

NO: R014

COUNCIL DATE: January 31, 2022

---

## REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **January 27, 2022**

FROM: **General Manager, Corporate Services**

FILE: **1355-01**

SUBJECT: **Purchase of Adobe Licensing for Provision of Software**

---

## RECOMMENDATION

The Corporate Services Department recommends that Council:

1. Approve a single source award to Adobe, Inc., for use of the Adobe software for a three-year term at an annual (averaged) cost of \$190,000.00 including GST & PST;
2. Set the total three-year expenditure authorization limit at \$579,500.00 including taxes and contingency; and
3. Authorize the General Manager, Corporate Services Department to execute the licensing programs with Adobe Inc. for a three-year term.

## INTENT

This report seeks Council authority for renewal of licensing agreements with Adobe Inc. ("Adobe") for the provision of software, and related services and support for a term of three years.

## BACKGROUND

Adobe is a market leader in software for the creation and publication of a wide range of content, including graphics, photography, illustration, animation, multimedia/video, motion pictures and print.

The City has engaged Adobe on a contractual basis since 2013 when Adobe announced that it would be converting its software into a subscription-based model. The City's most current agreement with Adobe commenced on February 17, 2019 for a three-year term, and will expire on February 18, 2022. The City's current contract cost for Adobe licensing is approximately \$170,000.00/year.

## DISCUSSION

Adobe software products are heavily embedded in the City's processes and workflows. Most of the City's publicly accessible information available for download from the City's website was created with Adobe software. Adobe Acrobat software is the most prevalently used by the City's end users with regards to viewing the City's available information (which is usually in PDF format).

Since 2019, adoption of Adobe software has increased significantly throughout the City:

- Adobe Acrobat Professional software has increased from 77 internal users to 330, or by 429%. This is largely attributed to a strategic response to the COVID-19 pandemic, in order to digitize traditional processes and workflows into “smart PDFs” across the organization.
- Adoption of the Creative Cloud software suite, which includes Photoshop, Illustrator, and more, has increased from 44 to 60 users, or by 136%. This is largely attributed to an increased demand to create digital graphical and video content.

Adobe licensing cost across its product lines has recently increased. With respect to a new three-year contract term with the City, Adobe’s cost will increase from \$170,000.00/year to \$190,000.00/year (representing a 12% increase). Notwithstanding this price increase, the three-year term provides the greatest level of discounting from Adobe, rights to use the latest version of software, as well as fixed and published costs throughout the term. In addition, and at present, Adobe software is one of the most widely utilized by both public and private organizations, making the use of alternative software challenging.

Based on the above, it is recommended that the City renew its licensing agreements with Adobe with the single source award for a three-year term at an averaged cost of \$190,000 per year, including GST and PST.

## FUNDING

Funding for the licensing programs is included in the annual Corporate Services IT Operating Budget in the 2022-2026 Financial Plan.

## CONCLUSION

Over the years, the use of Adobe software has expanded to innovatively deliver on strategic initiatives and accommodate growth in the workforce and digital process automation. Adobe’s leadership in the digital creation space helps to ensure staff are equipped to respond to evolving and emerging digital production needs. The Corporate Services Department is seeking Council authority for a single source licensing programs renewal with Adobe for the provision of software, and related services and support for a term of three years.

Rob Costanzo  
General Manager, Corporate Services