

Building a Successful(?) Open Source Business around LibreOffice

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"Stand at the crossroads and look; ask for the ancient paths, ask where the good way is, and walk in it, and you will find rest for your souls..." - Jeremiah 6:16



The root challenge:

**building an economically
sustainable Free Software
business that works in symbiosis
with its diverse community.**

Punch lines:

Its hard.

No one-size-fits all
cookie-cutter.

FLOSS heresy 101:

economically sustainable ===

someone needs to pay something
in return for something scarce

Why a heresy ?

- The most amazing **volunteers** in our project.
- Humbled by their generosity, enthusiasm, thirst for learning & depth of contribution
- I was one once as a student
- If “*Floss is written by volunteers*”
 - perhaps no-one needs to pay anything ?
 - OpenSSL ... still amazing.
- Lots of businesses want:
 - To fund their programming addiction
 - Accelerate growth eg. Evolution.

economically sustainable ===

**someone needs to pay something
in return for something scarce**

Scarcities people might pay to solve ...

Scarcity of skills: Consultancy

- eg. Cygnus, C'bra
- **Pros:**
 - The 'easiest' most compatible FLOSS model.
 - Represent your customer's interest in a project
 - Satisfaction of delivering well to a clear spec.
 - Skills are initially scarce.
- **Con:**
 - FLOSS Maintenance
 - hard to sell, badly needed
 - Hard to scale (risky)
 - estimating Fixed Price ...
 - The best eat their own market / customers.
 - Budgeting: renewal is not automatic / expected.
 - Sometimes no public git
 - **Scarcity of skills: off-shore?**

Scarcity of binaries: Enterprise distro

- eg. RHEL (2003), SUSE
 - Editorial compilation of FLOSS produced by others.
 - A pay-wall for old content: stable / enterprise versions
 - Latest & greatest is free: Fedora, openSUSE, etc.
- **Pro:**
 - Subscribe to our newspaper
 - Budget presumption: renew.
- **Pro:**
 - ARR / subscriptions
 - the holy grail.
- **Con:**
 - Cloning: CentOS, Oracle Un-breakable Linux.
 - Now **hiding source**
 - **Cute-ness** Re: copy-left: per-copy / seat subscription licenses
 - Used to be controversial

Scarcity: Proprietary Periphery

- eg. evolution-exchange
- **known as Open-Core**
 - focus on selling & engineering the proprietary pieces.
 - Often great commitment to growing the open Core.
- **Pro:**
 - Very simple value-prop.
- **Pro:**
 - Brand-sharing:
 - FLOSS community as advertising / lead-gen
- **Con:**
 - © assignment necessary
 - FLOSS / competition focus on re-implementing the periphery piece-meal
 - Enterprise'y periphery

Abundance: donations

- Donation funded development
 - The *Sagrada Família* development model.
 - If we start building it – they will come ?
 - Need a big brand & significant project
- **Pro:**
 - Free money – to invest.
- **Con**
 - Shame – people feel they have to donate
 - Some think they are buying a product.
 - Who do you employ ?
 - Low conversion rates: <20% of \$ yield vs. convenience sales

Scarcity: convenience ...

- eg. gcompris, Krita
- Windows binaries:
 - a sin-tax turned into:
- App-store sales
 - Very simple route to market.
 - Sell binaries of FLOSS in app-store
- **Pro:**
 - **App-store Effective**
 - low to no cost of sales
- **Con:**
 - Differentiation problem: anyone can re-compile and ship.
 - cf. Windows app-store
 - Brand driven differentiation.
 - Need a known brand.

Donation vs. Bought convenience

- LibreOffice Vanilla: install for \$3 eg.

Price	Downloads/ month	\$/convenience	\$/downloads
\$0	12,000	\$0	\$480
\$3	700	\$2,100	\$450(?)
\$16	250	\$4,000	\$470(?)

- Make it clear – free download elsewhere ... so just convenience on offer.
- Yield – five times higher for paid downloads.

How Collabora (~75%) works:

**standard subscription;
support & maintenance product**

How do you make money in Free Software

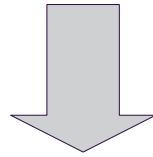
Bob Young – Founder of RedHat (sold for \$34 billion) Open Sources:

"No one expects it to be easy" to make money in free software.

While making money with free software is a challenge, the challenge is not necessarily greater than with proprietary software. In fact you make money in free software exactly the same way you do it in proprietary software: by

- ***building a great product,***
- ***marketing it with skill and imagination,***
- *looking after your customers, and thereby*
- ***building a brand that stands for quality and customer service."***

Branding over time ...



A rapid
switch ...



Collabora
Online



CIB Office for Business



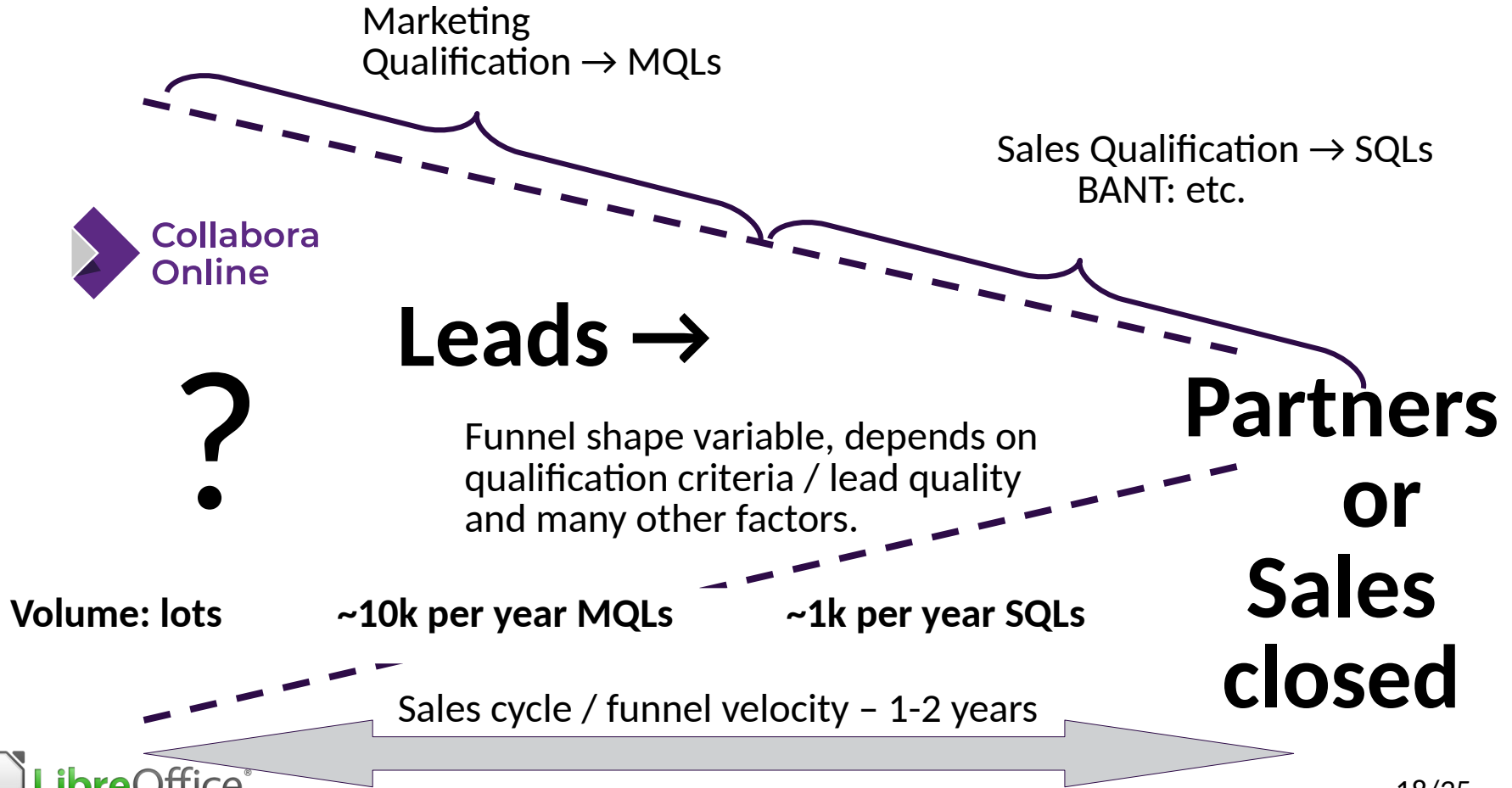
NeoOffice



Under the hood:

A very standard product flow:

An activity based sales pipeline:



Marketing: 1→many activities

- Website / forms
- case-studies
- demo accounts
- white-papers
- videos - interviews / feature-friday /
- talks / webinars
- social-media
- blogs
- advertising
- personal contact
- nurturing / scoring / metrics
- conferences

Sales: 1→1 activities

- Contact
- Nurture
- Listen
- Negotiate
- **Sign Partners**
- Sales Engineering
 - Setup, support
 - Integrate, advise

How:

- calls, E-mails, chat
- offers, quotes,
- Contracts / Tenders
- Signatures
- Invoicing
- chasing unpaid bills.

Backend / Delivery / Management ...

Minimal viable team size ~5-10 (?)

Backend functions:

- Release engineering
- Support
- Level – 3 code-fix
 - per component deep expertise
- Quality Assurance
- Security mgmt
- Legal & Compliance
- Finance & Control
- Product & Account Management
- Personnel Operations
- Certification – ISO 9k1 / 27k1 eg.

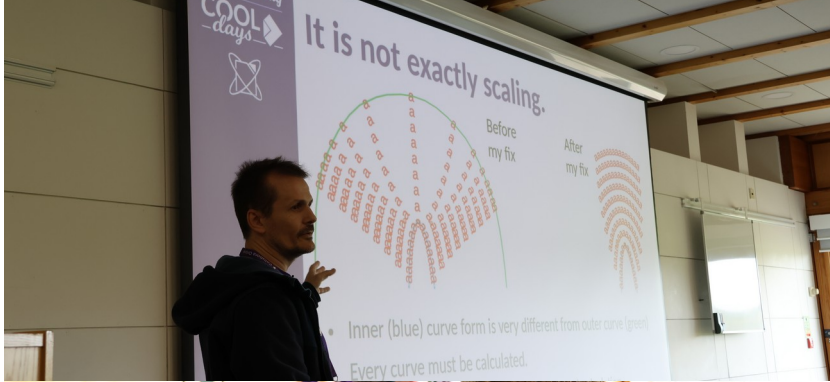
Partners as B2B route to market:

How we get to the (enterprise) customer ?

COOL Days - Team Building



COOL Days 2024





Things TDF does that strengthen the ecosystem contribution to their mission:

Helpful things:

- Certified Professionals
 - Really useful for customers, and users.
 - Neutral 3rd party stamp of approval
 - Easy to find developers / migrators / trainers
 - [Get certified](#)
 - Effective.
- LibreOffice in Business
 - Small hit-count ...
- LibreOffice Technology
 - Great umbrella brand for many good things re-using LibreOffice
 - *Thanks to Italo*
- “LibreOffice Community”
 - Nice try – no measurable effect.

Areas that can be improved:

What does the ecosystem need ?

- Predictability
- Stability
- Dependable contract commitments
- Visibility for contribution / credit.
- Defined domain for TDF's activities
- Limited co-branding:
 - Clear & helpful rules on LibreOffice Technology usage
 - Driving Makers not Takers.
- Confidence vs. brand weaponization
 - Attacking lead-flows ...
- Matching strengths

Branding & Licensing a case-study

A quick look over the fence ...

draw.io case study ...

draw.io - is no longer open-source:

- Apache v2 license plus a new [Clause 10](#):
 - *10. None of the Work may be used in any form as part, or whole, of an integration, plugin or app that integrates with **Atlassian's Confluence or Jira** products.*
- **Why?**
 - *“We fund the project entirely from sales of the Confluence integration. I've taken a reasonably laissez faire approach to date, generally ignoring draw.io integrations to Confluence that use our codebase. However, last week we received a review on the app:”*



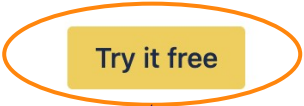
draw.io Diagrams & Whiteboards

by Seibert Media - draw.io

for Confluence Cloud, Confluence Server 9.0.0 - 9.0.2, Confluence Data Center 9.0.0 - 9.0.2 and more

3.9/4 1.1k 70 010 installs CLOUD FORTIFIED

SUPPORTED [CLOUD MIGRATION ASSISTANCE](#)



Overview

Reviews

Pricing

Privacy & Security NEW

Support

Versions

Installation

Cloud



by Dave Kinne on Aug 22nd 2024

Draw.io is free! Why does this application cost anything?

Its costs WAY to much anyway. Just install any of the free draw.io add-ons. Dont get scammed.

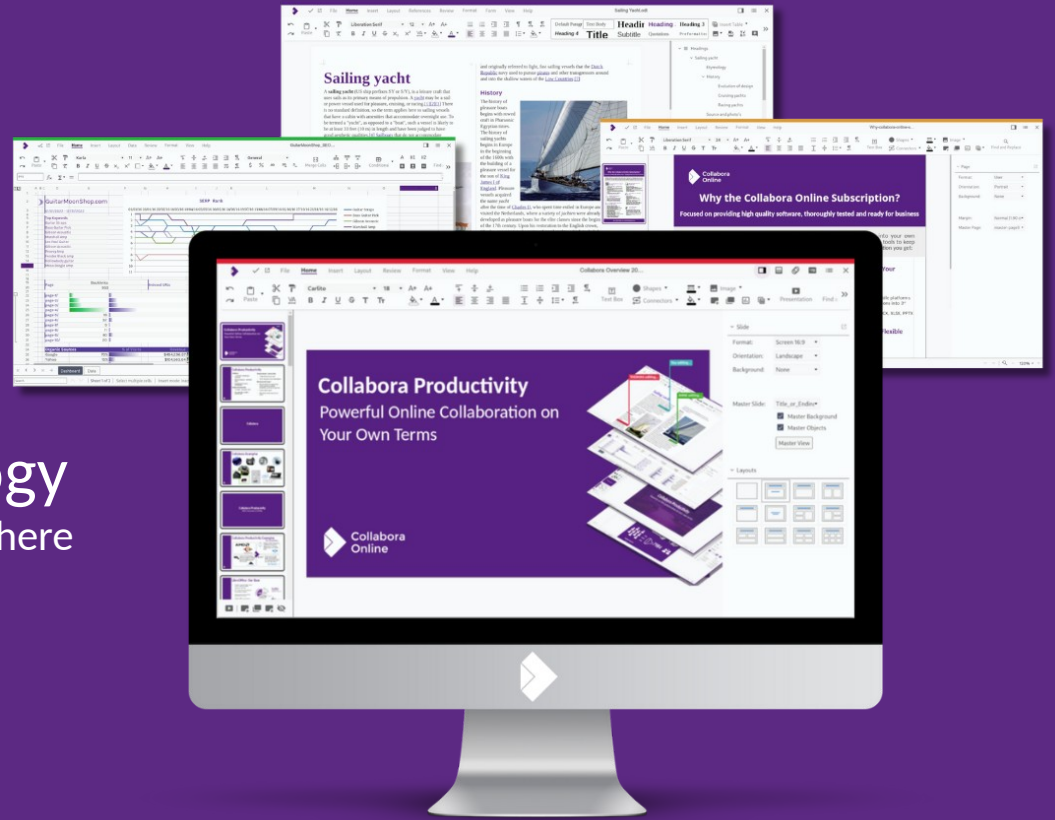
Was this Review Helpful? [Yes](#) [No](#)

Not a model I'm suggesting for LibreOffice from TDF

*“Most of it I'm not overly fussed about. **However, if you call me a scammer, Dave, there will be consequences. If any of those apps update their codebase to the current tag, they will be in copyright breach and I will apply all legal means I have at my disposal to get that app taken down.**”*

Collabora Online

Built with LibreOffice technology
Rich, interoperable, collaborative editing, everywhere



Questions ?

Wonderful new business ideas appreciated too ...

People who want to partner with us.

Thank you!

Michael Meeks

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Oh, that my words were recorded, that they were written on a scroll, that they were inscribed with an iron tool on lead, or engraved in rock for ever! I know that my Redeemer lives, and that in the end he will stand upon the earth. And though this body has been destroyed yet in my flesh I will see God, I myself will see him, with my own eyes - I and not another. How my heart yearns within me.

- Job 19: 27