



## IT Viikko

“Open Source työvälineet - pelastusrenkaasi nykypäivän kilpailu- ja markkinatilanteessa”

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"The license is the constitution for the community"

## This talk is for

- Companies considering to use Open Source
- Companies considering to develop / go Open Source

## Key questions addressed

- What is an Open Source License?
- Why go Open Source?
- Why is it in your advantage to use Open Source ?
- How to choose a License?
- What are the main popular Licenses in use, and what are their main differences?

## Why go Open Source?

- Spread the product more quickly (more users)
- Get some part of the development done elsewhere (lower cost)
- Get things more tested and get more bug reports (higher quality)
- Possible to get development done in 'not business critical' directions (more useful product)
- Easier to find good developers, partners and customers

The above means more market recognition, feedback, leads, business, partners and sell opportunities and a strong trademark.

In general Open Source projects gets more feedback and better bug reports than closed source project.

## Reasons for users to trust a open source vendor

- Open source vendors are more trustworthy as they depend on trust to survive
- No vendor lock in. Your investment in using the product is safe even if:
  - > Vendor goes out of business
  - > Vendor would surprisingly change business terms radically
  - > Vendor would stop supporting the version of the product you are using

If above would happen to a popular product, someone would go away with the code and start maintain it themselves

- Little risk for hidden trap doors as one can examine the product code

## Benefits for developers using open source vendor

- Easy to get access, look at and use the code
- Freedom to examine and change any part of the code to satisfy your business reasons, fix bugs or port to other systems.
- Freedom to find anyone to do the above
- Freedom to use (read, build and change) the code and redistribute the code in an open source environment.
- Not locked in to the current vision of the development.

## Why go Open Source?

**IF** you can create a sustainable business model around Open Source, proprietary vendors will have hard to compete with you.

It's nowadays increasingly harder to sell closed source solutions in a lot of business sectors.

Nor surprisingly, it's hard to choose the right license for your software as it significantly impacts your strategy, i.e.

- How you can co-operate with your user community
- How you can build your business

## How to choose an Open Source license?

- Key Questions:
- What is your business idea around the open source product?
- What rights do you keep to your code when used, modified and potentially redistributed?
- What kind of community do you want around the product?

## How to choose an OS license?

Do you want to allow others to:

- do anything with your code?
- use your code freely in any manner?
- change your code without giving you access to the changes?
- include and redistribute your code together with commercial, closed source code?
- use your code together with other open source code?
- release their modifications to your code under a different license?

# What are the main popular Licenses in use, and what are their main differences?

License	Author	Link from code with a different license	Release changes under a different license
<b>APL</b> (Apache License)	Apache Software Foundation	Yes	Yes
<b>BSD</b> license	Regents of the Univ. of California	Yes	Yes
<b>GPL</b> (GNU General Public License)	Free Software Foundation	No	No
<b>LGPL</b> (GNU Lesser General Public License)	Free Software Foundation	Yes	No
<b>MPL</b> (Mozilla Public License)	Mozilla Foundation	Yes	Limited
Public domain		Yes	Yes
<b>SPL</b> (Sun Public License)	Sun Microsystems	Yes	No

Full list under [http://en.wikipedia.org/wiki/Comparison\\_of\\_free\\_software\\_licences](http://en.wikipedia.org/wiki/Comparison_of_free_software_licences)

# The main open source licenses you need to consider (Very simple view)

- **Public domain**
  - > Gives user freedom to do anything, including changing your copyright and claim they wrote it.
- **BSD/Apache**
  - > Gives user freedom to full use, but needs to keep copyright in the source code.
- **LGPL**
  - > Gives user freedom to use freely, but if they distribute it changed, they need to publish the changes under LGP
- **GPL**
  - > Gives user freedom to use it freely, but if they distribute it, they need to publish changes **and** their code under GPL
- **AGPL (Optional addition to GPL V3)**
  - > Free usage, but users needs to publish the code and the code connected to it.

## Business models to use with open source

- Open-Core Model - have an open-source core and sell closed-source features on top of it (e.g. SugarCRM)
- Dual Licensing Model- one product/project that gets licensed with a viral, GPL-style license and a commercial closed-source license (e.g. MySQL)
- Services Models - where you get to download a productized version of an open-source project and pay a fee for the support you get on it. You can normally also pay for training, features etc

## Open Core

- Probably most popular way nowadays for business trying to do open source first time
- Is not an open source business model, because it uses closed components and most of the benefits open source developers expect from the product is gone:
  - > You can't change, modify, port or redistribute the code
  - > You are locked to one vendor
- You may be able to create a small developer community around the product but mainly by people that doesn't need the extensions.
- For community developers, the “worst” possible offer is open core or closed source that used under subscription and stops working when subscription runs out.

## So, How to decide on licensing?

You need to provide the right balance of freedom:

- Being too restrictive will harm Community growth
  - > Here you compete with companies like Microsoft
- Being too permissive will harm Business growth
  - > Here you compete with projects like Wikipedia

Going “All-In” on either, can be tough in the competitive market of today if you are not unique

Try to create a business model, which enables you to grow a business, but is as free as possible to help you create a large Community

## Conclusions (why use Open Source software)

- No big change; Everyone is already using Open Source
- Safer to use than closed source software
  - > You are in charge of your own destiny (More freedom)
- Easier to get access to, test, use and deploy
- Less bugs, no hidden traps, more resources
  - > More users -> More tested
  - > More eyeballs and developers -> Better security
- Less expensive in the long run
  - > No unexpected charges, no forced upgrades
  - > Doesn't get old; Development happens elsewhere
- Better supported
  - > Both commercial support and community support
  - > Can get **real** support from many vendors



The end