Blending Open Source and Commercial Technologies

A Practical Approach

Scott Barnett, Co-Founder/COO Wednesday, March 26, 2008



Agenda

- Defining Commercial Software & Open Source Software
- Business Drivers to adoption
- What does Blending mean?
- About Bluenog
- Customer Examples
- Q&A



Open Source Definition

- Free Redistribution
- Source Code Available
- Derived Works Permitted (exceptions with GPL/LGPL)
- Integrity of the Author's Source Code
- Distribution of License
- License Must Not Be Specific to a Product
- License Must Not Restrict Other Software
- License Must Be Technology-Neutral



Commercial Software Definition

- Software that is designed and developed for sale to the general public.
- Packaged software is generally designed to appeal to a large audience of users, and although the programs may be tailored to a user's taste by setting various preferences, it is not as individualized as custom-designed and custom-programmed software.
- Other similar terms "proprietary software", "closed-source software", "non-free software"
- License is dictated by the owner
- Typically comes bundled with documentation, support, maintenance
- Typically, the source code is not included with the purchase



Blending is inevitable

- By 2012, at least 80% of all commercial software solutions will include elements of open source**
- By 2010, at least 75% of all SOA initiatives will make extensive use of open source software**
- 65% of software developers efforts is building bridges between applications**
- Licensing models are starting to converge (e.g. SLA vs. GPL vs. Apache)

** Gartner Group



Business Value of Open Source

- Significant cost savings / adherence to standards
- Source code is made available to users flexibility and control to make changes and fix problems
- Solves a particular problem or set of problems not all problems are a Magic Quadrant space some are niche solutions that the open source community solves nicely
- Community environment lends itself to focusing on actual user problems
- All changes/enhancements can be redistributed decentralized approach to enhancements/improvements



Open Source Licensing Models

- Different licensing models GPL, LGPL, Apache, MIT, BSD, etc.
- Apache Software Foundation over 60 projects, all membership driven, no corporate involvement
- Eclipse over 30 projects, corporate membership, but no controlling interest, source code is reusable and can/is included in commercial products
- Many companies create their own licensing models as an offshoot of one of the existing models
- Still confusion from a corporate perspective what the options are/mean



Business Value of Commercial

- Assumption that it solves a large percentage of a particular problem "out of the box"
- Support and maintenance is almost always provided by the vendor that created the software
- Guarantee that people are always innovating the product (as long as the company is in business)
- Industry and shareholder pressure to perform
- Perceived as more mature than open source counterparts



Cost Model

Open Source	Commercial
Implementation costs	Implementation costs
Support fees	Support fees
Training – could be low, talent pool is rich	Training – required, talent pool is specialized/limited
Low initial capital expense	Large initial capital expense
Flat economic impact on application growth	Exponential economic impact on application growth



Business Drivers

- How do you preserve your investment in legacy systems when doing new development?
- What are the support and maintenance costs associated with commercial and open source models?
- What are the implementation costs associated with commercial and open source solutions?
- Who is responsible for modifying/fixing code?
- How mature is the product?



Business Value of Blend

- Cost effective way to complement existing apps
- Support costs can decrease dramatically
- More control over integration of disparate systems
- Decrease "finger pointing" between multiple commercial vendors
- Commercial best of breed is almost never economical
- Provides a more customized solution, fit for your particular business need



The Evolution of Blend

- 10 years ago, the Application Server, Portal Server and Integration Server spaces were viewed independently.
- Eventually, they were bundled together into the "Application Platform Suite (APS)" and many years of innovation occurred to integrate those products together
- Development tools were proprietary
- Open source projects were just evolving, very little traction within business



What does blending mean?

- Operating Systems VERY mature Linux
 - Integration with Microsoft / Solaris etc is now commonplace
- Development Tools VERY mature Eclipse
 - Many commercial vendors (e.g. BEA, IBM) use Eclipse
- Web Servers VERY mature Apache
 - Practically every organization runs their websites on open source web servers



What does blending mean?

- Application Servers mature JBoss, Glassfish
- Database Servers mature MySQL, Postgres
 - Companies run their proprietary products on these products

- Service Bus maturing
- Portals maturing
- Content Management maturing
- Business Intelligence maturing
- Business Process Management maturing



Blending up the stack

- Integrating open source BI with commercial portal products
- Exposing services from a commercial system on an open source service bus
- Running an open source CMS on a commercial Portal product
- Running an open source application framework on both open source and commercial application servers
- Integrating open source Identity Management into a Portal product (either open source or commercial)

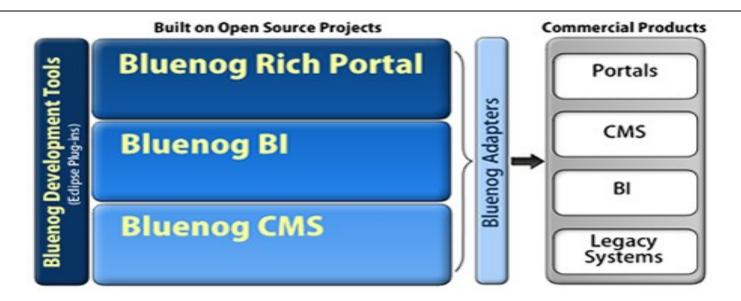


About Bluenog

- Headquarters Piscataway, NJ
- Offices in Boston, Washington DC, Philadelphia
- Mission provide *software* and *solutions* to customers looking for best-fit of Commercial and Open Source software to solve departmental and mission critical issues
- Business Focus Application and Services Infrastructure Software
- Solutions Portals, Enterprise Content Management, Business Intelligence, B2B, eCommerce, SOA
- Commercial Partners Actuate, BEA, Compuware
- Open Source Platforms Portal, CMS, BI, Search, AJAX, RDBMS



Bluenog Platform



- Application Infrastructure Software (AIS) that integrates Portal/BI/CMS technologies
- Leverages proven open source projects

- Integrates with existing commercial software products
- Innovative pricing model that accommodates an organization's changing needs



Customer Example - IEEE

- Running a proprietary Portal and EDM product
- Needed a lighter weight CMS for a specific set of customer-facing apps
- BluenogCMS has a pre-built interface to the Portal no coding changes required
- Saved significant license fees by not upgrading EDM



Customer Example – Spectra Labs

- Running Proprietary Portal and BI products
- Needed simple reporting capabilities for an employee dashboard
- Leveraged BIRT integrated with Portal to provide secure access to reports
- Saved licensing fees for over 1,000 users



Summary

- In business, practically everybody is looking to blend open source and commercial technologies
- The evolution is well underway at the lower levels of the stack
- Use best of breed on both sides
- Innovation in this area will continue moving up the stack over the next 3-5 years



Contact

Scott Barnett

732-733-1120

scott@bluenog.com

www.bluenog.com

