Making the business case for contributing to open source

Tobie Langel, Principal, UnlockOpen (@tobie)
“In short, software is eating the world.”

—Marc Andreessen, WSJ, August 20, 2011.
“In short, software is eating the world.”

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96% OF APPS CONTAIN OPEN SOURCE COMPONENTS

57% OF CODEBASE IS OPEN SOURCE

Source: Black Duck 2018 OSSRA
And yet...
Why should companies **contribute** to open source?

Common good

The Right Thing To Do™

Paying it forward

Etc.
Paying it forward
The Right Thing To Do™
Common good

Lack know-how
Increased Risk
Wasted resources
Lost competitive advantage
Lost IP
The ROI of *using* open source is well understood.

The ROI of *contributing* to open source: not so much.
ROI of **contributing** to open source

- **Software Companies**
- **Tech Companies**
- **All Companies**

- **Business Model**
- **Strategic**

Leverage 2nd Order Consequences
Software Companies

- Automattic
- MuleSoft
- Hortonworks
- elastic
- MongoDB
- Docker
- GitHub
- HashiCorp
- Chef
## Commoditize Your Complement

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<tr>
<th>Company</th>
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On-ramp developers
Engineer

Problem → Coffee → Engineer → Solution

↓

Sarcasm (by-product)
Problem → Software Engineer → CODE

Coffee → Software Engineer

Sarcasm (by-product)
 SOFTWARE ENGINEER

Sarcasm (by-product)

Problem

Coffee

Open source code

Commons

Conversations

Code reviews

Mentoring

Networking

Etc.

Sarcasm (by-product)

Software Engineer

Problem

Coffee
BY-PRODUCTS

- Increase code quality
- Improve documentation
- Lower technical debt
- Influence project direction
- Level-up engineers
- Improve soft-skills
- Adopt best-practices
- Access to expert network
- Perceived as industry leader
- Access to talent pool
- Remote friendly
- Reduced churn
- Improved culture & morale
- Increase efficiencies
- "Knowledge spillover"
- Serendipity
- Innovation
TWICE AS EFFICIENT
Contributing firms capture up to 100% more productive value from usage of open source than their free-riding peers.

75% of Facebook's new engineering recruits mention Facebook's open source program as a key reason they accepted their offer.
"But we also noticed some effect that we didn't expect. All the public visibility [sponsoring Webpack] have given us lead to a situation where we suddenly became one of the most interesting companies to work for as a JavaScript developer. [...]"

“We've hired a lot of really great engineers who mentioned during their job interview that our sponsoring for Webpack was one of their primary motivations for applying, [...]”

Lost IP

- Increased Risk
- Wasted resources
- Lost competitive advantage
- Lack know-how

Lack of know-how leads to increased risk, wasted resources, lost competitive advantage, and lost IP.
“I skate to where the puck is going to be, not to where it has been.”

—Wayne Gretzky
“In today's world of fast-paced internet services deployment, owning IP has become considerably less important than turning research results into innovative products as quickly as possible, and deploying them at scale.”

• Focus on business outcomes.
• Be reasonable.
• Show empathy to other’s needs in the organization.
• Aim for small wins. Start small.
• Remember it’s a mindset shift.
Lost IP

Patent Troll
Thank you!