelin is the innovator and sole provider of this type of technology. As Pierre-Yves Mauriere, Product Owner for TameTire explains "Michelin simulation technology is highly valuable. We are the clear market leader for this type of solution, and that's a position we intend to retain."

Michelin wanted to focus on their software development, and at the same time they were aware of the importance of protecting their software IP. To that end, Michelin decided to partner with a software licensing solution provider.

Unfortunately, the integrator they chose initially left Michelin unable to sell their software directly to customers, and unable to react to their customers' changing needs. Working with that partner made the licensing process time-consuming and clunky—the opposite of what Michelin needed.

Finding the Right Solution

Michelin set out to find a new way to license their software. They needed a licensing management system that would allow them to sell their software directly to customers without risk of IP theft or damages. They needed the ability to respond quickly to customers' requests. Finally, they needed a system that would be easy to implement and use.

The right solution would come from a single vendor, and sit in the cloud. It needed to reduce dependencies on Michelin's databases and provide the highest level of security without requiring significant internal work.

"We needed to be able to provide a dongle license with real-time capability, multi-compatibility, and an encryption solution, so we could encrypt data linked to the provided license as necessary" says Mauriere.

After researching the options and conducting a feasibility study, Michelin found that the Sentinel platform's cloud-based software licensing solution met their requirements. "Sentinel was compatible with almost all the targets we needed, including...computers which are not connected to the internet," observed Mauriere.

Getting Up and Running

It took just a few months from deciding to go with Sentinel to implementation, and an additional two months to work out the bugs in beta phase. Since Michelin selected a cloud-based solution, deployment was much simpler than they expected. The IT department was less involved then they would be if Michelin had selected a solution that would be hosted in-house. Implementation of Sentinel was easy and fast.

MICHELIN

"We are spending a lot less time managing licensing matters now" says Pierre-Yves Mauriere. "We are able to deploy a solution to an external client in less than a day. Before, it would take a least a month. Making new licenses and helping customers is really easy thanks to Thales Software Monetization's platform."

With their licensing in place, the company can be much more reactive to customer requests. While their software is complex, their licensing doesn't have to be. Thanks to the Sentinel platform, licensing no longer stands in the way of Michelin's growth.

Spending less time and effort on license management has other benefits: it frees the company to continue to add value to their software. As noted by Pierre-Yves Mauriere, "We have more time to develop other innovative features for our solution." By working with Thales SM for software licensing, Michelin engineers are free to continue developing tomorrow's leading software, confident that getting it to their customers properly will not be a problem.

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About Michelin

Michelin is one of the largest, oldest, and most respected tire manufacturers in the world. Founded in 1889 with the invention of the world's first removable pneumatic tire, Michelin has spearheaded cutting-edge innovation in the transportation industry ever since. Today they operate out of 69 production facilities all around the world, supplying tires for everything from bicycles to space shuttles.

About Thales Sentinel

Thales Sentinel is the leading platform for software licensing, protection, and monetization. Our solutions enable software providers to generate new revenue streams, improve operational efficiency, increase customer satisfaction, and gain valuable business insights. Based on award-winning technology, Sentinel has a strong global customer base with thousands of customers in 100+ countries spanning 30+ industries.

About Thales

Thales is a global leader in cybersecurity, helping the most trusted organizations protect critical applications, data, identities, and software anywhere, at scale. Through Thales' integrated platforms, customers achieve better visibility of risks, defend against cyber threats, close compliance gaps, and deliver trusted digital experiences for billions of consumers every day.

Challenge
- Generate revenue from software sales
- Protect valuable IP
- Free up development resources to focus on core competencies

Solution
- LDK, HL, SL, and Fit

Result:
- Scalable license-based revenue stream
- Secure, speedy software deployment
- Software accessible anywhere, with or without internet connectivity