

THE *Open* GROUP



Boundaryless Information Flow
Open Source in the Enterprise

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The Open Source Adoption Conundrum: the problems and promise of choice

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Novell.

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It's all about disruption: embrace or fight?



“At present...severe economic damage [is being done] to the property rights of owners of copyrights in sound recordings and musical composition....Unless something meaningful is done to respond to the...problem, the industry itself is at risk.”

Alan Greenspan. Testimony before Congress, 1983.

Record labels wrong then...

- Fought player piano, radio, cassette, DAT, CD, and MP3

...Are they wrong now?

- Rampant piracy or huge opportunity?

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Movies, Boston Strangler, VCRs: embrace or fight?



“The VCR is to the American film producer and the American public as the Boston Strangler is to a woman alone.”

Jack Valenti, President of the MPAA. Testimony before Congress, 1982.

MPAA was wrong then...

- Sues Sony over Betamax

...Are they wrong now?

- Darknet or Brave New World?

What does this have to do with OSS?!?

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OSS has long challenged proprietary software: embrace or fight?



“As the majority of hobbyists must be aware, most of you steal your software.... [Y]ou...prevent good software from being written... I would appreciate letters from any one who wants to pay up.”

Bill Gates, “An Open Letter to Hobbyists,” 1976.

Bill Gates was only half-wrong...

- Lots of great software has been created by “hobbyists”
- E.g., Linux, Tomcat, Apache, etc.

...But much remains to be done

- Open source has not moved far beyond server infrastructure software
- Applications, middleware, etc. remain to be written

OSS breeds choice, but choice sometimes leaves voids: who will volunteer the software *you* want?



Lessig's Code:

complicating the embrace at the macro level

Innovation depends upon

- Incentives (monetary or otherwise) - Induce creation of new works
- "Usable past" & Newton's giants - Must have matter to work with
- Foundation - Open platform encourages add-ons

Innovation flourishes best where it is controlled least

- Internet example (TCP/IP and other open protocols)
- Infrastructure is open; application layer is (can be) closed

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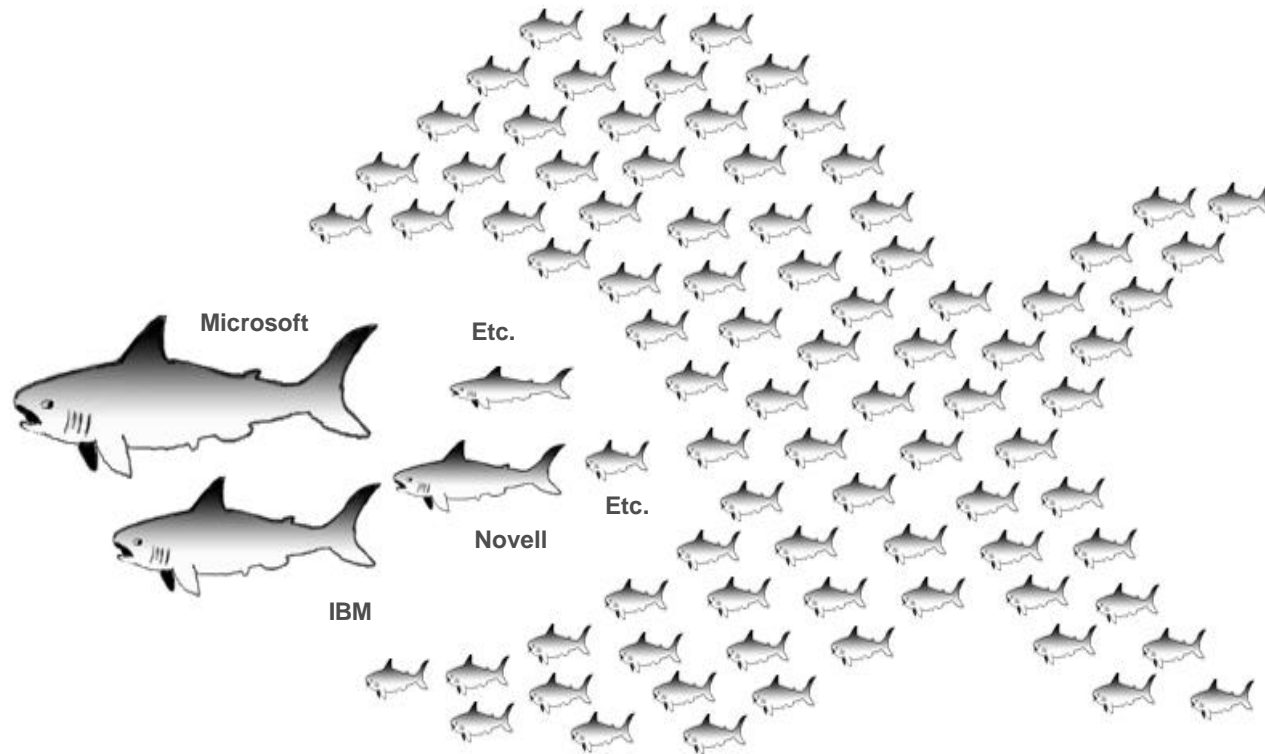
Complicating the 'embrace:' the innovator's dilemma @ the micro level

"The innovator's dilemma is that **many of the very same good management practices that help a company succeed in the end cause it to fail.** For example, listening to your best customers and incorporating their needs into the stream of new products you develop is absolutely essential to becoming a successful company. But the dilemma is that this can be very misleading when certain innovations - which I call '**disruptive technologies**' - **emerge in the market. Very often, mainstream customers in existing markets can't use new technologies when they first emerge;** they can only be used by different customers in different applications."

? Your best customers (or vendors) may become your worst enemies

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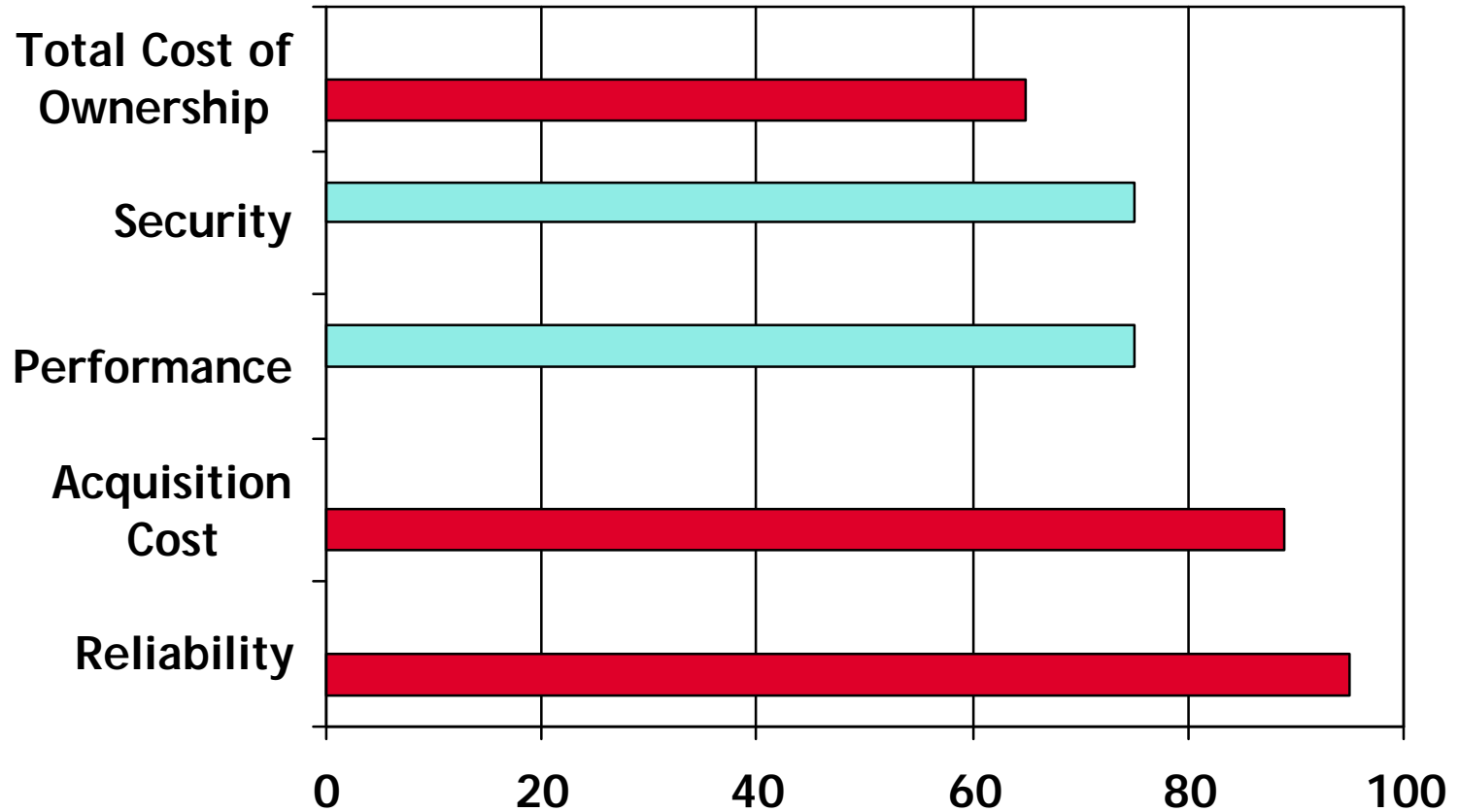
linux saves? ...depends on who you ask



Open Source's 'Big Deal': Thriving by Filling in the Gaps



Linux's Most Important Contribution to Business Value: i.e. Why are customers buying into Linux?



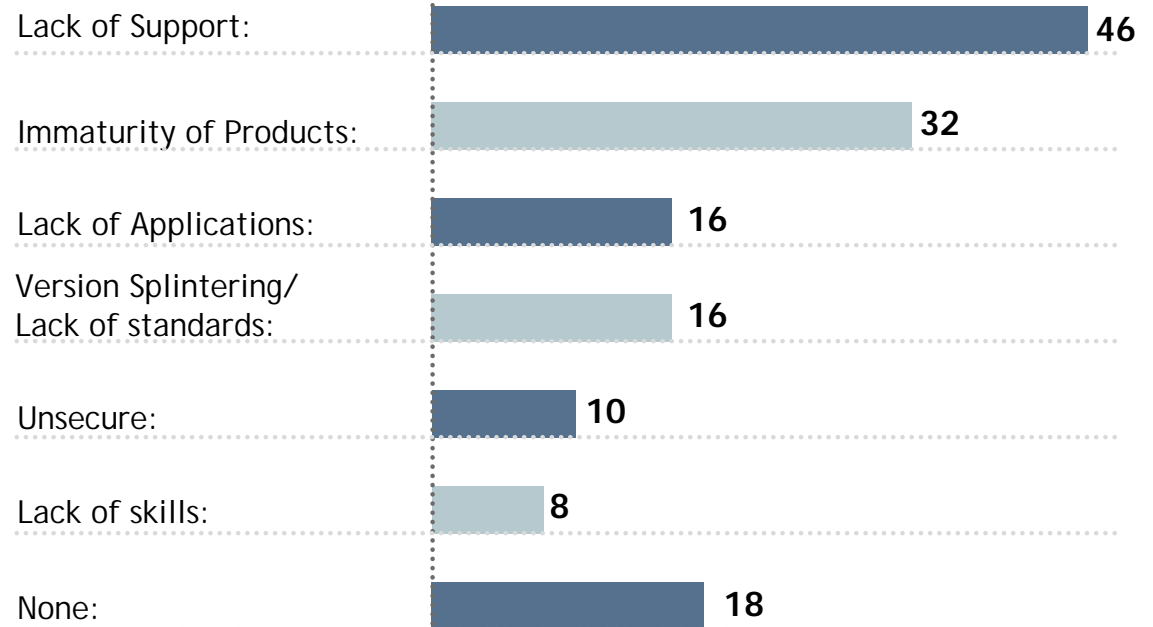
Source: Computer Associates' survey of 2500 enterprise customers



OSS benefits compared to enterprise concerns: Why are customers holding off from buying into Linux?

The List Of Enterprise Concerns

“What are your biggest concerns in using Linux and open source software?”

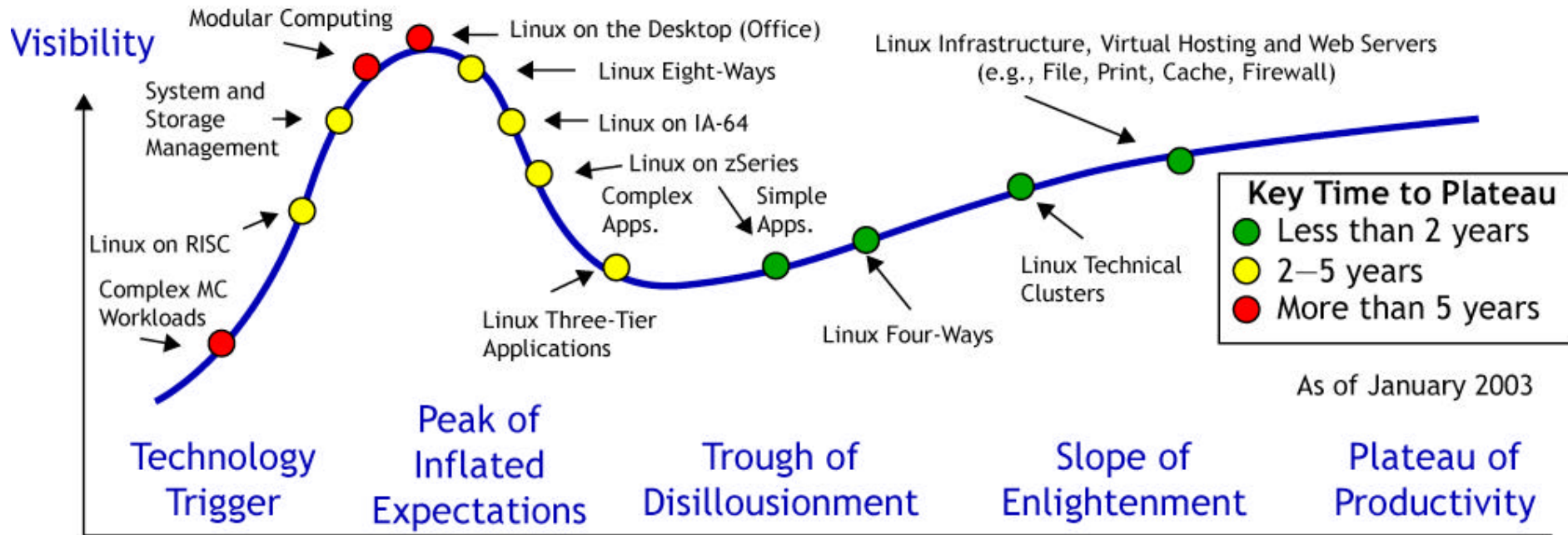


Base: 50 \$1 billion-plus companies (multiple responses accepted)

Source: Forrester Research
The Linux Tipping Point, March 2003
Ted Schadler



The Linux hype cycle: multi-faceted process/technology - not a product



Maturity Timeline

Source: Gartner

MC = mission critical
RISC = reduced instruction set computer



Open source's big deal? C-H-O-I-C-E

In The Matrix (Reloaded)...

- Choice is a problem for The Architect
- Zion exists to maximize choice

Choice is also a problem in The Software Industry (Unloaded):

- Proprietary vendors want to limit your choice
- Vendor & data lock-in

The OSS community proliferates choice

- Open Source is not really about “open source [code]” - it's about availability and portability
- Open source also tends toward open standards, open data
- But too much choice is no choice at all - need some constraint on choice

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Adding "Value" by Removing Choice? standardization ? monopoly

NewsFactor reports (20/8/03):

Major platform vendors like Microsoft are moving toward an integrated systems approach....

Microsoft's goal is "to make the end user any offer they can't refuse - to go Windows everywhere."

Ken Gardner, Senior Analyst, The Yankee Group

Refuse.

Overcoming OSS Barriers:

How the Novell experience can make yours easier



What has helped our transition...

...and can help you with yours



View OSS as a MEANS, not an end

- OSS is good if it works; solves business problems
- Avoid making OSS a religion
- Wrt Linux, it is many different things - choose to use it where it does well



Set up an OSRB (Open Source Review Board)

- Review (legal, business, technical) all incoming and outgoing code
- Foster understanding through training, newsgroups

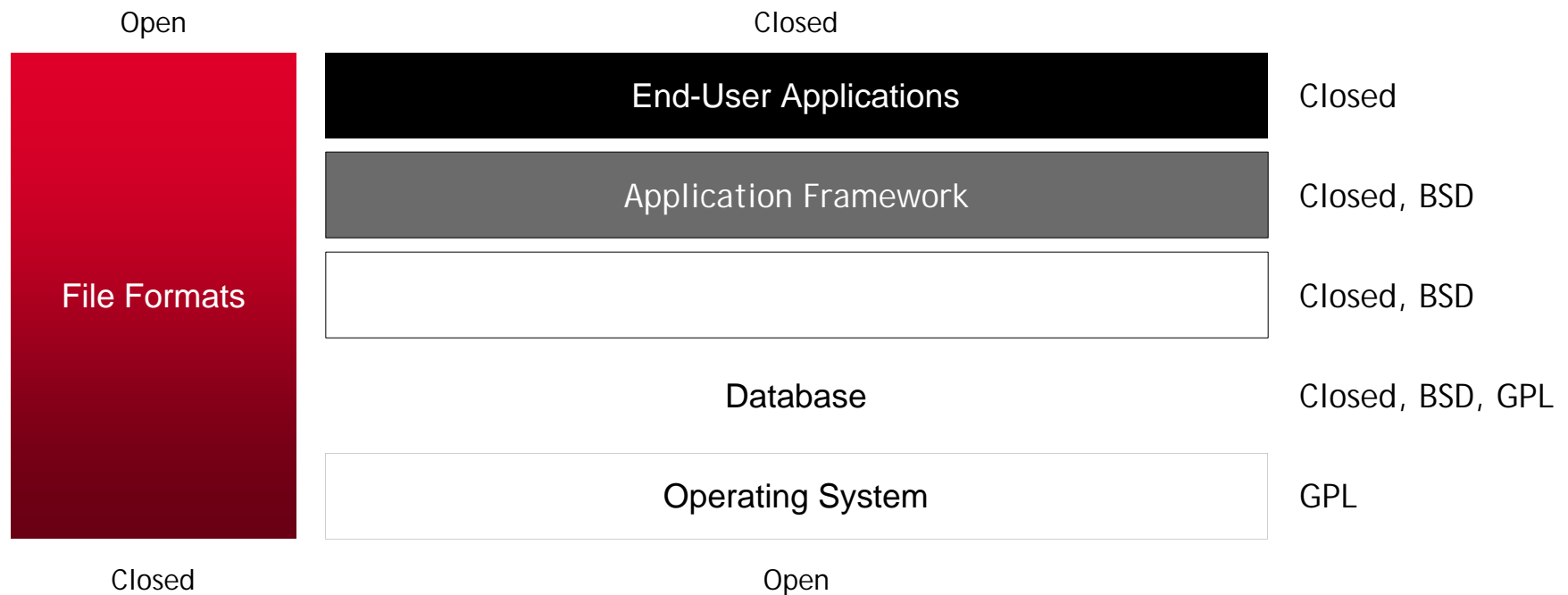


Start small, think big

- Let Linux/OSS prove itself in non-critical apps first
- Use OSS where it's currently best suited (infrastructure, not desktop)



The choice continuum: picking the right license for the right job





"Both Source:" an interim solution

Combine the best of open source and the best of closed, proprietary source

- Open standards, open APIs
- Linux foundation with closed-source applications running on top

Critical for vendors: Keep the platform free ("open")

- Add value where the OSS community does not or likely will not (applications, tools, etc.)
- Move up value chain as OSS cannibalizes IP

Critical for buyers: Keep the platform free ("open")

- Demand flexibility and open code (where it matters)
- Maximize choice (Avoid standardization-lobotomization)

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Summary and conclusion



Open Source Software (OSS)

- Imposing dramatic changes in the way software is developed and sold
- Offers both risk and reward for traditionally closed-source companies, be they vendor or customer



Transitioning to OSS

- It's all about choice
- Requires a proper analysis of risks AND rewards of OSS
- Milk before meat
- View OSS as a means, not as an end in itself



Novell and OSS (An Example)

- Transition not painless, but worth it
- Play to your strengths - add value where you have value
- Active contributor to OSS while not abandoning CSD

Take the blue pill and the story ends. You wake in your bed and believe whatever you want to believe.



Take the red pill and you stay in Wonderland and I show you how deep the rabbit hole goes.

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