



Open Source: national frameworks
OSSWatch, 20th January 2005

Open Source business across Europe

David Casal

(how was lunch?)



Or...

Herding Cats on a Multinational Scale

WARNING : CROSS-EUROPEAN OPEN SOURCE BUSINESS
MAY BE HARMFUL TO YOUR HEALTH

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Herding Cats:

- open source can be rewarding, if you believe in working for the greater good
- but trying to co-ordinate different businesses doing it and different open source offerings can be a short path to a lot of stress
- The last two years have seen serious efforts towards this kind of collaboration from us
- Today, I'd like to tell you about that experience

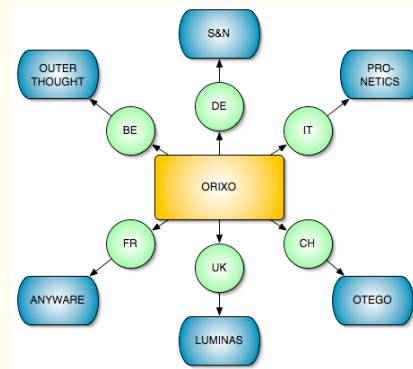
Who in the name of Sweet Feathery Buddha are you?

- FLOSS involvement for 7 years, as user and contributor
- Luminas : 5 years in April
- Orixo : last two years
 - 6 companies working on Open Source throughout Europe, trying to bring Open Source collaboration model into a business collaboration context
 - with an aim to:
 - Share information : documentation, mailing lists
 - Share resources : common training, outsourced development
 - Use each other's companies as a sounding board



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- involved as a user in Apache projects since 1998
- Within Luminas we currently contribute to projects such as Cocoon, within the Apache Software Foundation, as 'committers'
 - Committers : open source developers whose contributions have been formally accepted by a project's community, and who have direct access to the source.
- From collaboration on Cocoon, we got to know the other companies working on it extremely well. This turned into Orixo.
- EXAMPLE OF ORIXO WORK :
 - FP6 bid trying to pull together open source development to tackle one of the big problems, "digital archives"
 - S&N/Otego on OSS portals project for Swiss mobile operator
 - Luminas/Pro-netics on OSS CMS project
 - Luminas/Otego on OSS digital repository



•vertical markets

- S&N = portals, banking, support
- OT = Daisy CMS, publishing
- Luminas = raucous conference rabble rousing, government-funded projects (mostly academic), media/publishing
- Pro-netics = integration services, mobile media, banking
- Anyware = automotive/aerospace
- Otego = banking, integration services

Triumvirate of issues:
evaluating, buying, and supporting FLOSS.

DAVID

"Are we being used as bait?"

ANDREW

"Not bait. They're using us as a **shill**."

DAVID

"Oh."



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- three key areas where we have identified weaknesses at an European level in open source software
- European business contexts:
 - Local business where external expertise required (Otego asking Luminas for Higher Education / research help)
 - FP6 Europe-wide networks of local work
 - Mobile operators : global business requiring localised training / support
 - Insurance : same as mobile operators



shill P (shl) *Slang n.* One who poses as a satisfied customer or an enthusiastic gambler to dupe bystanders into participating in a swindle. *v. shilled, shill-ing, shills v. intr.* To act as a shill. *v. tr.* 1. To act as a shill for (a deceitful enterprise). 2. To lure (a person) into a swindle.
 3. An Open Source company asked to quote in order to **unwillingly** dupe a proprietary vendor into reducing their fees.



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Recently, some OrixO companies gathered together to respond to a major mobile network in the UK, for an RFP they put out. After weeks putting a response document together and associated organisational chaos, such as finding out that we needed to open a UK limited company in order to be able to offer conglomerated SLAs here, or translating methodology documents from German, Italian and Flemish, we found out that the competitors had sniffed around, taken the Directors out to dinner, and reached an agreement cutting their software license fees to fit the network's project budget. Essentially, they scared the large proprietary bulldog by presenting us a communist Chiuaua with rabies.

Evaluating Open Source:

- Legal accountability
- What the licenses mean (GPL, LGPL, Apache)
- Governmental policy
 - Does 'default' mean default? When?
- The red rag, or why working as a shell can work out for the best.



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• This is what we've found when customers have approached us locally (through us or our partners) or on a multinational scale.

• Accountability: companies can't sue amorphous open source guys, they need 'real companies'.

- Sitting at table in Hammersmith, listening to legal department woman saying "we need an entity that we can drag through the courts". No-one ever got fired for buying IBM.

• Licenses, client scenarios:

- "can i use this in my product without making my entire product open" or "am i allowed to use this without crediting it".
- several occasions where clients have told us they were using open source technology but decided not to make it public
- used GPL'd software without crediting it or within their own without crediting it.
- It's hard enough for us to track what we can and can't use.

- » Prediction: IPR/FLOSS Licensing lawyers will be in serious demand over the coming years. Some customers are unaware of license issues, and need to be advised. Sometimes (always), software choices for a business are dictated by licensing as much as suitability for purpose.

• GOV Policy : we haven't seen the 'default' part of the policy have any effect so far, but we hope it will.

• The red rag : when large companies use you initially as a shell, it can happen that they realise what you're offering is much more useful than they intended. This can lead to surprises, like the emergence of trust.

- Trust example: Large mobile operator wants integration help, now we've shown how we can be the glue between inflexible proprietary products.

Selling Open Source

- Appearances : what is presented to customers as Open Source
 - The "packaged off-the shelf box with manual" vs. the tarball
 - The "we have a great solution" which hides Open Source behind formal curtain
 - The 'we wrote the book, now let us enlighten you for €800 a day'
 - The "scruffy hacker" vs. dapper salesman



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•HOW DO WE MAKE ANY MONEY : It's Free, not free.

•Turning up in torn jeans, it's gone from "expected" to "quirky", but will soon be "unacceptable". OSS is now perceived as "just another facet of software/services/consulting companies" and has been forced into a suit and a pigeonhole

•Our colleagues were at a large German company and the department there was using open source secretly i.e. they hadn't told anyone in higher management and didn't want to until the project had been rolled out and was successful. But that's a few years ago now and I guess things would be different. So we wanted them to go public with us (i.e in an article or something) about them using Open Source - because we figured it would boost Cocoon - and they weren't even prepared to go public inside the company.

•those same people stood up on stage at last year's Cocoon Gettogether as an "open source success story", my how things have changed in just a few years, in germany companies are more frequently proud to announce they use open source

Supporting Open Source

- Local
 - FE/HE : JISC, AHRB projects and (mostly) HE-driven research
 - VNU
 - Most support involves focused project development and continues as incident-based
- International
 - Winterthur, T-Mobile, other mobile networks, mobile content providers
 - Support usually begins with 'Open Source comparison'
 - Most larger companies are already using FLOSS and want incident 24/7 guarantees
 - Others want help with existing FLOSS components



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•The third item in the evaluation/sales/support triumvirate.

- Once people have opted to go the open source route, what happens?
- Biggest complaint : 'there's no support for open source'. You don't get support like you do from proprietary vendors.
- We've done a fair amount of support ourselves:
 - Mostly incident based
 - » "how do I do that?"
 - » "this has changed, help!"
- Sometimes support is focused development to add new components to OSS project which are needed to carry out an internal company project.

•Local support is usually about being an interface between the customer and the "raw" open source community. We parse the lists so you don't have to, etc.

•International support is culpability and being the safety net - corporate politics, being able to say to the board of directors that there's an European team in place to cover your asses.

Supporting Open Source (2)

- Typical requirements
 - Hand holding
 - Up-front consultancy and advice
 - Feature-specific development
 - Call-out, incident-based



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•Our colleagues in Germany: they used to get phone calls for Cocoon support. That was in 2001/2002. Companies would ring them up and ask for support for Cocoon. They would say 'ok - yes - it will cost you xxx Euros a day. And they then said - why would we have to pay for support? It's an open source project isn't it?'

•things have changed since then. Recently, a major and monopoly-driven Telco company with offices in Ireland asked us about Cocoon support. Not only are they using it, but they are doing so with full support from their Board of Directors. This time it isn't an ignorant question, but much about specific SLAs, 24/7 possibilities, etc.

The legal position
of Open Source in Europe



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•ALL of the three issues I've outlined (evaluating, selling, supporting) have a complex background: legal accountability for services or products sold as Open Source.

- Especially when working across Europe

The non-profit corporation vs. the small business

- A foundation has a responsibility to the general public.
- A normal corporation has a responsibility to its shareholders.
- When a normal corporation (for profit) works with a software commons, responsibilities become blurry in the eyes of the client.



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•foundations hold software for the general public, and protect it

•Commons : body of knowledge

•Putting intellectual capital and source code into the "commons" gives it longevity beyond what can be achieved by a single company.

– Might not be here next decade (I hope to be off sailing round the pacific)

• how do customers ensure their investment is safe?

– OSS is all well and good, but who's going to

» police the licenses

» deal with lawsuits

» maintain the community?

– Non-profit corporations, that's who. It's also the OSS business solution to patent problems. We donate, it's up to the non-profit to cover our ass (as long as we exercise due care)

– so now, like lawyers, our role is one of "practitioner" rather than developer. Our businesses sell the service of working on and with the software commons.

• non-profit corps?

» Apache

» Xiph (open multimedia)

» Freenode (IRC)

» Project Gutenberg : long-running free ebook publisher

Is accountability subject to culture?

- Every country involved understands legal accountability in a different way, ranging from straightforward to Byzantine
- Provision of accountability within pan-European projects differs culturally from company to company
 - Some are too small, some are too big
 - Some talk about 'support contracts', some have 1 major client buying services only.



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Anecdote from our Italian colleagues:

-they were developing stuff for a large egov agency

-using org.apache.* stuff like everyone else (xerces is unavoidable, you see)

-the PM was aware, of course. But he happened to know his bosses were no-noing any open source. ever.

-so they had to sweep everything under the rug

-but that wasn't sufficient though, because stacktraces are nasty

-so they had to change package names as well. Xerces became Cyrus

The Full English vs. the Continental

- **Current explosion of Open Source companies**
 - Spikesource and Optaros example : “Productized Open Source”
- **Older companies : generally stick to one ‘product’**
 - Web applications
- **Venture capital creeping into FLOSS model**
 - Changing business model
 - Shareholder driven process
 - Capitalising on the increasing maturity of OSS offering

The Big Breakfast

Components:

- Apache
- JBoss
- MySQL
- Tomcat
- Axis
- Hibernate
- PHP

Platforms:

- SuSE 9.0
- Red Hat 9
- Red Hat Enterprise 3.0
- Fedora Core 1



The Continental

- Web application development services
 - General project development
- Apache development (Cocoon, Slide, etc.)
 - Specific, customised component development
 - Documentation (a customer needs specific documentation for a component)

Most people aren't that hungry

- **European experience**
 - Large pan-European companies want services and support around specific components.
 - 'Complete stack' is very rarely within the scope
- **US experience vs. Europe**
 - Open Source goes to Hollywood
 - The 'The Time Has Come' paradigm and why Europe isn't listening
- **The need for libraries/frameworks is greater than that for entire applications (Linux)**
 - Increased programmer productivity
 - Reduced development time

“So, the next time you hear “open source development”, think “the most economically efficient method for matching resources to construct information products”.

The next time you see “XXX Software Foundation”, think “people constructing a software commons (protected by intellectual property laws) that the rest of us can use and extend”.”

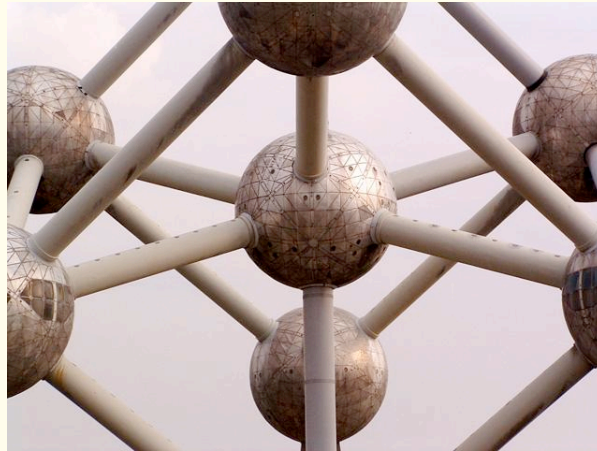
Ted Leung

<http://www.sauria.com/blog/2005/01/10#1185>



Summary

- Just because we can code together doesn't mean we can work together.
- Contextual differences matter less at a line-by-line level; finding understanding on an European scale is "difficult".
- Working across Europe is rewarding :
 - Cultural diversity actually improves chances of success
 - Getting to understand diversity means a stronger offering
 - CAVEAT : can boil down to great wine, great chocolate, lots of airmiles.





Thank you.

Play nice.

<http://www.luminas.co.uk/>

<http://www.orixn.com/>