

Open-source business models

A decorative graphic consisting of multiple overlapping, wavy lines in various shades of green, ranging from light lime to dark forest green. The lines have a glossy, 3D effect with highlights and shadows, creating a sense of depth and movement. The graphic starts from the bottom left and flows across the bottom of the slide, curving upwards towards the right.

Mårten Mickos
CEO, Eucalyptus
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EUCALYPTUS

PRIVATE CLOUD SOFTWARE PLATFORM. OPEN SOURCE. AWS-COMPATIBLE. EASY TO INSTALL AND OPERATE.



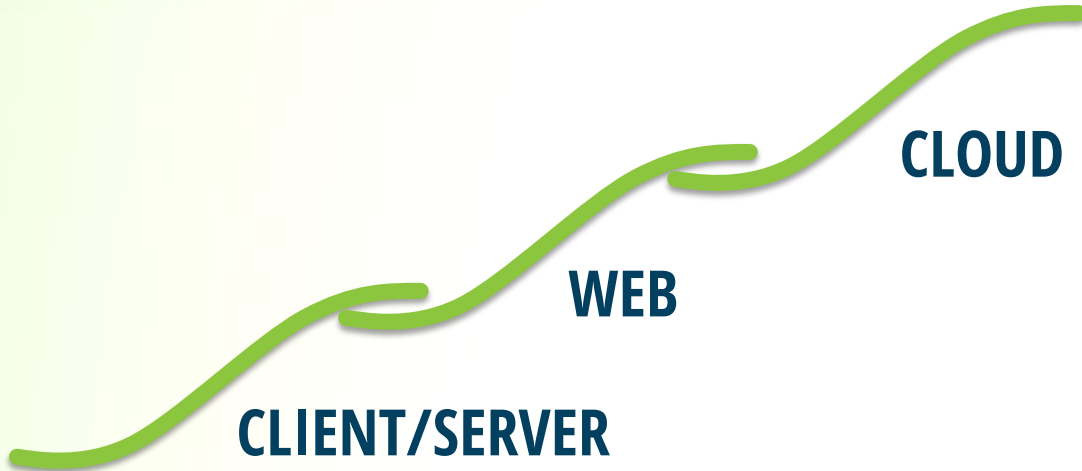
Mårten Mickos @martenmickos

11 Oct

A cloud that runs on your credit card is called AWS. A cloud that runs on your servers is called Eucalyptus.

Expand

MASSIVE DISRUPTIONS



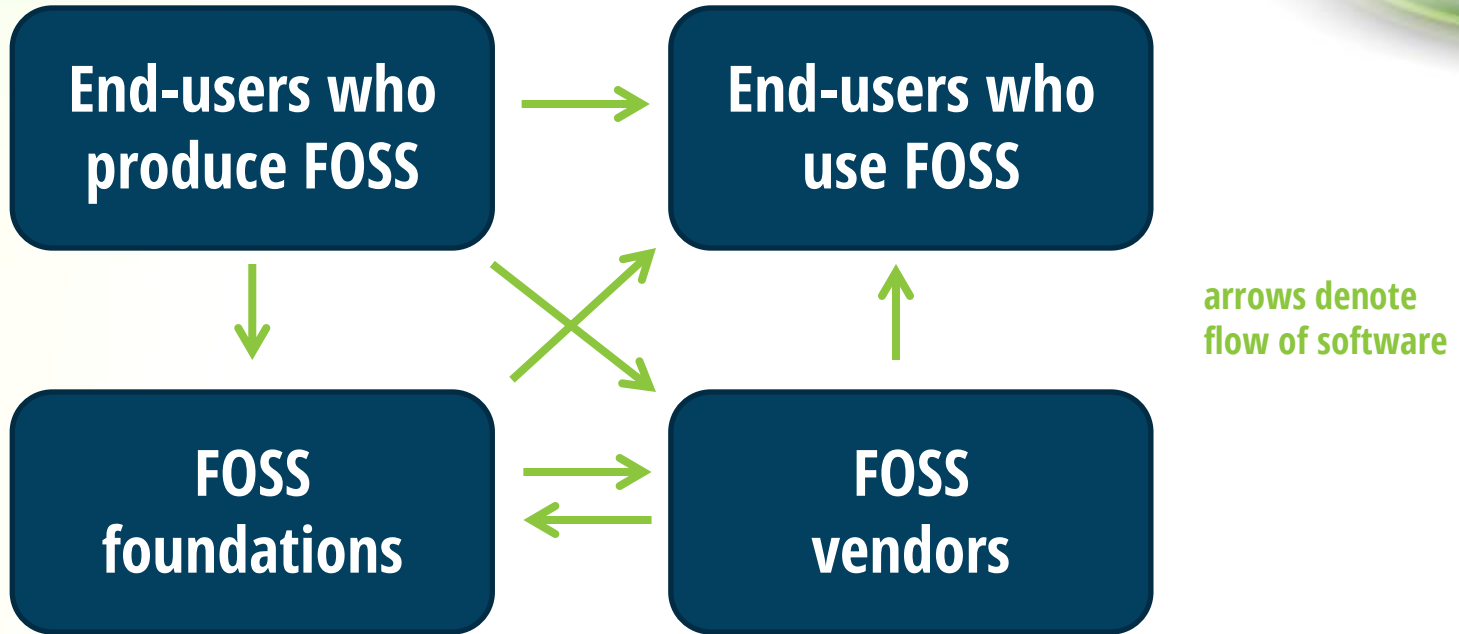
Openness added

API

source code (LAMP)

hardware architecture
(x86)

OPEN SOURCE PLAYERS




TWO TYPES OF FOSS

Free Software

- Freedom ensured
- Typically GPL-licensed
- Copyleft construct (applies to Derivative works that are being Distributed)
- Examples: Linux, Java, MySQL, Asterisk, Eucalyptus
- Variations and exceptions:
 - AGPL
 - Android is a mix of GPL and Apache licensed

Open Source Software

- Open for all
- Typically Apache-licensed
- You can close your copy
- Examples: Apache, OpenStack, CloudStack
- Variations and exceptions:
 - BSD license, MIT license, etc.
 - SQLite is in the public domain



Some people will spend any amount of time in order to save money. Some people will spend money to save time.

TWO MAIN BUSINESS MODELS

Foundation-originated

- Foundation produces code, multiple vendors produce a product
- Examples: Linux, Android, Apache Foundation (Hadoop, CloudStack etc.), Eclipse, Mozilla, OpenStack
- Business model of vendors typically based on differentiated binaries
- Winner takes all
- Variations and exceptions:
 - Open Handset Alliance (Android) strictly governed by Google
 - CloudStack shifted from singular to foundation-based

Singular

- Project and company is one
- Examples: JBoss, MySQL, Eucalyptus, SugarCRM, Acquia/Drupal, Alfresco, NGINX, SQLite, Asterisk, SourceFire, Chrome, Talend, Pentaho, Glassfish, MongoDB, Couchbase, Datastax/Cassandra
- Business model typically based on best binaries being available for all, with differentiation happening with commercial add-ons
- Winner takes all
- Variations and exceptions:
 - Cloudera has this business model

ASPECTS TO CONSIDER

- **Goal of producing open source code**
 - a) Share it with the world to make it technically even more viable
 - b) Build a business based on it
 - c) Grow an install base for some benefit or monetization opportunity
- **Governance of product roadmap**
- **Fragmentation, forks and branches – problem or opportunity?**
- **Community – users, contributors, partners, competitors**
- **Branding**

FURTHER READING

- **Technology Trumps Dogma, And Other Open Source Insights**
Matt Asay on September 13, 2013
<http://readwrite.com/2013/09/13/marten-mickos-interview-open-source-mysql-eucalyptus>
- **Open Source Software Licenses versus Business Models**
Stephen Walli on Wed, 01/23/13
<http://www.networkworld.com/community/blog/open-source-software-licenses-versus-business-models>

THANK YOU

Mårten Mickos

marten@eucalyptus.com

 *[@martenmickos](https://twitter.com/martenmickos)*

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