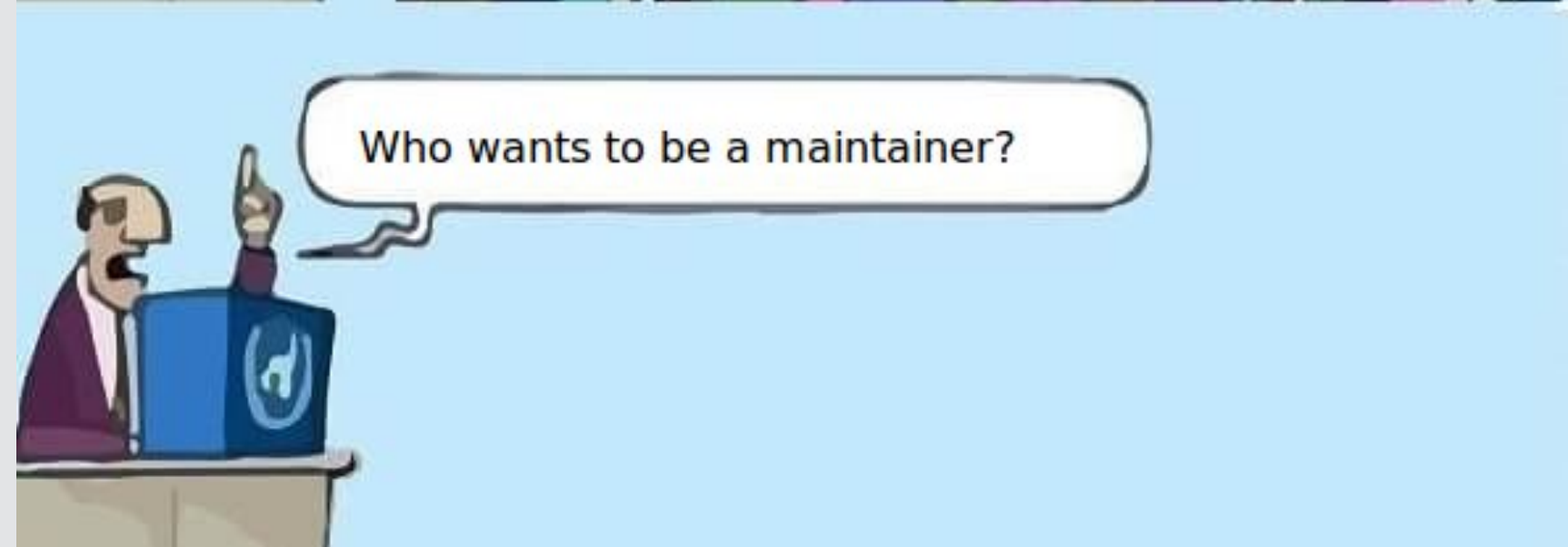


# Open Source as a Business

## Strategy, Struggle & Success

Mad props to Philipp Krenn @xeraa

<https://twitter.com/geowolf/status/971811346823221248>



[...] allow software to be  
freely used, modified, and  
shared.

<https://opensource.org/licenses>

Open Source  $\neq$   
Business Model



*Open source is a distribution model that allows us to build community. It's a force multiplier.*

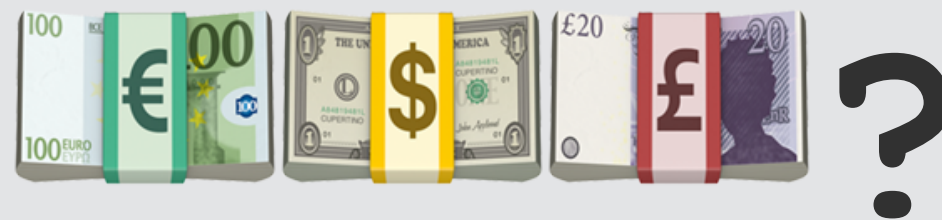
Shay Banon, Elastic



elastic



# Where is the



# Strategy

# Services



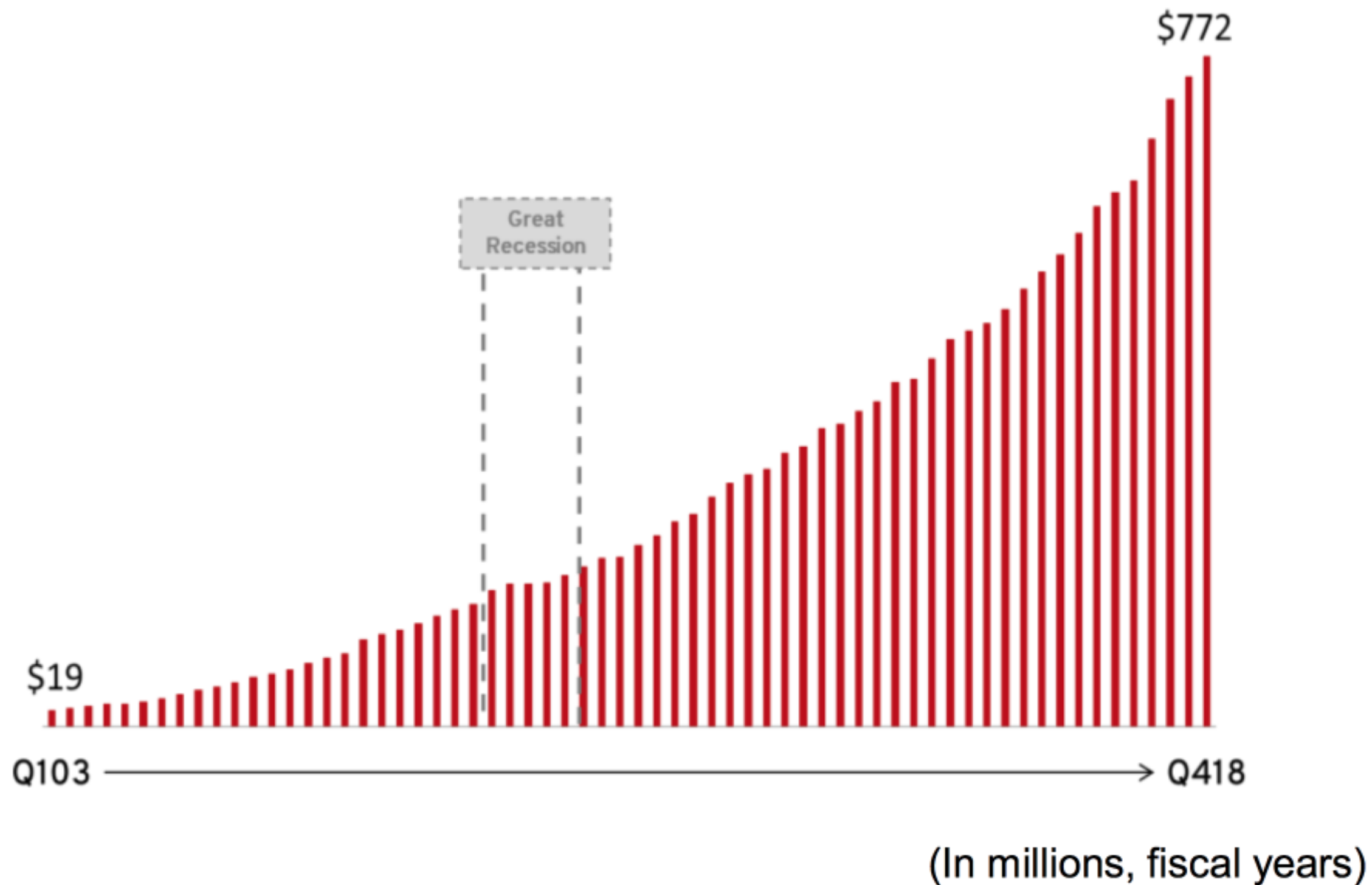
Support, Consulting, Training, Certification





redhat.®

# 64 Quarters of Revenue Growth





Support Problem

**Ease of Use**

Support Problem

# Renewal Rates

Consulting & Training Problem

# Service-Only Competition



# Open Core





MySQL™

Problem

Competing Tools

Problem

**Less Open, More Commercial**

Problem

# Cloud Providers

# Cloud Service







WORDPRESS



Problem

# Cloud Providers

*The intent of open source software was not so that someone else can take the exact same software and offer it as a service.*

Salil Deshpande (Bain Capital), <https://www.geekwire.com/2018/might-time-big-cloud-share-wealth-open-source-startups/>

# Partnerships









Problem

Domain Specific

# Donations



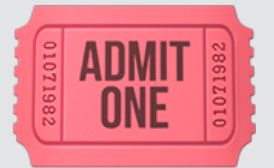


**WIKIMEDIA**  
**FOUNDATION**

**Problem**

# **Scaling & Planning**

# Certified Partners



# moodle

Problem

Requires Commercial Ecosystem

# Ads





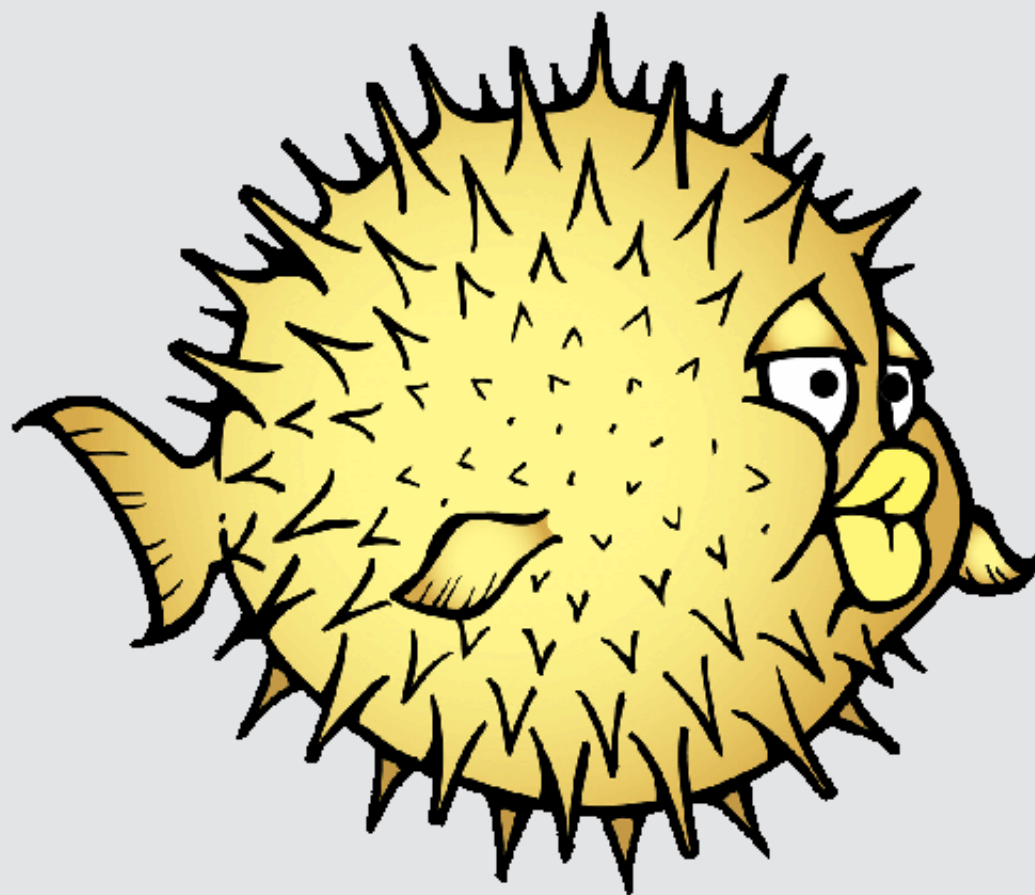
# AdBlock

Problem

What Is (the Price to Be)  
Acceptable

# Merchandise





***Open*BSD**

Problem

Revenue

# Bounty / Crowdfunding



Problem

# Vision & Maintainability



**Struggles**

# Philosophy



*If you are claiming your startup/company is  
open source and you aren't contributing to some  
form of upstream... then you aren't really.  
Sorry not sorry.*

Jessie Frazelle, <https://twitter.com/jessfraz/status/954802380125736961>

Contributors 

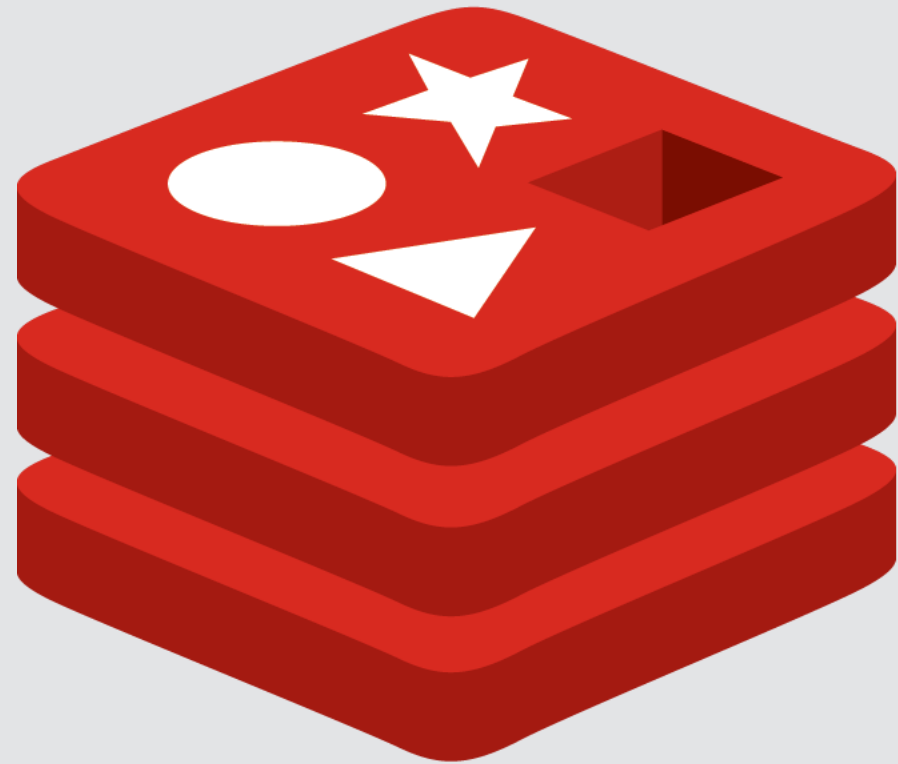
Users 

Consumers 



*[...] If you are MSFT and I ask you if you've used Redis and you say "you mean Azure Redis Cache?", that's not a good sign.*

<https://twitter.com/jensenharris/status/984268950136537088>



redis

# Apache 2 modified with Commons Clause (2018/08)



*Without limiting other conditions in the License, the grant of rights under the License will not include, and the License does not grant to you, the right to Sell the Software.*

<https://commonsclause.com>

*Be aware that the debate starting up about the  
Common Clause license due to Redis Labs  
adopting it will likely be heavily tainted by  
large corporations who have a lot of free labor  
to lose suddenly pretending to be huge  
champions of free software ideals.*

<https://twitter.com/taotetek/status/1032248562116186112>



mongoDB

**AGPL Server / Apache Clients**  
**Server Side Public License**  
**(2018/10)**

~~"13. Remote Network  
Interaction; Use with the GNU  
General Public License."~~  
"13. Offering the Program as  
a Service."

<https://www.mongodb.com/licensing/server-side-public-license>

# Timing

Effective Today

# Clones



FoundationDB Document Layer  
Amazon DocumentDB

*[...] we are hereby withdrawing the SSPL from  
OSI consideration.*

`http://lists.opensource.org/pipermail/license-review\_lists.opensource.org/2019-  
March/003989.html`



# Money



# Conflict of Interest

Open Source vs Commercial View



DATASTAX 

*In case you needed proof, @zdatainc just released a #benchmark report where #DataStax6 outperforms #OpenSource #cassandra <http://bit.ly/2txOvWl> #databases #data*

<https://twitter.com/DataStax/status/1012380187886055424>

SCYLLA.

# Venture Capital

Accelerated Development vs Calling the Shots



**Couchbase**

# Development

Hobbled Product vs Starving Company





*influxdb*



RethinkDB



docker

# Commercial Code

Open / Visible Code vs Closed Source

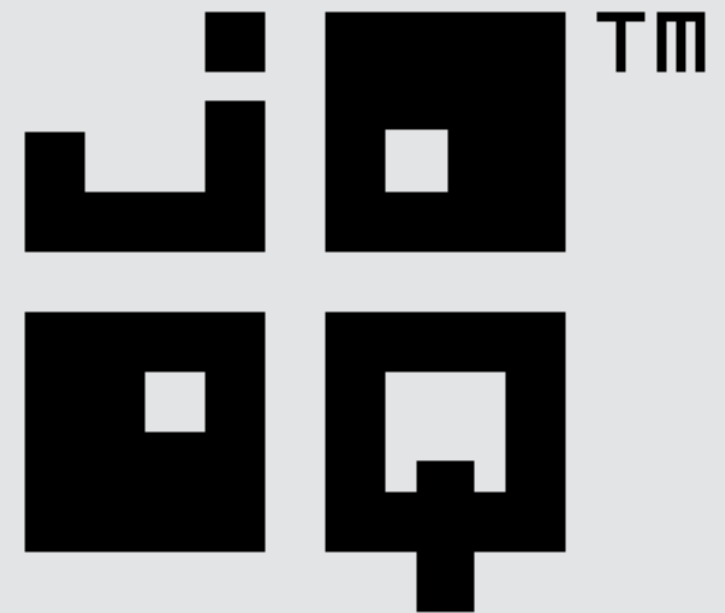


# DynamoDB



# Tricks

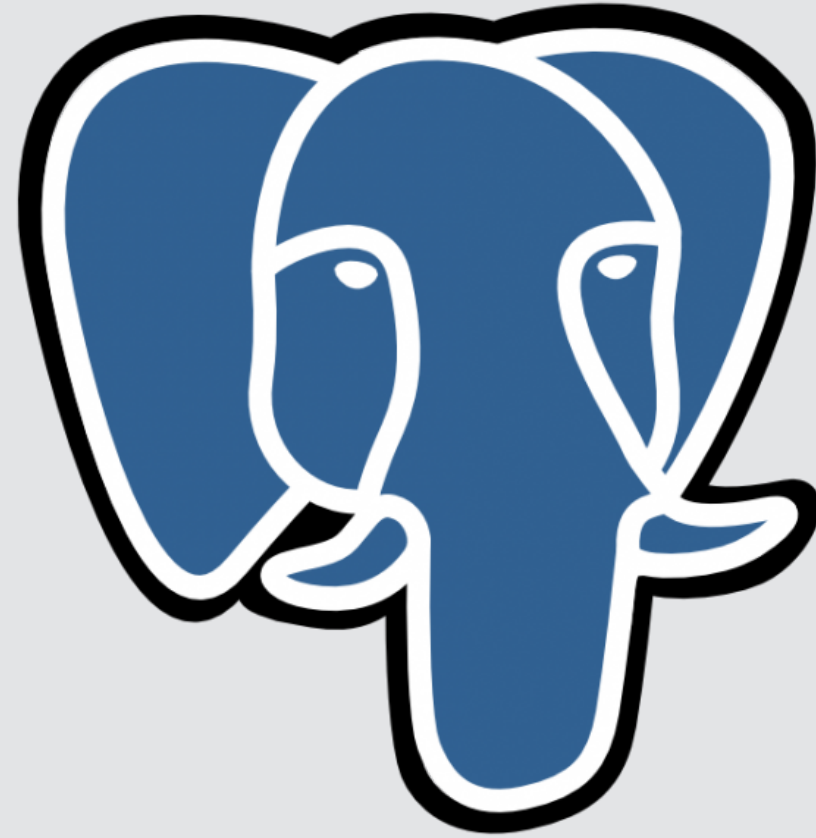
Open Source but...



**SUCCESS**

**Business Is  
Optional**





PostgreSQL



mattklein123

[Follow](#)

Engineer @lyft

Jun 17, 2017 · 6 min read

## Optimizing impact: why I will not start an Envoy platform company

*The following are my own views, and not that of my employer, Lyft.*

Although almost unbelievable to me, Envoy has gained exceptional traction since it was open sourced about 9 months ago. (If unfamiliar with Envoy see [here](#) and [here](#) for more information). Very early on I received inbound requests from investors and entrepreneurs who were attracted to a new solution in the burgeoning area of microservice networking and management and who wanted to discuss the potential for commercial opportunities around the software. Over the last few months, especially as excitement for the software has increased (a substantial partnership with Google, the launch of [Istio](#), uptake and excitement of other large companies, etc.), the amount of inbound requests and push by the investment community to figure out a

Business Is  
Complicated

*It saddens me that closed source companies are  
acclaimed for merely putting a piece of code on  
GitHub, while commercial open source companies  
get the worse shit for any action that involves  
protecting their work.*

Arnaud Porterie (former Docker engine lead), [https://twitter.com/icecrime/  
status/1032155227368185856](https://twitter.com/icecrime/status/1032155227368185856)

Time for an  
Updated Model?

*MongoDB seeks to do what the FSF failed to do in 2007: close the "ASP loophole." That is, to make the GPL (and open source) more relevant to the cloud era by ensuring those that modify and distribute open source as a cloud service contribute back.*

Matt Asay (former MongoDB VP of Community), <https://twitter.com/mjasay/status/1052191818937327616>

# More than Reciprocal

Permissive vs Copyleft vs SSPL



elastic



FREE		GOLD	PLATINUM
OPEN SOURCE	BASIC		
Download		Request Info	Request Info

## ELASTIC STACK

	OPEN SOURCE	BASIC	GOLD	PLATINUM
Elasticsearch				
✓ Scalability & Resiliency	✓	✓	✓	✓
✓ Query & Analytics	✓	✓	✓	✓
✓ Data Enrichment	✓	✓	✓	✓
✓ Management & Tooling	✓	✓	✓	✓
✓ Security			✓	✓
✓ Alerting			✓	✓
✓ Machine Learning				✓
Kibana				
✓ Explore & Visualize	✓	✓	✓	✓
✓ Stack Management & Tooling	✓	✓	✓	✓
✓ Stack Monitoring		✓	✓	✓

# All Code Open

Not Open Source –  
Apache 2 & Elastic License



 Public Repo

**elasticsearch**

< code >

License: **Apache 2.0**

 Private Repo

**x-pack-elasticsearch**

< code >

License: **Elastic License**

 Public Repo

**elasticsearch**

< oss code >  
Apache 2.0

< x-pack code >  
Elastic License

Community License: **Apache 2.0 + Elastic License**

# Training

# Consulting



**elastic cloud**



# elastic cloud enterprise

# Elastic Solutions

Do you just want to tail a log file? Or know which IP addresses to block? Or index a million documents for fast search? Here are just a few ways the Elastic Stack comes together for you.



Logging



Metrics



APM



Uptime Monitoring



Maps



Security Analytics



Site Search



App Search



Enterprise Search



Business Analytics





Home

All

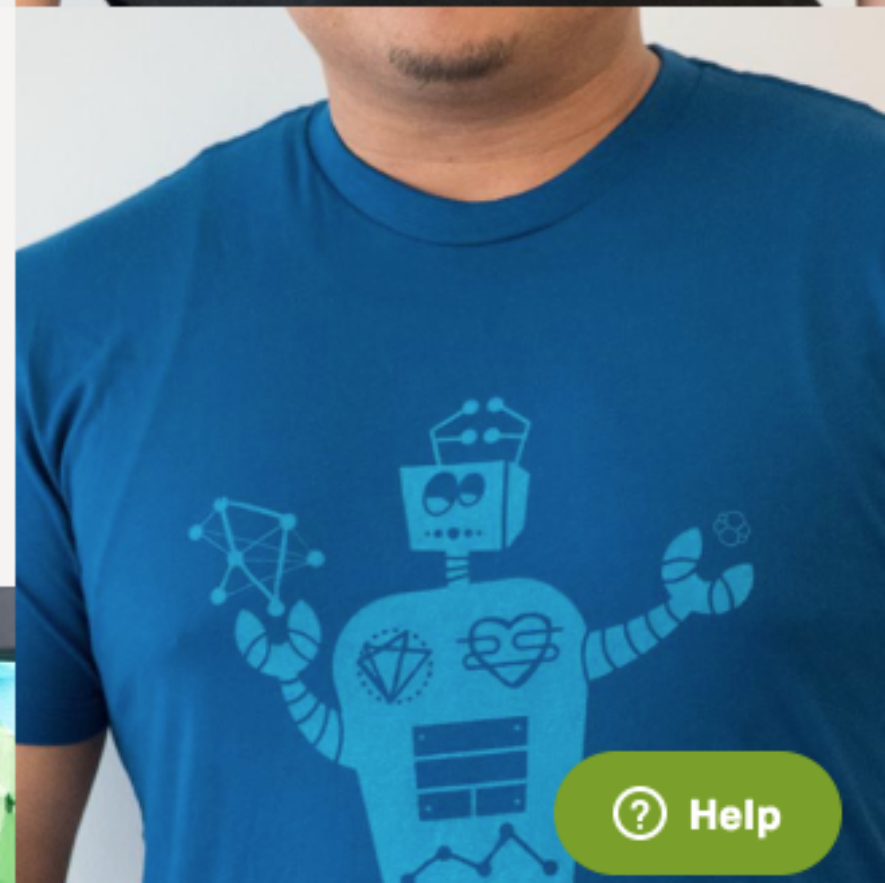
Apparel

Gadgets



Newsletter About us FAQ's

Copyright © 2018 Elasticsearch - All Rights Reserved





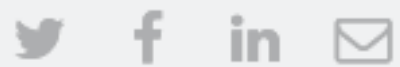


Home

All

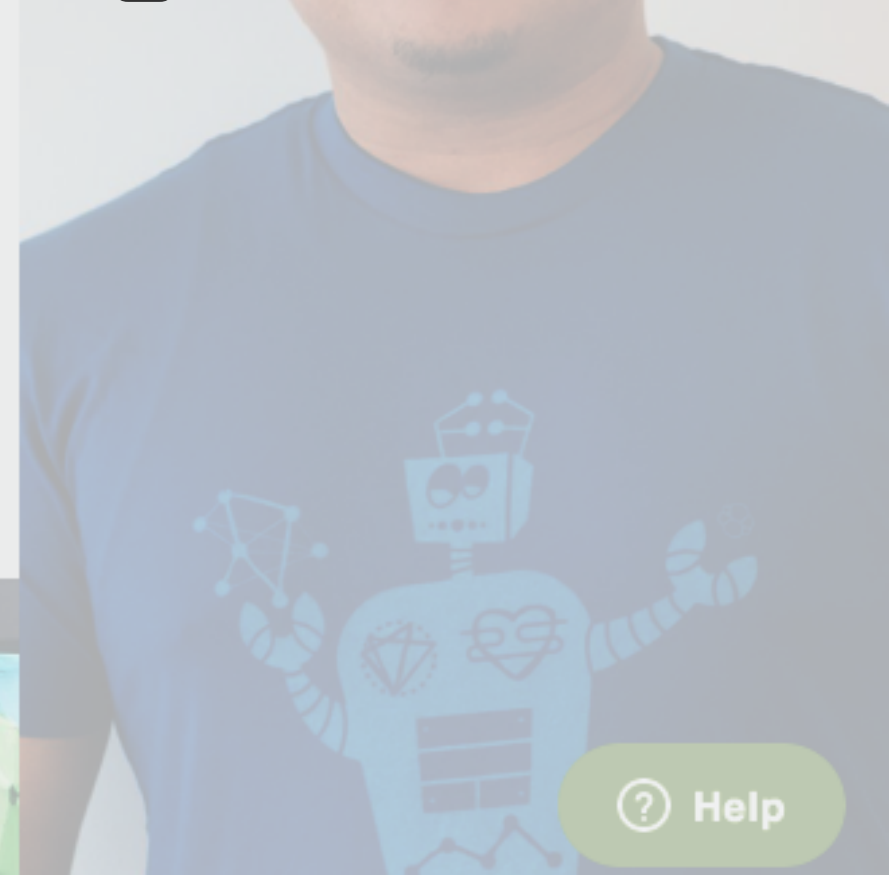
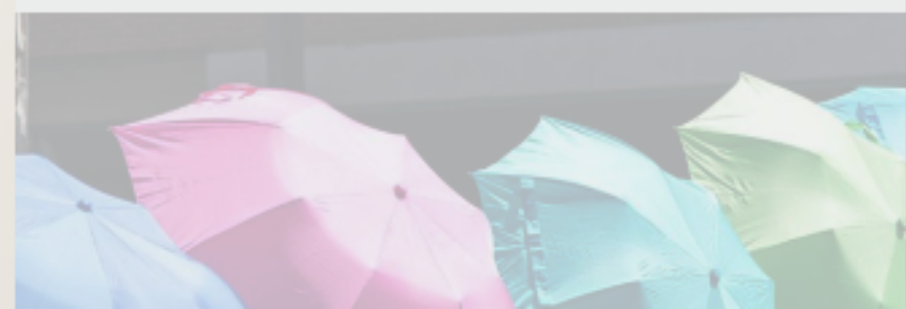
Apparel

Gadgets



Newsletter About us FAQ's

<https://elastic.shop>



# Thanks !

**Mark Walkom**

**@warkolm**