

URL: <https://stvp.stanford.edu/clips/commercialization-of-open-source>

Rather than having to choose between being an open source organization or a commercial software company, you can create a successful open source business, says Eucalyptus Systems CEO Mörten Mickos. Mickos also offers a telling insight on how to deal with detractors.



Transcript

That's a good question.. It's one on commercial open source and what does it mean? How has it changed? It's a controversial topic, as you said.. So, there's this big world of open source and there's a big world of successful software companies.. And I believe - I have this absolute belief and conviction that there's a Venn diagram.. And in the middle you can have a very successful open source business, which makes money and produces open source code.. But not everybody agrees with me.. Some people think that if do open source, you mustn't make money or if you make money you mustn't do open source.. I happen to believe that it's doable.. And I haven't learned yet, so I'm doing it again, I'm again building a business.. And we meet people who don't like the business model of Eucalyptus..

And I'm telling them this is the best way to bring the power of your open source code to yourselves.. This is how we reward those who actually produce the code.. So, what I've learned is this sort of unpleasant truth that I believe open source is by far the best way to develop software.. You will produce better software, faster.. At the same time, to build a massive business and go up and challenge those big vendors of closed source software, you must have revenue model.. And we've concluded at Eucalyptus as most open source companies have by now that you must have some features that only the paying customers can obtain.. And this is the controversial thing that not everybody agrees with.. But look at any of the companies out there, they have something in their product offering that you only get when you pay money.. And that's true for SugarCRM and it's true for Zen, then it's true for all of them, it's true for Eucalyptus.. But it doesn't get universal acceptance in the world..

But then we also learned at MySQL one thing: if nobody is against you, you're not really popular, you know.. It goes with popularity and fame that some people are opposed to what you're doing.. And this - can I keep going? So, this is something I learned from Jonathan Schwartz, CEO of Sun Microsystems, he told me that he had realized or maybe learned from somebody that in these things there's a 70/20/10 rule.. That when you state something or you do something publicly, 70 percent of your audience, or those following it, don't care what you think or what you said, 20 percent will always support you.. They are always in favor.. And 10 percent are always against, no matter what you say.. But then he said, but what you really need to know is that those 70 percent who don't care about what the decision was or what the model was: they care about how you treat the 10 percent So it's very important when you deal with detractors or those who disagree with you, to deal with them respectfully because it's not just about them, even if they are minority, it's about the vast majority who wants to see the world as a fair place where we treat each other fairly and where we have respect for the individual.. So you must remember that when you go into this fierce battle in Open Source of business models and greed and openness and everything and community that whatever viewpoint people present, you must respect it and think that they have a rational reason for thinking the way they do...