Sustainable Financing of Open Source - an insider's view
Agenda

- About me and XWiki
- The objective
- Usual Open Source business models
- Some problems
- Novel business models
- XWiki's approach
- What could the community do?
About me and XWiki

- me
  - 10 years running XWiki
- Passionate about Open Source
  - Technical innovation
  - Openness needed for more equality

- XWiki
  - Collaborative platform
  - Competitive market
  - Innovative (not a me too)
  - LGPL Licence
  - 100% Open Source
  - 1,3M revenue / year (2014)
The objective

· Creating Open Source
· Building a competitive solution
· Being an healthy Business
· Sustainable in the long term
Usual business models

- Foundations: Multiple Companies collaborating on core, differentiate on binaries and distributions (linux, android, eclipse, drupal)
- Singular: One Company mainly drives the software, differentiate with add-ons
  - Double licensing
- Open Core
- Service: Companies collaborate doing services on Open Source software.
  - "Take the Money and run" (sell to investors).
  - Sometimes the models are mixed
Is it sustainable?

- Foundations: yes but works only for very large projects, smaller projects lack driving
- Singular: many companies use investors, close significant part of products
  - We get code but no community
- Service: contributions can be very low, product lacks driving
The investors issue

- Investors want more control (monetization)
- Projects are open core, or double licensed
- Contributors don't have control
- Uncertainty hinders contribution

- Example: MySQL -> forked as a smaller company
The "Fully Open Source" issue

- Users like "free", would like everything free
- Services scale less
- Partners do not contribute enough
- Prisoner's dilemma
- Tougher to be a healthy business
Novel business models: Moodle HQ

- Controls the brand and the distribution
- Certifies partners and licenses the brand
- Partners give 10% of their revenue
- 60 partners
Novel business models: Piwik

· Separate R&D from Service company using the brand
· R&D done in New Zealand
· Cloud and Support services run from Poland
· Piwik.com pays fees to Piwik.org
XWiki's Approach

- Commitment to Open Source
  - We want to produce a lot of Open Source code
- Sells Services and Support
- 50% more cost for services for clients without "support contracts"
- Cloud offer (tough)
- Promises reversibility (you can have the best tool without us)
XWiki's Approach: how did we finance?

- Margin of services
- Research projects
- Clients paying new features
- Contributions
Models we look at

- XWiki Collaboration Suite package distribution
- App Store monetization
- Interested in the Moodle model
- Tougher license
- Crowdfunding

Challenge: competition from companies not contributing
Challenge: maximum distribution vs monetization
What could the community do?

- Users look at who does R&D when buying services
- More collaboration between companies to fund R&D
- More contributors from service companies
- Commitment to Open Source from Singular projects (Manifestos)
- How to punish commercial "free-riders"?
- Way to differentiate "good players" (Labels?)
- More projects using Moodle's model?
Contact

Ludovic Dubost

ludovic@xwiki.com
skype: ldubost
http://xwiki.org
http://xwiki.com