
OpenSource : Entrepreneurship for Engineers

A Presentation By

What is OpenSource Model ?

- Started in late 1990s as software licensing model.
- Source-Code is available to anyone and distributed under open source license.
- Main Idea -"It should be free and community-driven".





1. Intro

We will try to cover the following topics-

- **Build Business around Open-Source project**
Sneak Peek to Business model.
- **Other models in Open-Source**
Simplifying open-source into other models.
- **Analysis of Successful Projects**
Projects that are doing well in this category with a sustainable growth.

How do I Build a business around my open source project?

- **Picking up right model is critical.**
In worst cases communities and projects have collapsed due to bad commercial decisions.



Tip

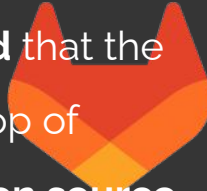
Motivation for founders should be to build sustainable companies that can help their project continue to grow and establish themselves in long term.

The challenges inherent in building a business around an open source project, particularly in the early days.

Models in OpenSource.

1. Open-Core

- In Early 2000s open-core model was viewed with suspicion, where **developers were worried** that the Companies building existing projects on-top of Open-source cores would **weaken the open source** product to make commercial offering more attractive.
- Core part of software is free, while on top of it build features get monetized.



GitLab



2. Proserv (Professional service)

Early open-source models often built on professional services, with companies paying for **support and consultancy.**

Services revenue is often highly-unpredictable and requires significant scaling of head-count

RedHat is leading provider of enterprise open source software solutions.



mongoDB

For those open-source businesses where hosting is the primary offering, it's normally combined with significant SaaS or infrastructure

3. Hosting

In the last decade hosting has become a common offering from open source companies, especially in the data space, enabling end-users to use infrastructure components in a similar way to SaaS offerings without having to be concerned with the operational overhead of managing the infrastructure.