Published on *Tux Machines* (http://www.tuxmachines.org)

"The Myth of Open-Source"

By *srlinuxx*
Created *08/07/2005 - 2:57pm*
Submitted by srlinuxx on Friday 8th of July 2005 02:57:02 PM Filed under OSS [1]

In February, 2000, the Internet bubble was just about to burst and Paris-native Marc Fleury was in Silicon Valley hitting the venture-capital circuit, trying to get funding for his fledgling open-source startup. When one VC after another told him it was a horrible business plan, he packed up his PowerPoint slides -- along with his bruised ego -- and moved into his in-law's house in Atlanta, setting out to build his startup the old fashioned way -- with his own money.

Fast-forward to 2004, and Fleury is having the last laugh. His company, JBoss, has decided to go for its first outside investors, sewing up a tidy $10 million in funding from VCs clamoring to get in on one of the hottest open-source companies in high tech. JBoss, along with a handful of others, such as MySQL, have proven that big corporate customers have an interest in free software that extends beyond Linux (see BW Online, 10/19/04, "Redemption for JBoss's Boss").

JBoss makes application-server software -- the kind of that's responsible for running mission-critical Web programs, such as JBoss client Travelocity's reservation engine. It's a market that has been dominated by BEA Systems (BEAS) and IBM (IBM), but analysts say JBoss is posing a serious threat by offering free software licenses while charging for support, maintenance, and training.

In 2004, Forrester Research surveyed 95 open-source-friendly tech companies and found 15% were already using JBoss software and 8% more were planning on it. While just 3% or so of JBoss users are paying customers, almost 6 million companies have downloaded its software.

Despite his success, Fleury is skeptical of the new generation of open-source startups now being funded by VCs. BusinessWeek Online Silicon Valley reporter Sarah Lacy caught up with Fleury on a recent trip to San Francisco to talk about making money in the world of open-source software -- and why it may not be as easy as JBoss and others have made it seem. Following are edited excerpts of their conversation:

Full Article [2].

OSS

Source URL: http://www.tuxmachines.org/node/1664

Links:
[1] http://www.tuxmachines.org/taxonomy/term/72
[2] http://www.businessweek.com/technology/content/jul2005/tc2005078_5465_tc121.htm