

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

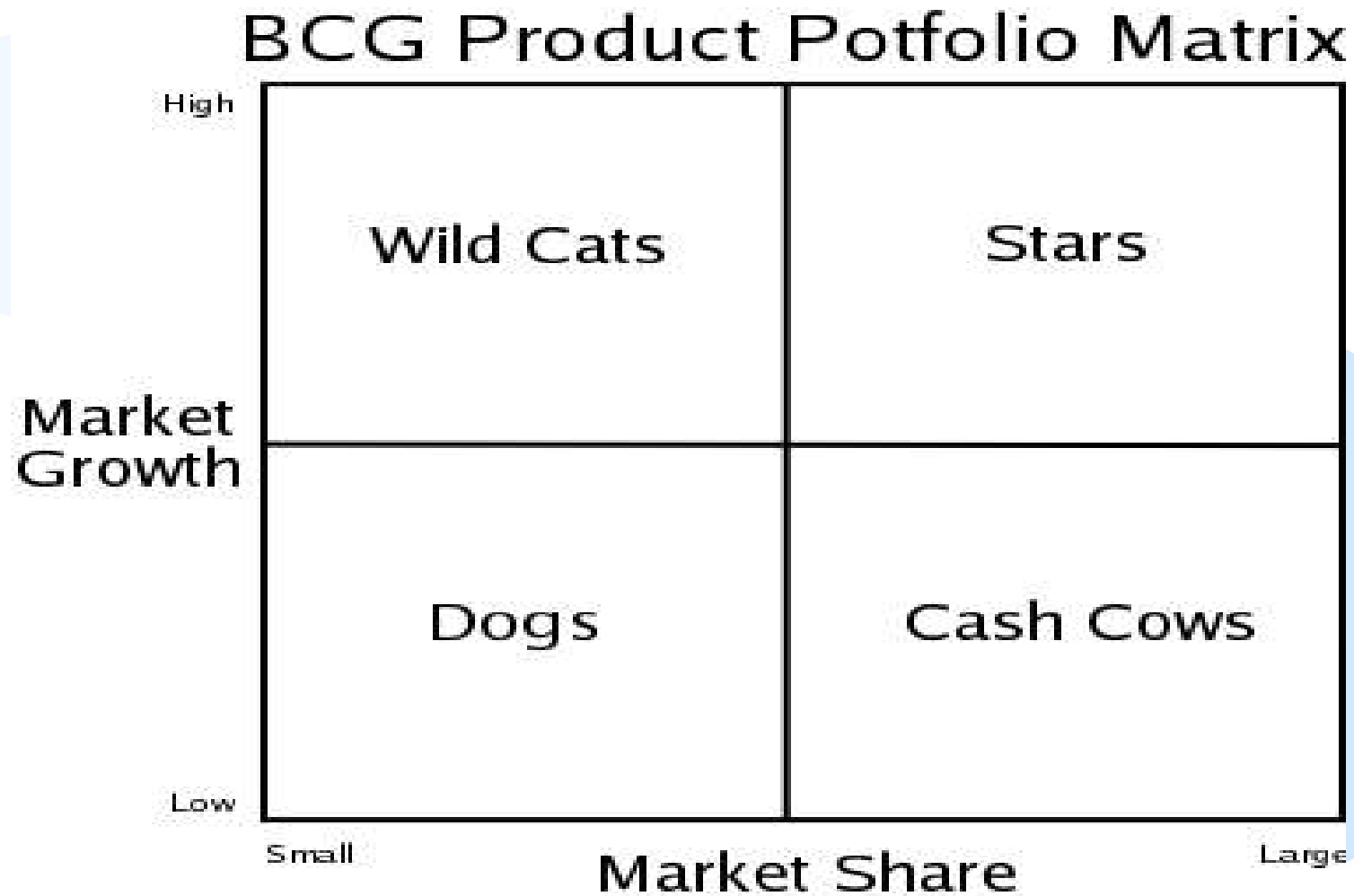
Key Challenges

- 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

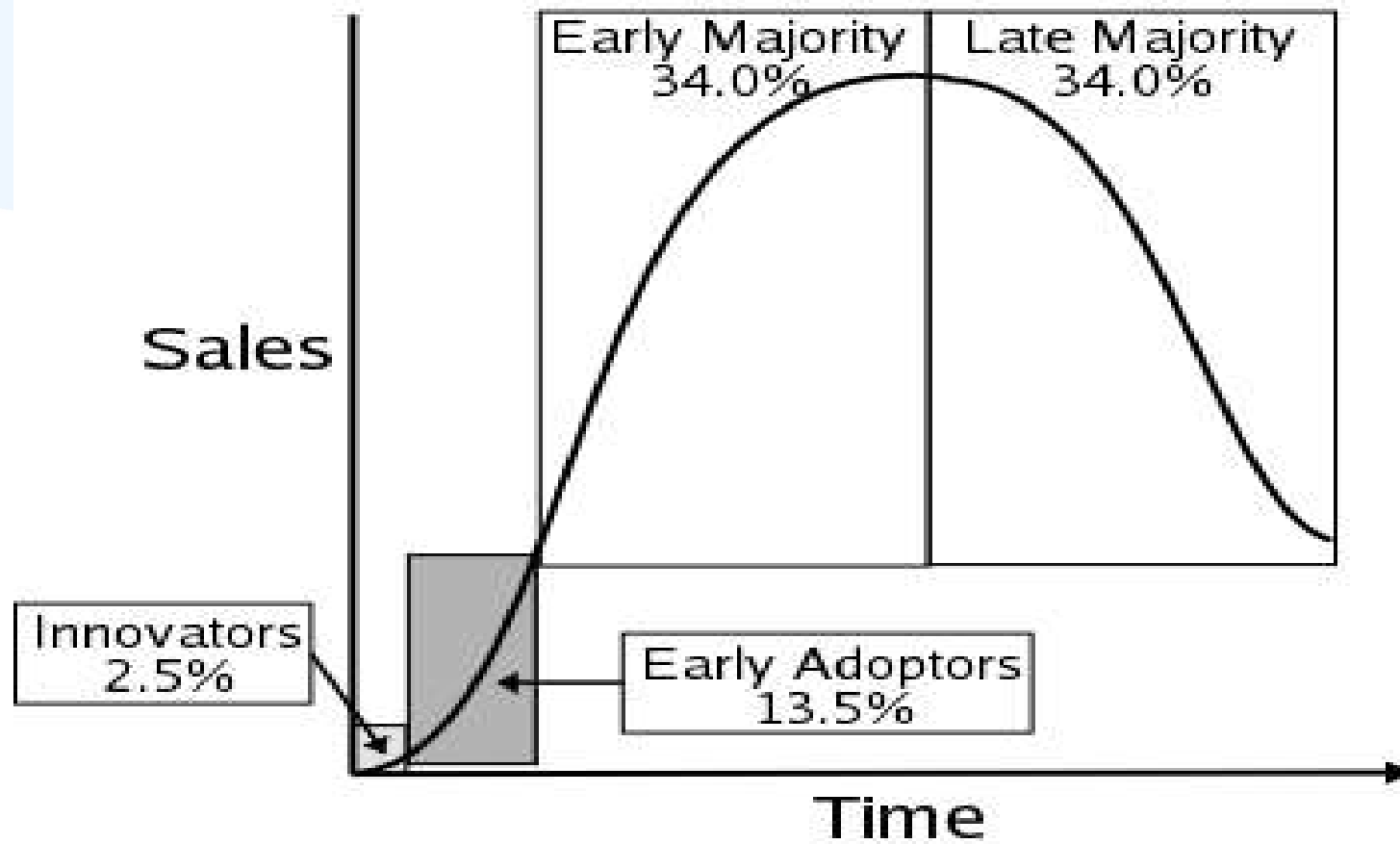
- PLC theory started with Boston Consulting Group
 - Measuring practices of successful business
 - Product Portfolio Matrix
 - Monitored how products behave from inception through obsolescence
 - Understanding of key factors allows pre-emptive action
- Background of present argument:
 - Standardization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

Product Portfolio Matrix

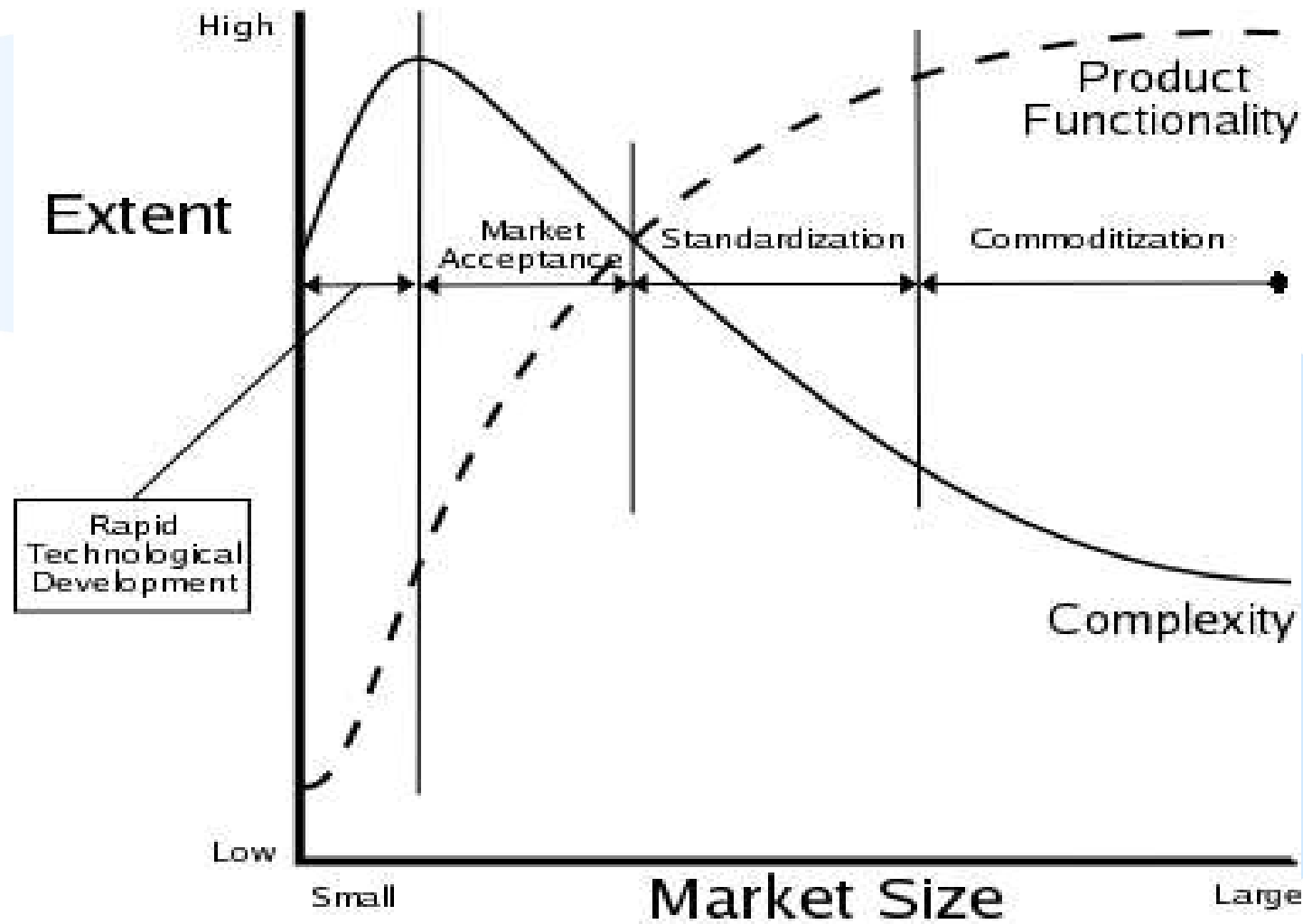


PLC Definition

Product Life Cycle



Software Development Cycle



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