



Open Sourcing the Incumbents:

Disrupting a Stagnant Software Market with Open Source

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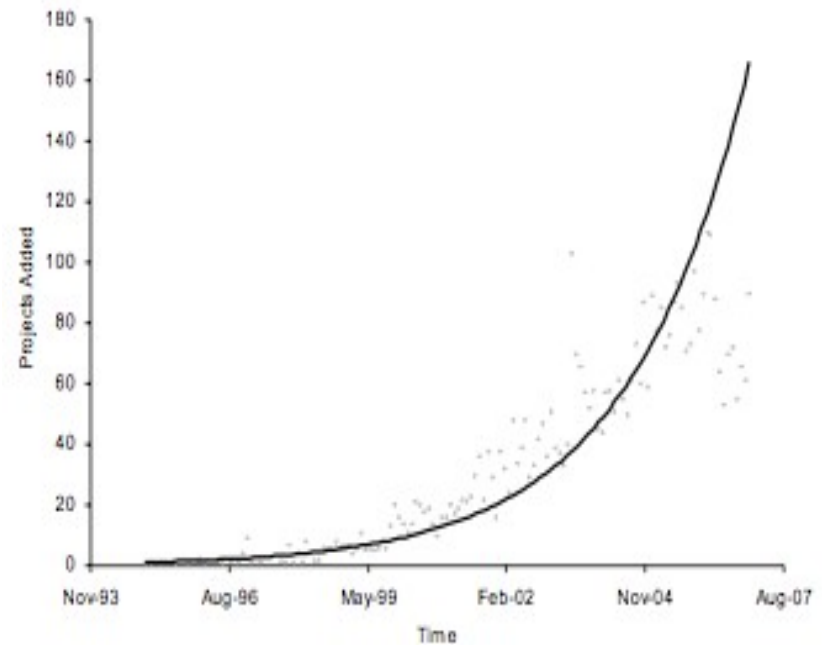
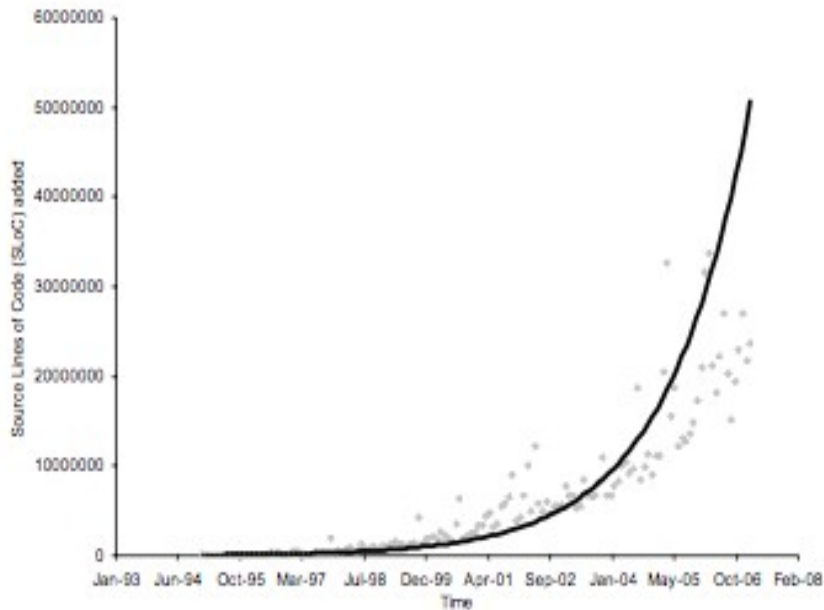


*Translation? Competition isn't about government protection.
It's about removing some (much?) of that protection.*



Open source is now a question of *how*, not *whether*

Whether measured in terms of lines of code added or new projects, open-source growth is phenomenal

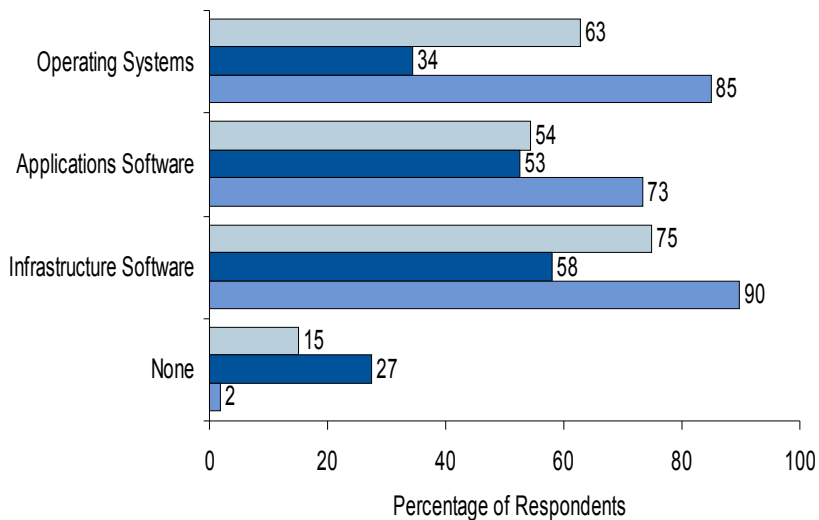


The real differentiator going forward is community involvement



Open source is mainstream

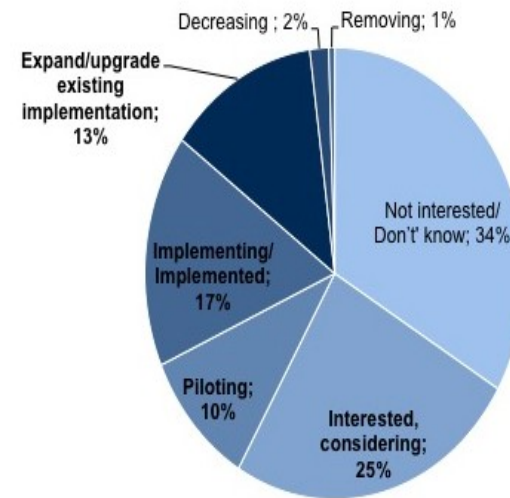
Survey Question: Do you use, or plan to use in the next budget year, an open-source project or product as an alternative to commercial software?



Legend:
 ■ Currently Using in This Budget Year
 ■ Plan to Use in Next Budget Year
 ■ Currently Using and Plan to Use in Next Budget Year

Source: Gartner 2008
 Number of respondents = 274; Multiple responses allowed.

“What are you firm’s plans to implement or expand its use of open source software in the next 12 months”



Base: 2,227 software decision makers at North American and European enterprises.

Source: Enterprise And SMB Software Survey, North America And Europe, Q4 2008

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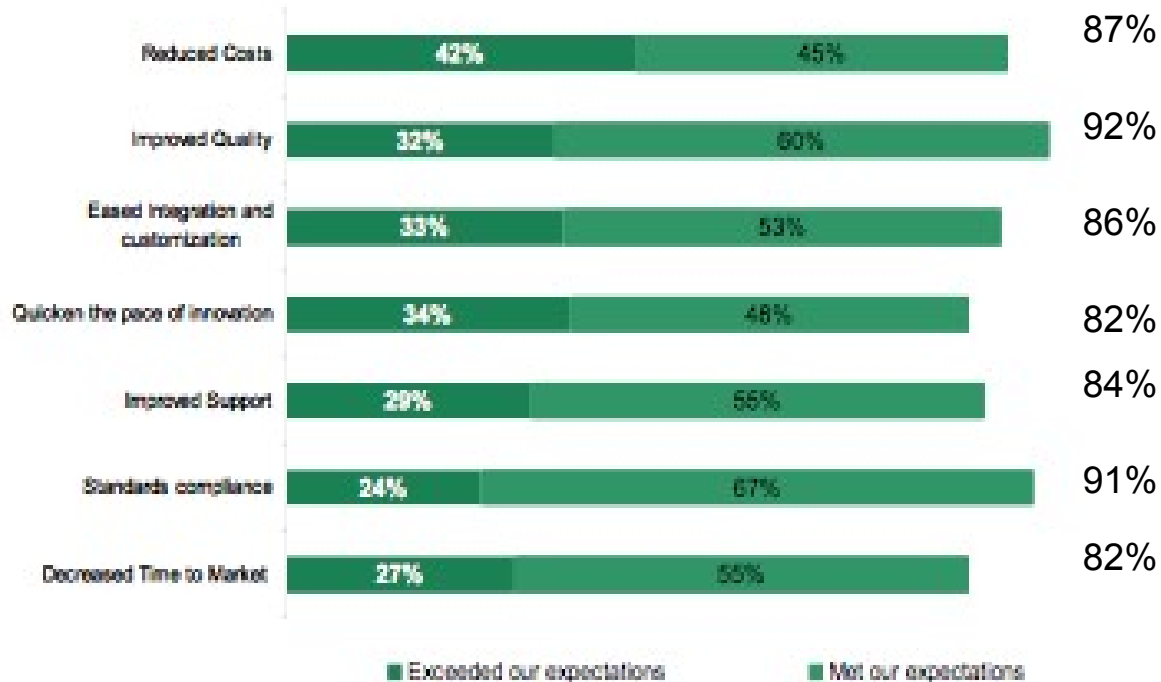


Across product segments, 100% of enterprises will use open source by 2010.



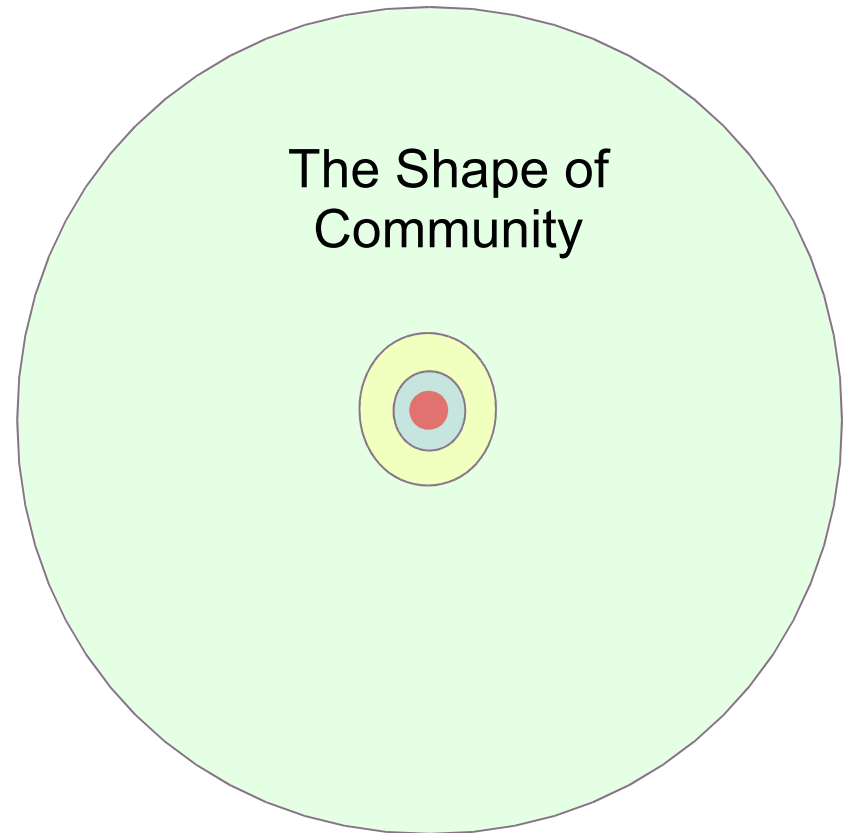
Why? Because open source works as advertised

"How has open source software met your organization's expectations in the following areas?"



Base: 102 Senior Business & IT Executives involved in the decision making for open source software technology and related services in large enterprises. Western European OSS Online Survey conducted by Forrester Consulting and commissioned by BULL, September 2008

- <15 core developers do 85-100% of **core development work**
 - 1000/10/1 (Users/ **Bug Reporters**/ **Patch Submitters**)
- Community is difficult to achieve:
 - 72% of “open source developers” write code for others like themselves
 - Most projects (55%) get no outside involvement at all
 - ***BUT...even big community projects are written by vendors***
 - Up to 95% of Linux development sponsored by companies
- The best place to solicit community involvement is in complements to a project, not the core



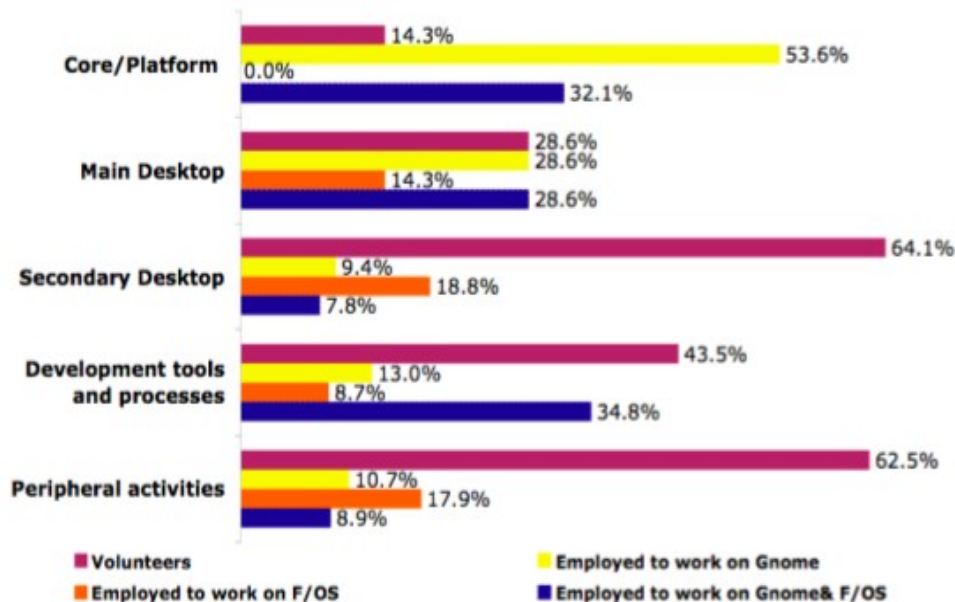


Figure 6-2: Analysis of involvement of paid and volunteer GNOME contributors in principal areas of development at the short-term level

Source: GNOME Foundation survey, N=199

- Time
 - Who has time to write (lots of) free software?
 - Answer: Those that are employed to do so
- Interest
 - Who will take out the trash?
- Aptitude
 - The higher up the stack you go, the fewer the developers
- Familiarity with project
 - Poor documentation makes it hard to understand a project
 - Monolithic code base takes time to learn (Most won't bother)

- Broaden the definition of acceptable “open source”
 - Europe focuses on free software, but this is too limiting
 - We must have commercial open source for the industry to thrive
- Reduce the burden of patents on the software industry
 - The industry's biggest software businesses were built pre-patents (e.g., Microsoft Office & Windows; Oracle DB; etc.)
 - Software patents inhibit new entrants, create vast inefficiencies
 - Vendors like Microsoft use patents as a club against open-source upstarts
- We don't need legislation: we need common sense IT purchasing policies