

Start-up Kitchen: Open Source

Photo:

Gitlab co-founder Sytse Sijbrandij: "Gitlab enables developers to create better programs faster." PHOTO: MARK HORN

Gitlab

"Companies want to develop software with four thousand people at a time"

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The Dutch-Ukrainian start-up Gitlab has attracted the attention of 'Fortune 100' companies, as well as organizations like NASA, and Interpol.

The open source platform Gitlab is based on the power of the collective: developing computer programs with as many developers as possible, sometimes even thousands at a time. This intrigues even the programmers of large organizations like NASA, Nasdaq, Interpol, and AT&T.

That is not surprising, since the Gitlab software is basically free. Companies can work in teams and use the web platform to develop and manage their software, like programs for human resource management (HRM), games, web browsers or word processors.

This helps the developing process, since creating computer programs is complex and time consuming. There are often multiple versions made by several people before the product reaches the final stage. "Gitlab allows software developers to collaborate easily and thereby create better programs faster," says CEO Sytse Sijbrandij (34).

The start-up is run from a living room in the Dutch city Utrecht, largely through Skype. The Gitlab team members are located in different corners of the world. Sijbrandij works from the Netherlands and founder Dimitri Zaporozhets (26) from Kharkov, Ukraine. "We work almost completely online," says Sijbrandij.

According to the entrepreneur, working online fits the company's ambition to do more with less resources. "The best things are made in an environment in which people work together voluntarily," says Sijbrandij, who financed the company himself with about \$80,000.

The original Gitlab platform was developed by the Ukrainian Zaporozhets in 2011. According to Zaporozhets, the goal was to create a more 'organic' way of software development. "Software developers no longer need to ask permission for every tiny change they make in the code," says Sijbrandij. "In Gitlab, software changes can be made with just one click."

In 2012, Sijbrandij discovered the application while visiting a hacker website. The entrepreneur, who previously put a recreational submarine on the market and ran a company in remote controls for MP3 players, immediately spotted an opportunity. "The common thread in my entrepreneurial life is that I market other people's ideas."

The Dutch entrepreneur contacted Zaporozhets. Gitlab was not yet available as an online service for which the user pays a fee, also known as 'software as a service' (SaaS). A missed opportunity, thought Sijbrandij. "I am glad Dimitri gave me carte blanche so I could do what I wanted," he says.

By using this freedom, Sijbrandij built a platform for Gitlab that has become increasingly popular among software developers. More than 100,000 organizations now use the free version of Gitlab, including the University of California and the Chinese web shop Alibaba.

So far, around one hundred organizations decided to switch to the paid version of Gitlab, including NASA, Nasdaq, Interpol, and AT&T. "We have five customers that are on the 'Fortune 100' list of largest companies," Sijbrandij says. Starting at \$19.90 per user per year, companies gain access to additional options, such as the ability to create groups or accounts quickly.

With 0.1 percent of paying Gitlab users, the start-up has now reached the break-even point. Sijbrandij is not afraid his free software prevents customers from paying for the product. "Everyone is welcome to use Gitlab," he says. "It's good for our exposure."

Besides, there is a second revenue model that is focused on the advice the team offers when a user encounters a problem. This buys the company enough time to get the paid accounts off the ground. "Companies often start with a free account, but switch to the paid one after a while," says Sijbrandij.

Also, the number of free users is said to be growing by as much as 15% per week, with downloads from Asia to America. "Gitlab is popular because it allows companies to work on a product together in large groups," says Sijbrandij. "It's the new standard in developing and that makes Gitlab unique."