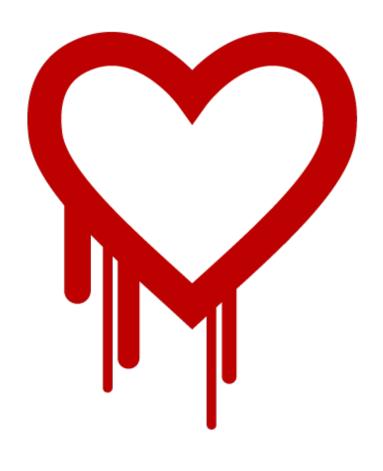




The Heartbleed Bug



## Heartbleed bug impact

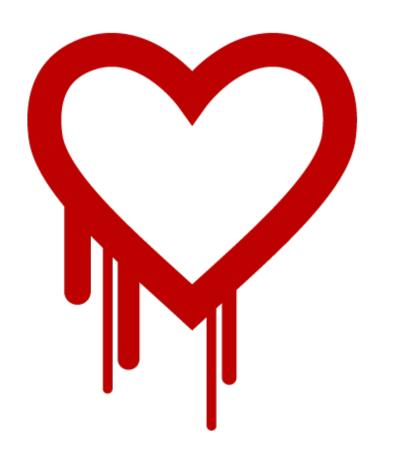


## 4.5 MILLION

The number of US patient records whose confidentiality was compromised.

## **\$500 MILLION**

Estimated cost to the industry.



# Pivotal moment where tech industry realizes open source is:

## **UBIQUITOUS**

2/3 of active sites on the Internet rely on the OpenSSL library.

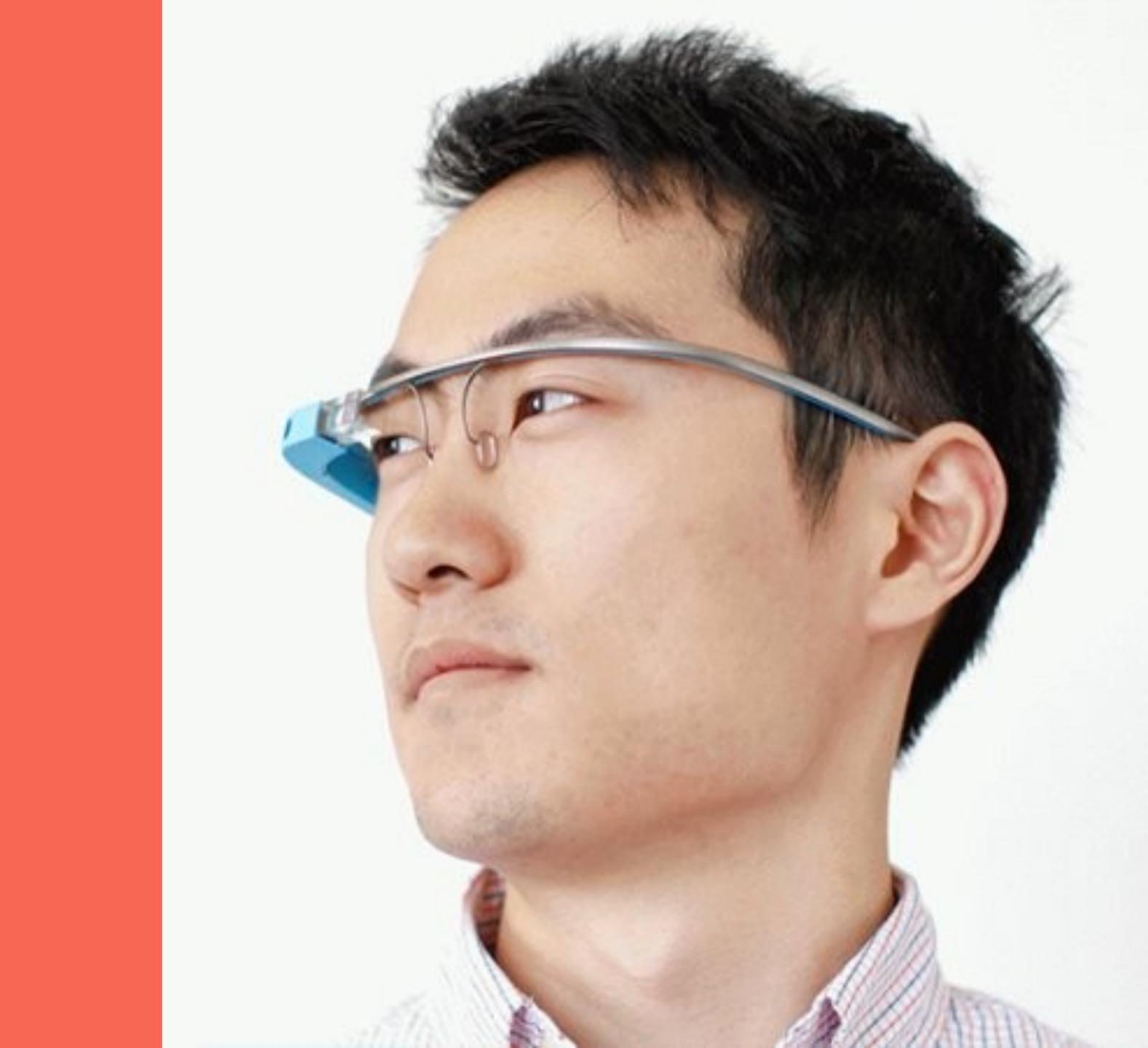
## **!** CRITICAL

OpenSSL encrypts private communications, bank transactions, medical records, etc.

## **UNDERFUNDED**

Only 1 full-time maintainer, shoestring budget (\$2k/year).





## PATREON



Originally aimed at artists, musicians & writers.

#### GOAL

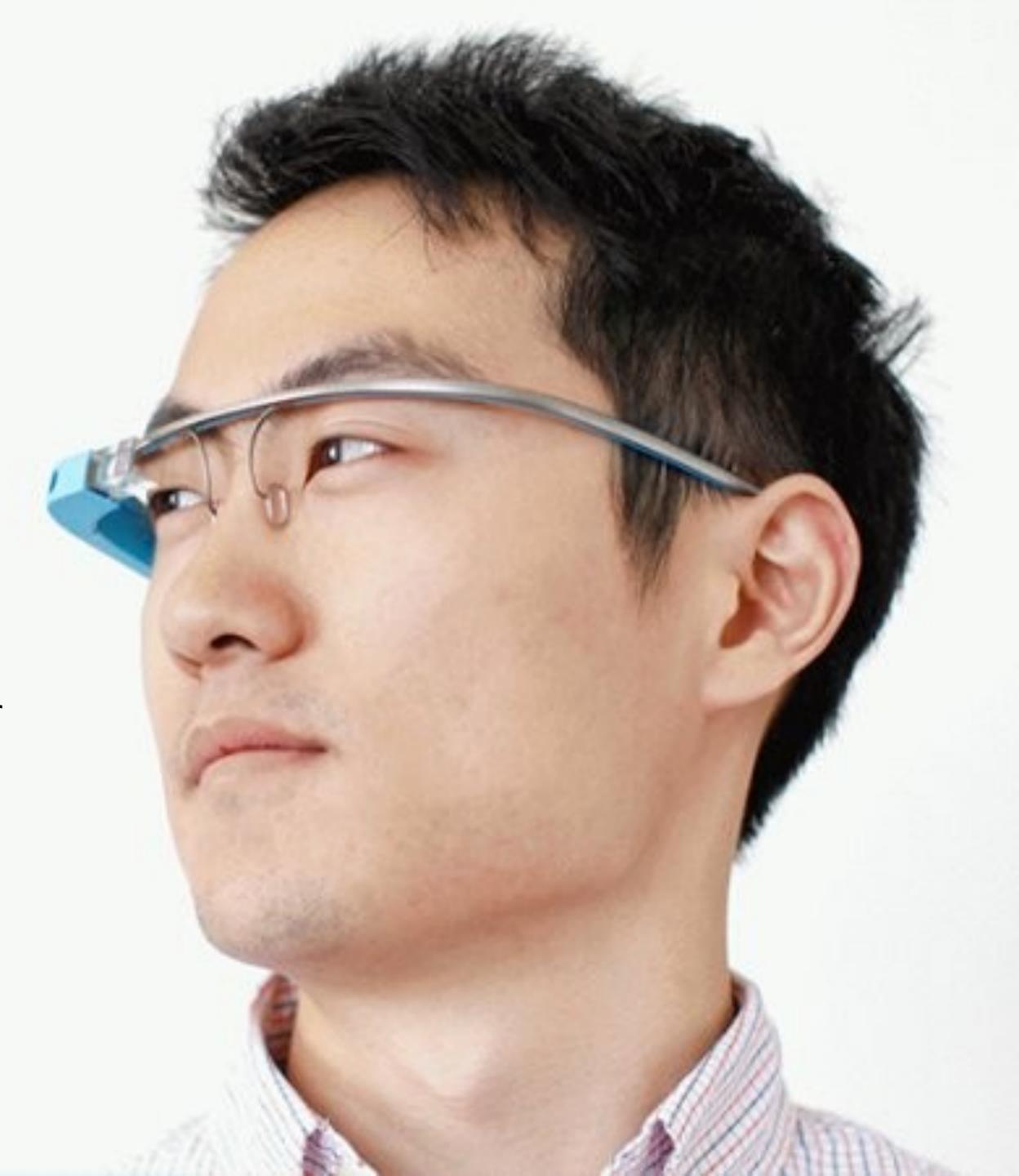
Create a "meaningful revenue stream."

## **Y** SUCCESS STORY

Evan You (pictured), creator of Vue.js. Nets over \$17K per month.

## X REPRODUCIBLE?

Not really. Very few devs have a large enough revenue stream to work on OSS full-time.











## GITHUB ISSUE MARKET

Allows project owners to add bounties to GitHub issues. Devs submit their work as a pull request.

## \$500,000

Amount of bounties paid on the platform in 2018.

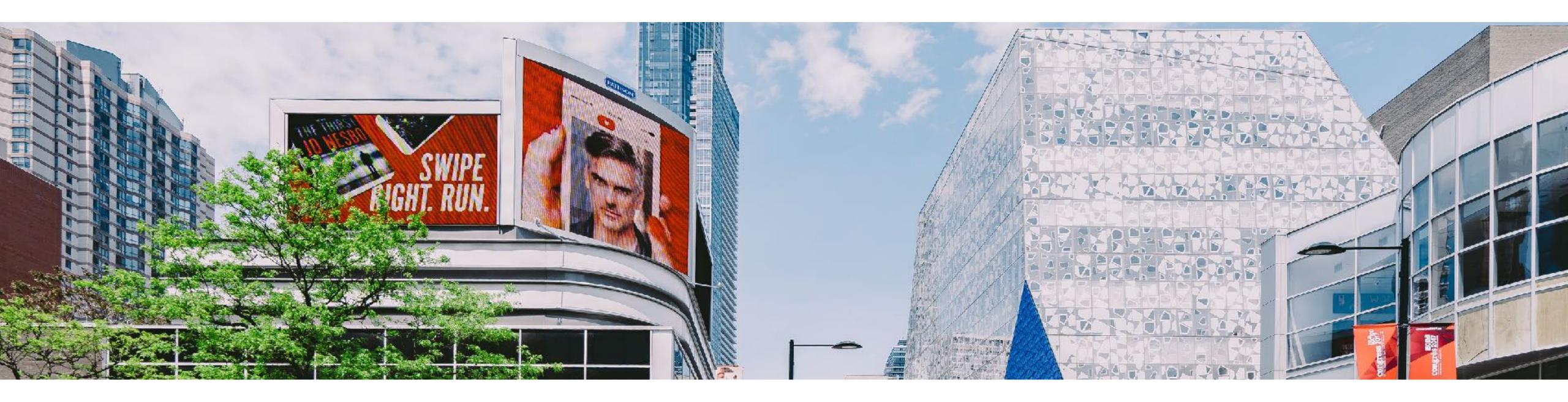
#### BLOCKCHAIN-BASED

Developers received bounties in Ether.

#### WHOLE ECOSYSTEM

GitCoin also provides an ad network (CodeFund), and a Patreon-like solution (Grants).







## **CONTEXTUAL ADS**

Advertise on the websites of open source projects.



#### **HIRING FOCUS**

Dedicated solution for hiring developers.

## \$6K PER MONTH

Redistributed to project maintainers out of \$10K monthly revenue.



## OSSC

## collective

## **WHAT DOES IT DO?**

Provides non profit status (501c6) to open source projects & transparency as to how funds are used.

## **Y** SUCCESS STORY

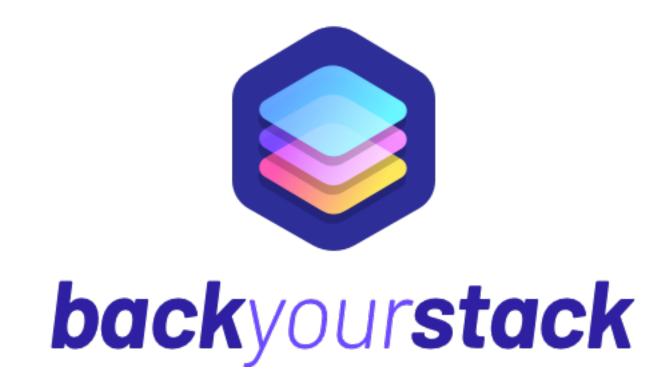
WebPack reached \$400K+ yearly funding in 2018. Win-win situation for key sponsor (trivago).

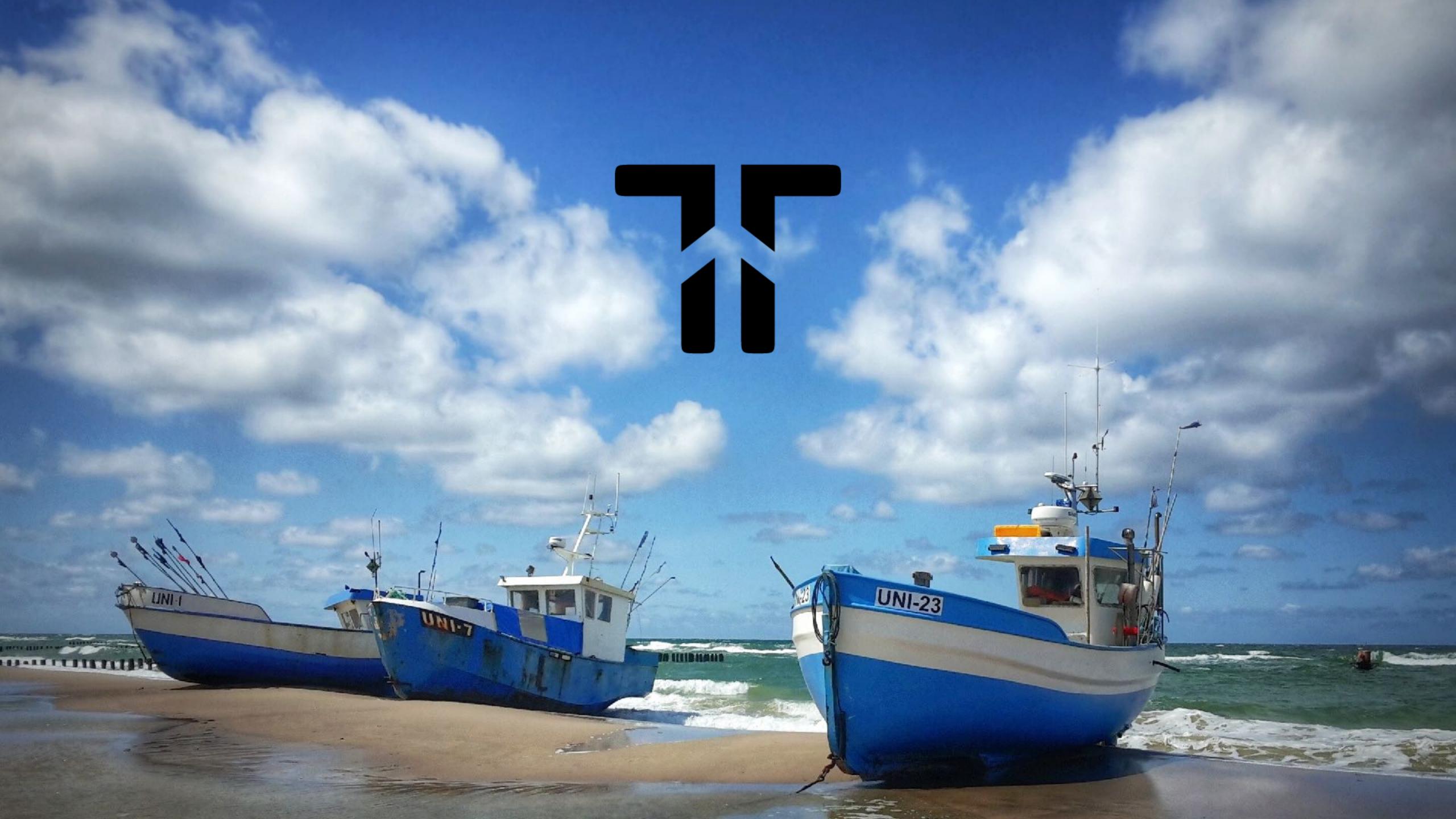
## **SOLUTION STAIL PROBLEM**

A few projects are getting most of the funding (>25% of total funds for WebPack in 2017).



## collective -







## TIDELIFT

## WHAT IS IT?

Red Hat business model for the long tail.



## **SERVICES**

Provides security updates, maintenance, and legal assurances for all open source projects in an organization's stack.



## MOW?

By paying the actual maintainers to do the work.



## Y SUCCESS STORY

None yet. It's too early.





\$100





\$10,000

Monthly revenue of CodeFun.



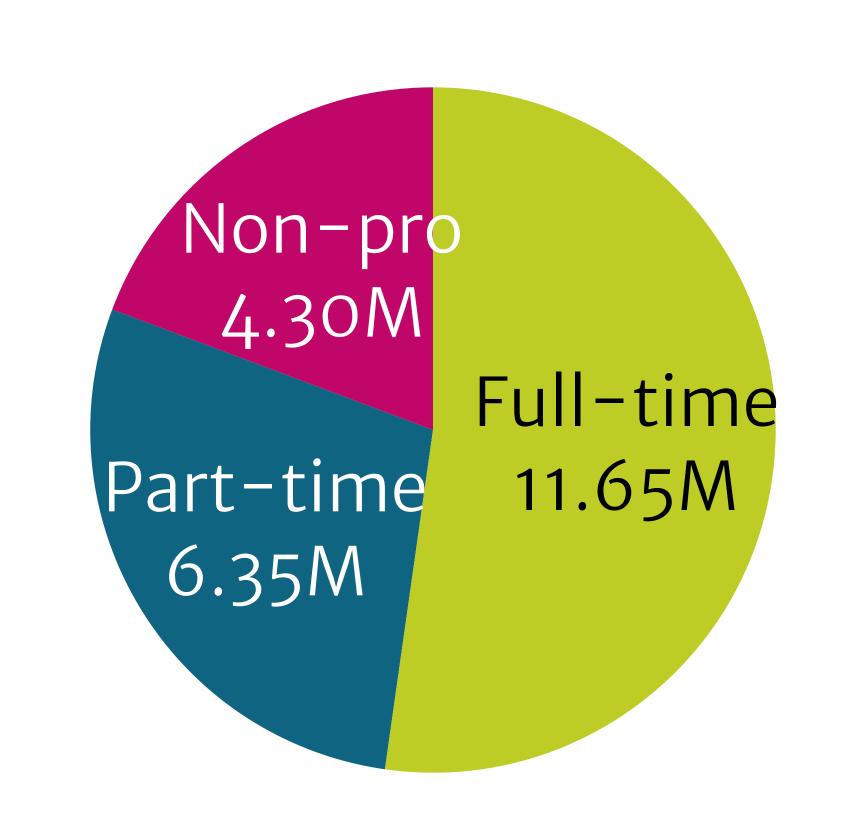


## 1 million dollars

- Amount collected by Open Collective in a year.
- Amount Tidelift committed to pay developers.



## Worldwide developer population



Quick back of the envelope math:

12M FT deus X \$65K = \$780B

+ GM PT deus X \$35K = \$210B

-= 1 trillion dollars

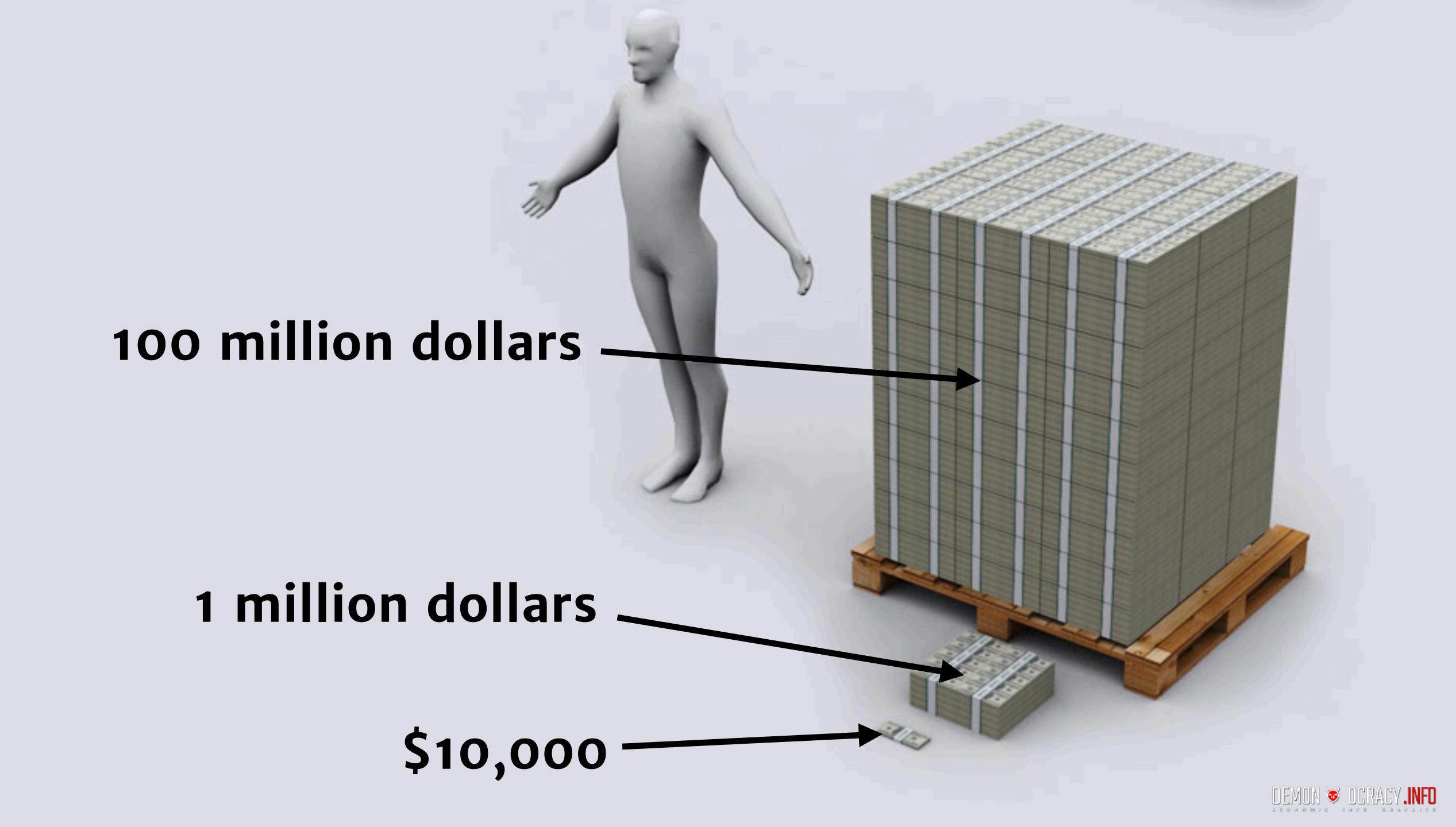
Source: IDC, <u>Worldwide Developer Census</u>, 2018.



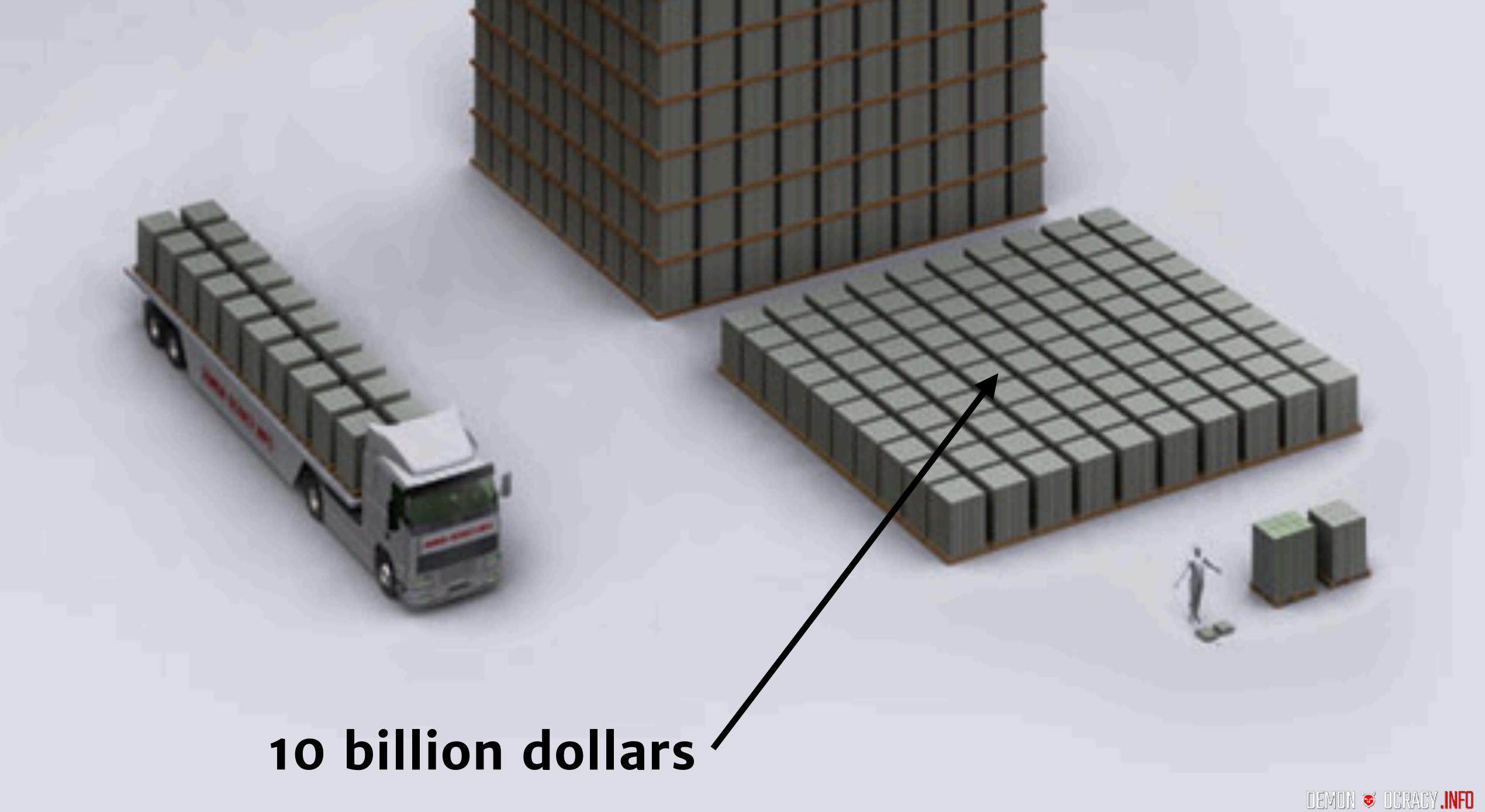
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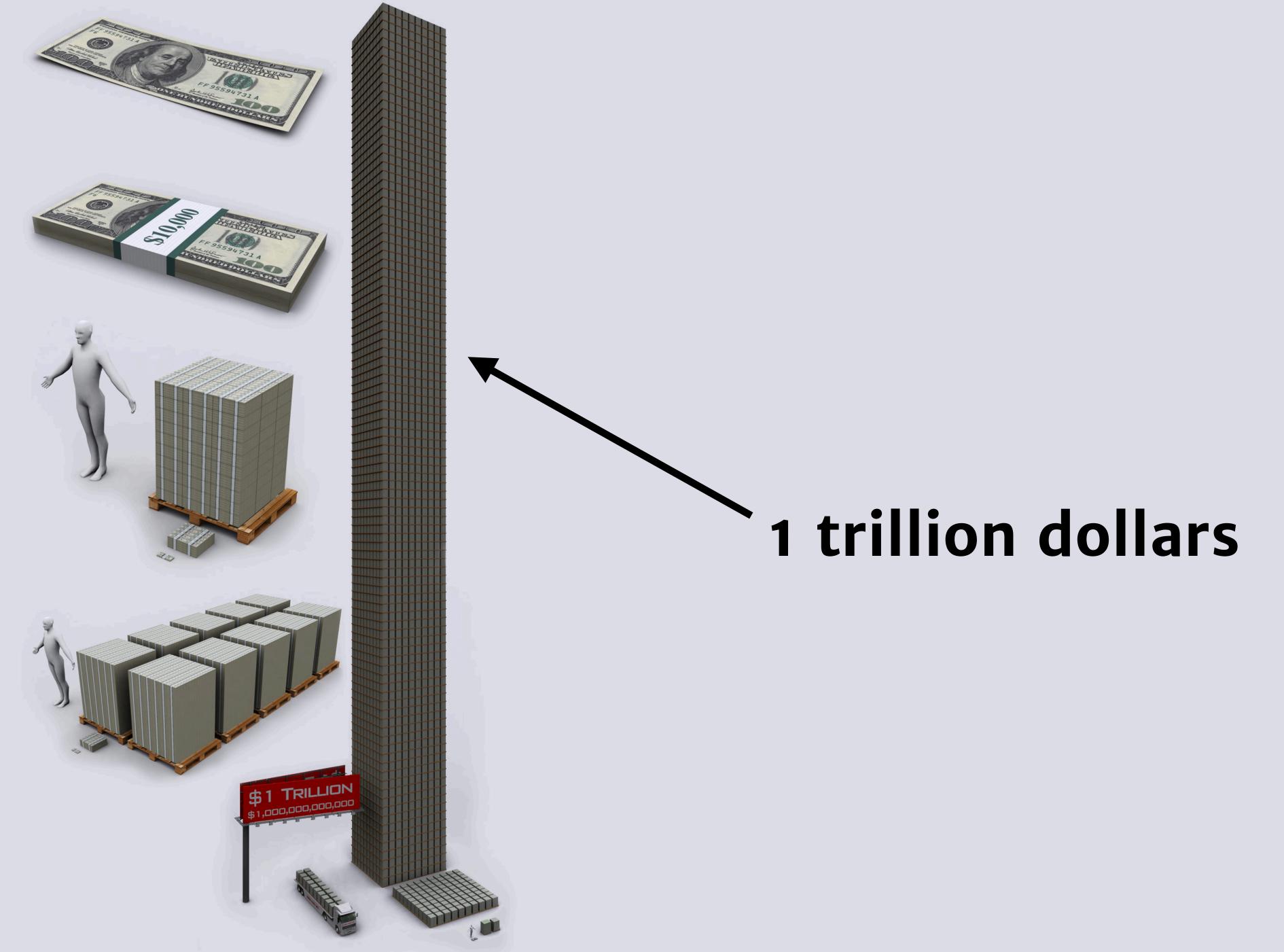




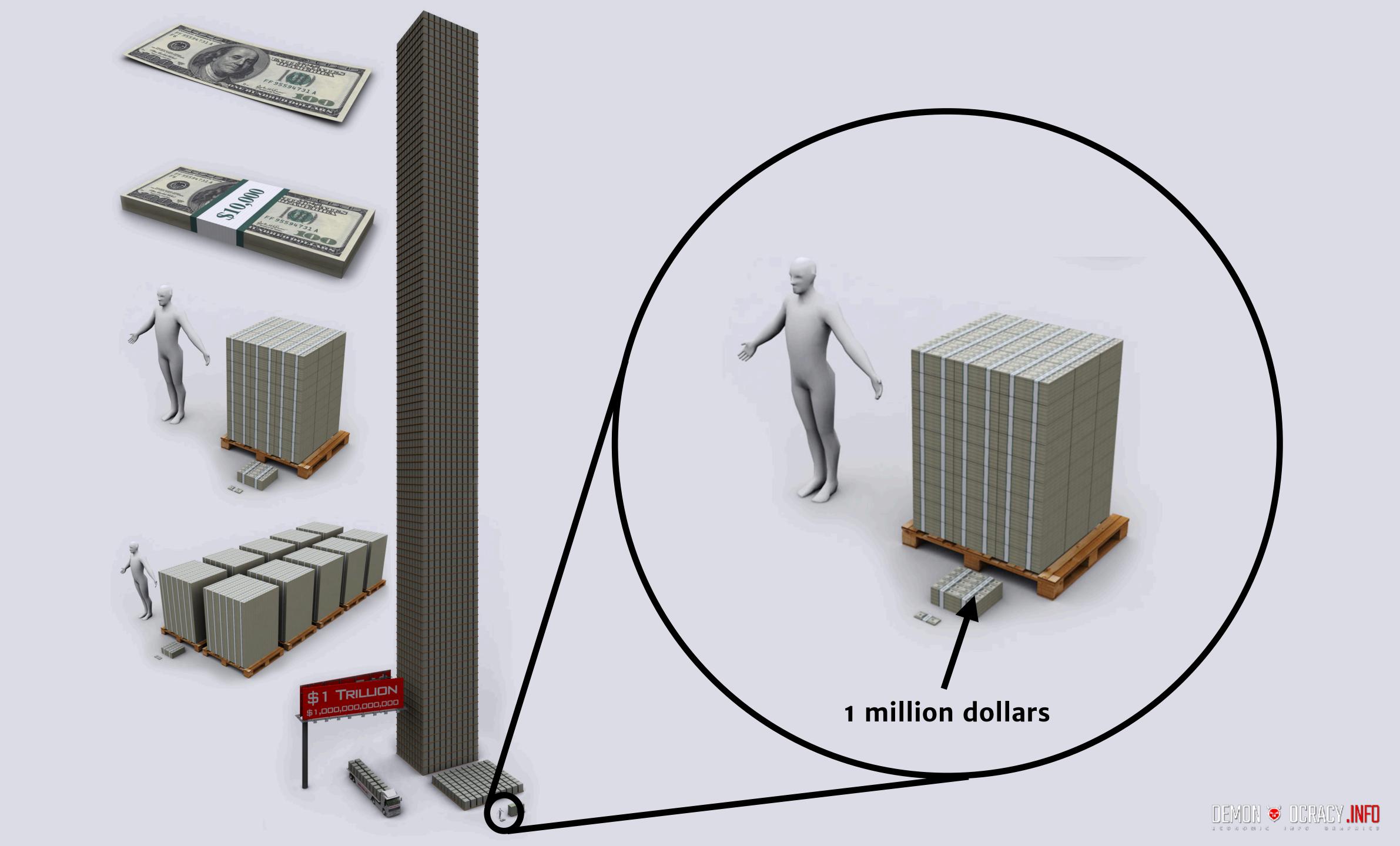






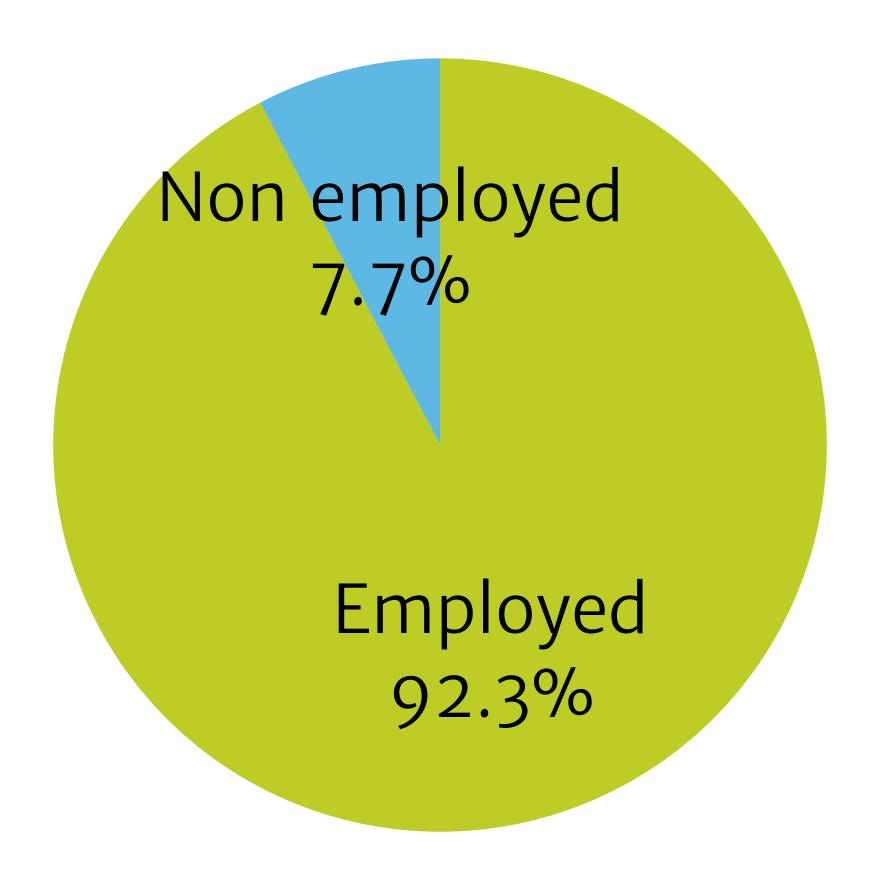






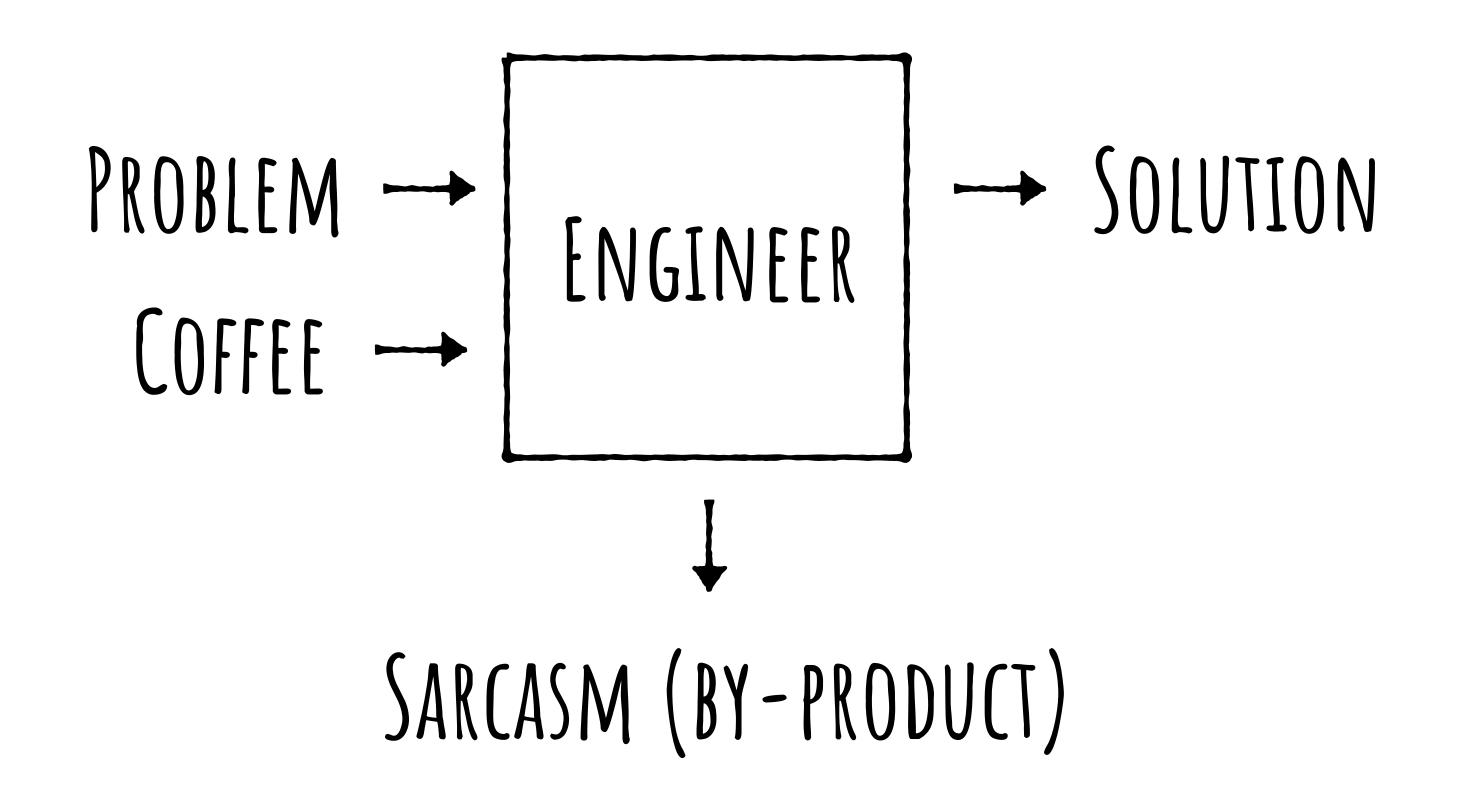
"[P]art of the reason much of open source is so good, and often so superior to closed-source commercial projects, is the natural boundary of constraints. If you are not being paid or otherwise compensated directly for your work, you're less likely to needlessly embellish it. You're solving the problems for you and your mates, likely in the simplest way you could, so you can get back to whatever you originally intended to do before starting to shave the yak."

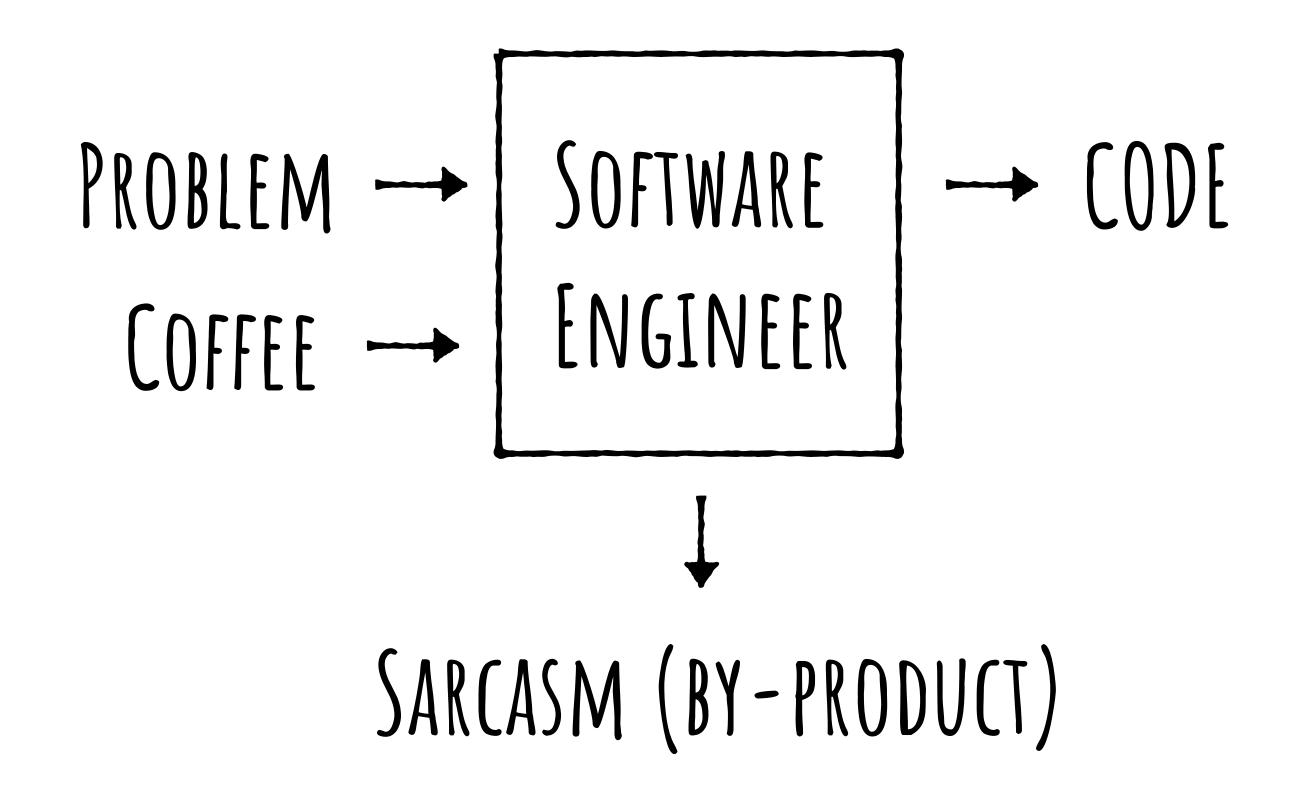
## Developers working on the Linux kernel

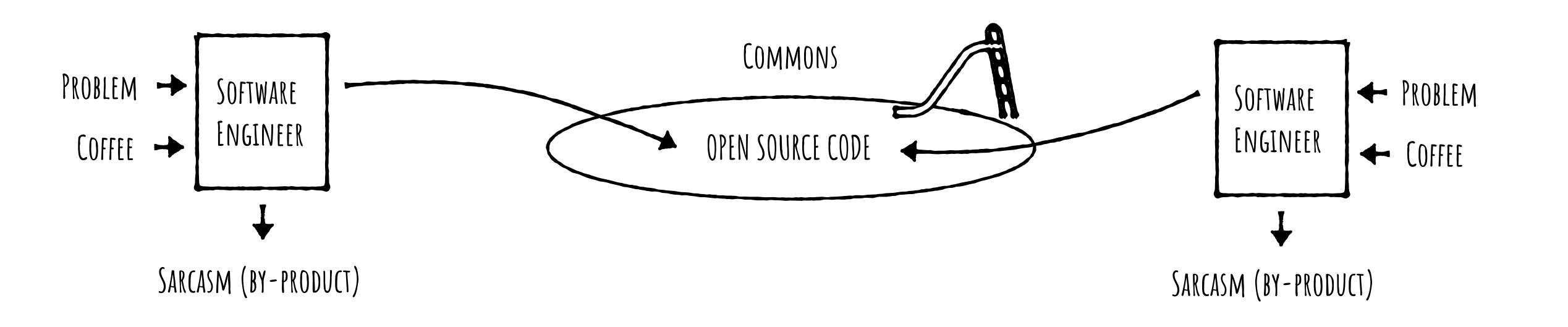


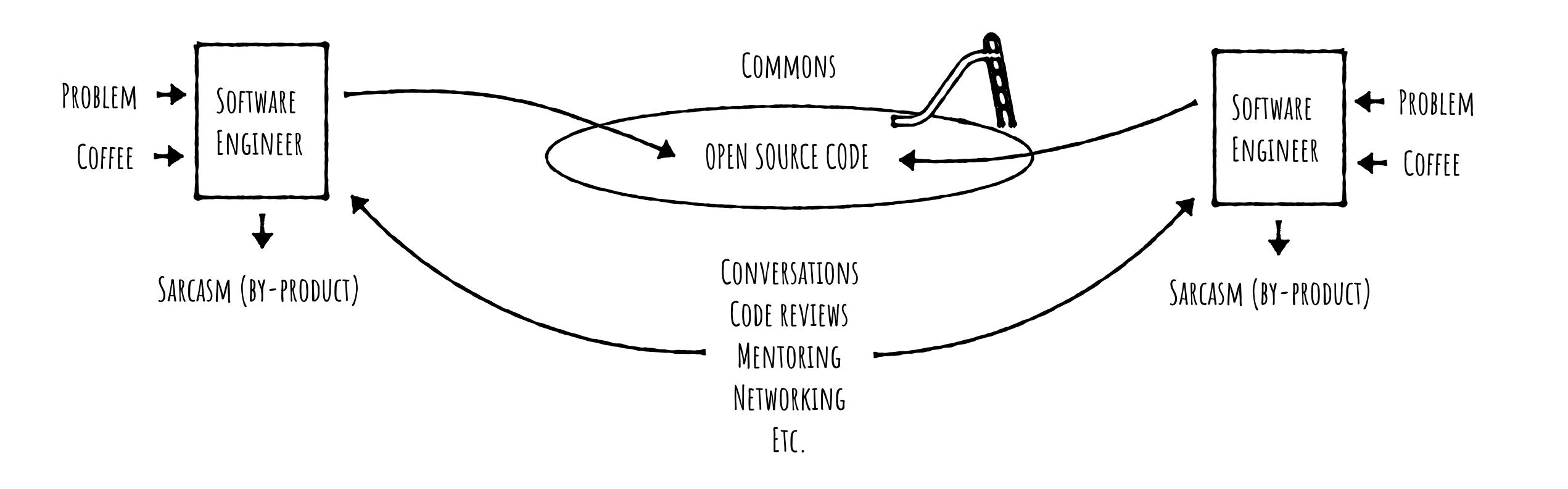
Source: Linux Kernel Development report 2016.

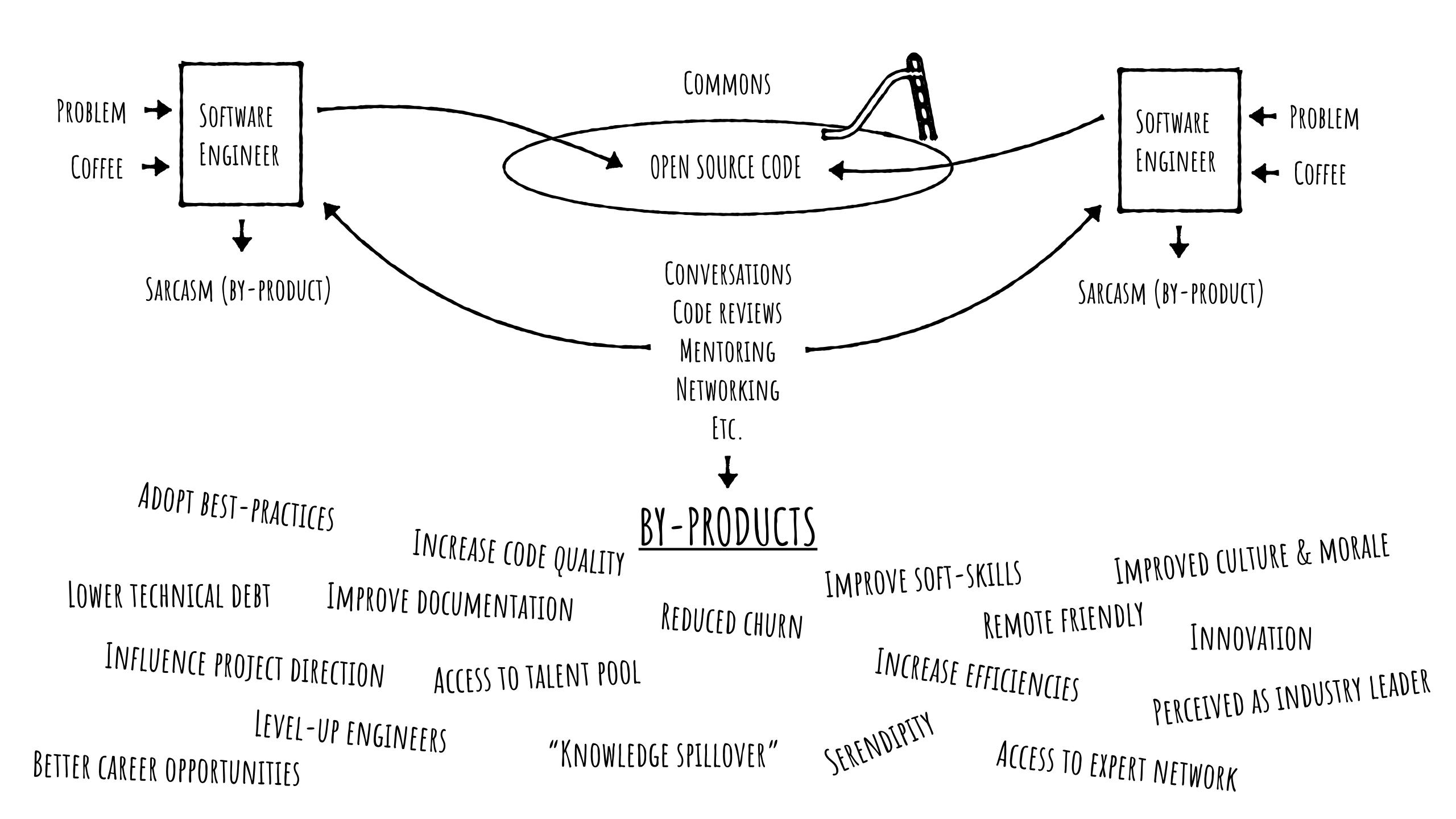


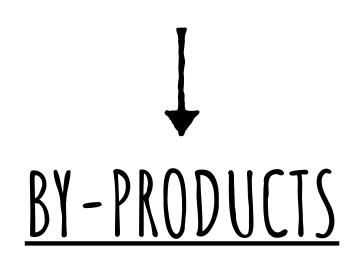








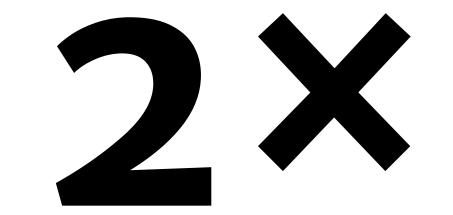




PROJECT	INDIVIDUAL	TEAM	ORGANIZATION
IMPROVE DOCUMENTATION	LEVEL-UP ENGINEERS	INCREASE EFFICIENCIES	IMPROVED CULTURE & MORALE
INCREASE CODE QUALITY	ADOPT BEST-PRACTICES	SERENDIPITY	PERCEIVED AS INDUSTRY LEADER
LOWER TECHNICAL DEBT	IMPROVE SOFT-SKILLS	INNOVATION	ACCESS TO TALENT POOL
INFLUENCE PROJECT DIRECTION	ACCESS TO EXPERT NETWORK	"KNOWLEDGE SPILLOVER"	REMOTE FRIENDLY
	BETTER CAREER OPPORTUNITIES		REDUCED CHURN

#### TWICE AS EFFICIENT

Contributing firms capture up to 100% more productive value from usage of open source than their free-riding peers.





Source: Franck Nagle, <u>Learning by Contributing</u>, 2017.



The key to open source sustainability is to make organizations understand the ROI of contributing to open source:

What's in it for them.

