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Executive Summary
Open Source has crossed the chasm. Over $2 billion has been invested by enterprises in open source to date. For enterprises the focus now is on deriving business values from open source solutions, such as driving more innovation, building large-scale solutions, and reducing total cost of ownership.

The Evolution of Open Source in the Enterprise, *Matthew J. Szulik, Red Hat*
Open source is now mainstream. Almost 55% of IT infrastructure in the United States is dominated by five vendors. Interoperability is crucial. Over 65% of the world's population has not used the Internet yet and a majority of them can't afford expensive, proprietary software. Our industry has evolved from proprietary vendors (DEC, IBM, and the BUNCH) to UNIX and Wintel and will eventually to Linux, open source. People want to share knowledge which demands interoperability and affordable solutions. The University of North Carolina had to throw away 12 years of cancer research of data because of lack of compatibility. Think about how open source, not proprietary software, can contribute to better healthcare, environment….

Open Source: Leveraging the Capabilities to Drive Consumer Product Innovation, *Marc West, H&R Block (HRB)*
Remember the old days when users shackled with mainframe, SNA, OOP, VSAM, OS/2 and card punch? Those days are gone. H&R Block has 13,000 locations, 100,000 employees during peak season, but only 3,000 offices are open year-round. Of the 133 million taxpayers in the US, 22 million use digital and retail offerings. HRB uses mostly open source, e. g., Organizit!, Tango (Zimbra), and Virtual Professional (VPro). Tango is the next generation of do-it-yourself tax preparation products. VirtVPro is a new platform to connect consumers with tax professionals; it took eight months to build with multiple open source elements integrated into a single platform.

The Convergence of OSS and SaaS: The Business Model of the Future, *William A. Soward, Adaptive Planning*
Adaptive Planning is a venture-backed ($19 million startup) with over 80 customers, and 20 business partners. It offers open source budgeting, forecasting, and reporting tools with spreadsheet-like interfaces, formula builder, and collaborative modeling. So, how does open source differ from SaaS?

	SaaS	Open Source
Business Model	Demand gen (you find them) Awareness bldg., + inside sales To close business, sell to business user	Awareness bldg., + viral mktg., (they find you) + inside sales to close business, sell to business User and IT
Key pre-sales tactic	Free, try before you buy	Free, use before you buy
Penetration strategy	* Convert trial into paying customer * Sell subscription service * Consulting services * Training	* Convert registered downloader into paying customer * Sell subscription services * Consulting services * Training

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[1] http://www.idgworldexpo.com/live/13/events/13SFO07A
[2] http://www.itnewswire.us/

Product Roadmap	Vendor-driven	Community-driven
Development Cycle	Fast and agile; quarterly updates/one release supported	Fast and agile; rapid release and test cycles/community contributors
Innovation	High customer intimacy + observed usage behavior	Driven by community contributions

Open Source in the Battleground for Mobile Dominance, *Benoit Schillings, Trolltech*
Practice open source dual-license model. Why put open source and Linux on smart phones? Because it can be done. Common myths about open source are just that—myths:

1. Complexity in software can be managed.
    a. Linux is a modern operating system.
    b. Open source gives manufacturers complete control of the software in the phone.
    c. Manufacturers get full freedom and independence to create the phone and deliver what the market wants.
    d. Windows Mobile and Symbian make manufacturers dependent on Microsoft and Nokia.
2. Customization and Flexibility
    a. Open source allows total customization.
    b. Unlimited freedom to innovate.
3. Cost and Complexity
    a. Open source-enabled device manufacturers have debunked the FUD spread by proprietary vendors.
4. Community and Ecosystem
    a. Open source dual-licensing model is the way to go.
    b. Combine the benefits of open source licensing and distribution with the reliability and support of commercial players.

Copyleft Business Models: Why it's Good Not to Be Your Competitor's Free Lunch, *Eben Moglen, Columbia University Law School*

In 1979, IBM Santa Teresa had 10 IBM 370s and 29 GB of DASD. Whereas the industry has made dramatic price/performance improvements in hardware over the past 25 years, software has deteriorated drastically. American inventiveness has always been driven by the little folks. Over the past 100 years we said, "Come to America with your brains and share your knowledge; we'll give you a short period of monopoly."

When will we ever grow up?

*Ever bought a car, PC, server, TV, DVD player, game console, or any appliance? They **all** come with warranties. How come the software industry not only does not provide any warranties, but instead gives disclaimers? Can you imagine an aircraft, defibrillator or pacemaker manufacturer giving disclaimers?*

Through the first half of the 20th century we noted significant contributions by Europeans and we had protectionism at its full extent. The latter half of the 20th century was dominated by the US. Now, we are turning to protectionism again for whatever reason—trade deficits, losing jobs to offshoring…AT&T was once the biggest hardware monopoly. UNIX became quasi-free and permitted many vendors to eat each other's lunch. However, the obscure software, shrink-wrapped with ignorance and arrogance, we ship now has deplorable quality. Users buy buggy software, fixes don't work, they then spend tons of money to fix vendors' patches!

Innovation is happening too slowly. We used X-Window before Windows! Hardware profits have vanished. We shouldn't tolerate hardware or software monopolies. Nobody has calculated the damage done to the world by Microsoft. In the 21st century products will be replaced by services—software is the first one. The Interstate Highway system in the US was a socialistic move, built with taxpayers' money during the Cold War. But it opened millions of mom-and-pop shops, retails stores, shopping malls, motels, hotels, and factories and is contributing trillions of dollars annually to the US economy. The Internet was equally socialistic, but is now serving the world, and is adding billions of $, €, ¥, and £ to the global economy.

Standards and open source will win in the long run. In 1848, the Confederacy had 11 different railroad gauges, whereas the Union had only one. Most of the railroads in the South later went out of business. This is what happened with UNIX. Kodak used to sell cameras, and then switched to film rolls; now it is struggling to sell anything. Flicker sells neither, but just acts as a broker and does it well, thank you.

The most powerful monopoly continues to flourish. So, how not to be your competitor's free lunch at the national or global level? Stand up for freedom. "I predict that within the first year of the adoption of GPL 3, there will be a huge uptake." The monopoly can be leveled. What freedom meant was sharing, *E Pluribus Unum*, out of many, one.