State-of-the-art FLOSS: No Roadblocks Ahead

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Outline

- Key Challenges
- Product Life Cycles (PLC) and Standardization
- Warrant of Fitness and Public Interest
- The Battle for the Desktop
- Call to Action
Key Challenges

- People are creatures of habit
  - Challenged by disruption
- FLOSS is highly disruptive
  - Intellectual Property Disputes
    - Patent Claims
    - Copyright Claims
- Business Model Changes
  - Shifts the business focus to customer service
  - Makes technology a commodity
PLC and Standardisation

- PLC theory started with Boston Consulting Group
  - Measuring practices of successful business
  - Product Portfolio Matrix
  - Monitored how products behave from inception through obsolescence
    - Understanding of key factors allows pre-emptive action
- Background of present argument:
  - Standardization is a pre-cursor to mass consumerism
Product Portfolio Matrix

- **Stars**
  - High Market Growth
  - High Market Share
- **Wild Cats**
  - High Market Growth
  - Low Market Share
- **Dogs**
  - Low Market Growth
  - Low Market Share
- **Cash Cows**
  - Low Market Growth
  - High Market Share
PLC Definition
Software Development Cycle

![Diagram of Software Development Cycle]

- Extent
- Market Acceptance
- Standardization
- Commoditization
- Complexity
- Rapid Technological Development
- High
- Low
- Small
- Large
- Product Functionality

Opening windows to a wider world
Two Roads to the Consumer

1) Monopoly and Market Manipulation
   - Selective appeal to customers who can enhance corporate profits
   - Control of distribution channels
   - Highly valued by investors

2) Standards and Commodity Markets
   - Presumes free market operation
   - Forces shift from technology to needs satisfaction process based business
Benefit and Risk Factors Monopolization

- Corporate profit motive is key driver
- Technology is used as a tool:
  - To coerce update cycles
  - Maintain barriers against competitive market entry
- Seeks Unified Protection of Intellectual Property
  - Patents, Copyrights, Licensing
- Sensitive to the Law of Diminishing Returns
  - Profit versus cost of development – Limits Innovation
Benefit and Risk Factors

Standardization

- What is Standardization?
  - Process by which products are made to conform with publicly arbitrated specifications that are designed to eliminate incompatibilities in competitive offers and provide a uniform platform for software deployment.

- What does Standardization do?
  - Removes technology barriers
  - Opens the market to mass commodity adoption
  - Reduces costs of ownership
FLOSS and Standardization

- Natural Partners
  - Development process is by mutual assent
  - Much focus on backwards compatibility
    - Protects consumer investment in infrastructure
- Promotes Innovation
  - Not subject to Law of Diminishing Returns
    - Development model is not economically driven!
  - Businesses built around commodities must innovate ways to keep customers satisfied
Warrant of Fitness

- Recent reaction to software that is provided without Warranty
  - Claims that GPL software is not FIT for Sale
  - Position is that consumers need to be protected
- Monopoly mindset reaction to FLOSS invasion of market
Software in the Public Interest

- Warranty is not necessary when source code is open
  - Anyone can fix something that is broken
  - Anyone can add functionality
- Position that the consumer is best protected by freedom to change without constraint
  - Allows innovation and adaptation of software to new task requirements
FLOSS and the Consumer

- FLOSS and Standardization reduces the cost of market entry for new consumers
- Expands the total market size
  - More consumers means more opportunity to deliver service
    - Product customisation
    - Delivery standardization
    - Customer hand-holding (Service Specialization)
- Combined effect is HIGHER MARKET VALUE
FLOSS Status

- The Server is largely won for FLOSS
  - Apache, Samba, MySQL, PostgreSQL, SQUID, CUPS
  - Linux and xxxBSD
- The Desktop is Maturing
  - KDE / Gnome
  - Applications
    - OpenOffice, Evolution, Mozilla, GIMP
- Conclusion: Desktop is the current challenge
Steps to Desktop Dominance - I

- Education
  - The applications that most people need already exist
  - Help build reference sites
  - Involvement of LUGs

- Certification
  - Linux Professional Institute
Steps to Desktop Dominance - II

- Get more applications
  - Accounting, Project Management, Reporting, Database client tools
- Convince development houses to build for FLOSS platforms
  - Convince them that there is a market for specialty and niche solutions
Steps to Desktop Dominance - III

- Demonstrate commercial viability
  - business model built around service and support
  - Close partnership with major FLOSS vendors who have consumer orientation
- Promote greater public acceptance of FLOSS standardization
Call to Action

- All involved in FLOSS activities
  - Help more users with solutions to their problems
  - Help businesses executives to understand the problem solution process
    - Importance of support contracts
    - How to find support staff
  - Help Value Added Resellers to understand HOW to be profitable through customer service and support
- Call for Public Standards in Software!
Questions

Your Turn