

# Open Source as a Business

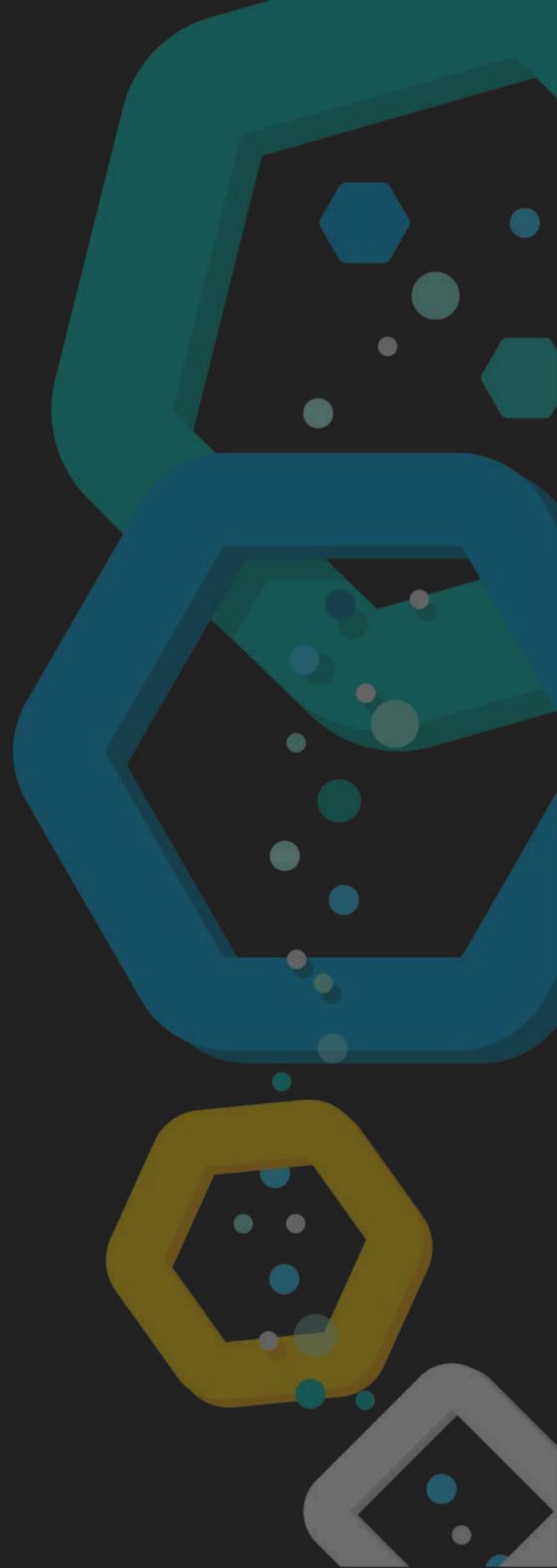
Alexander Reelsen  
alex@elastic.co  
@spinscale



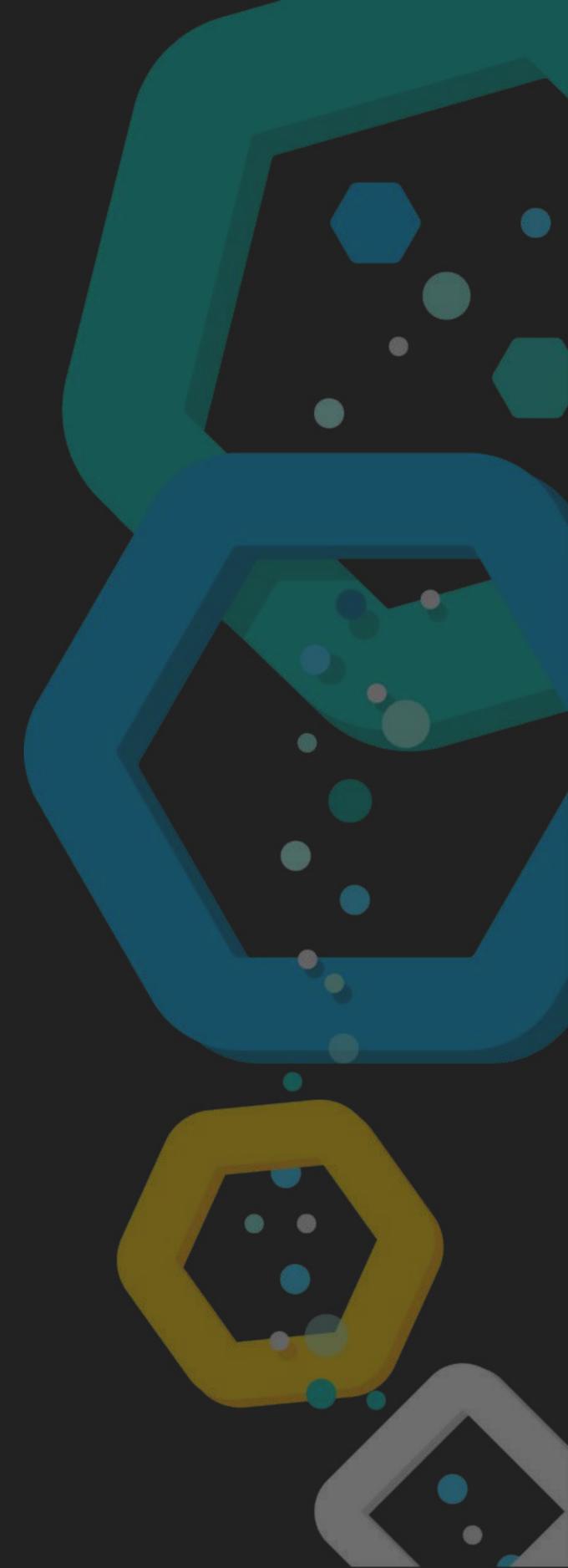
2012



> 1000



> 20 offices



distributed



scalable





# Elastic Stack



# Open Source





# Elasticsearch



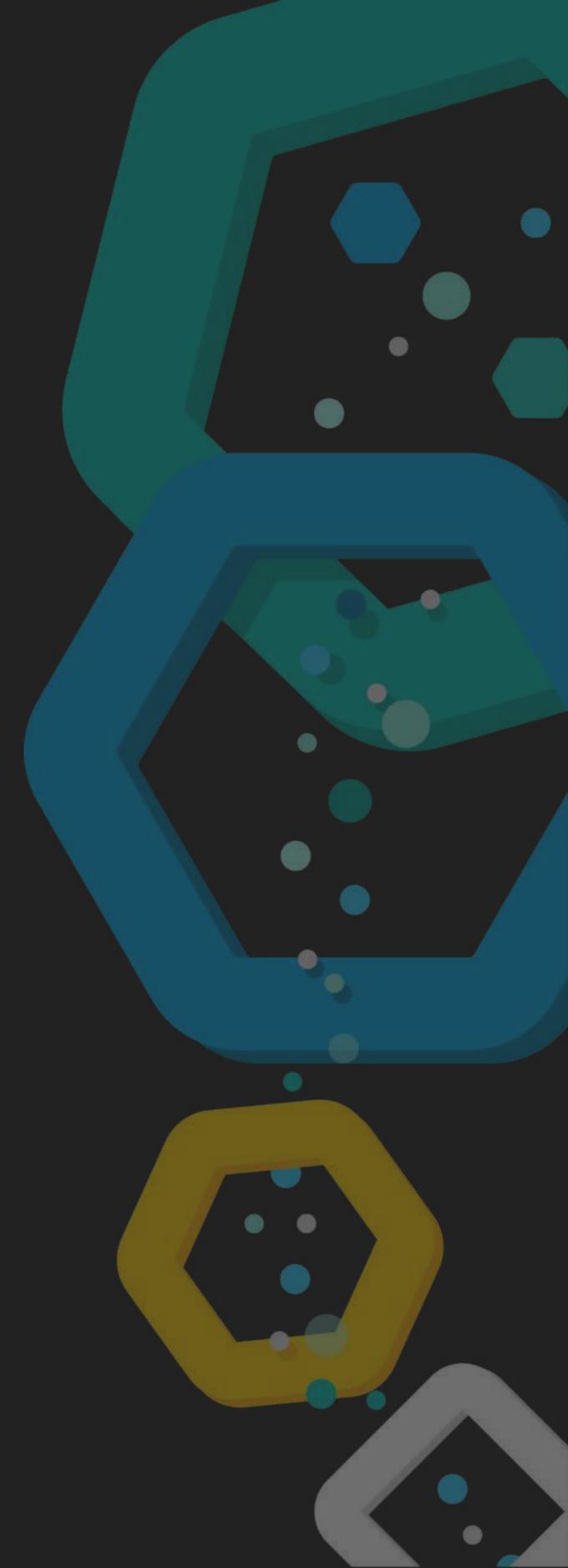


# Kibana





# Logstash





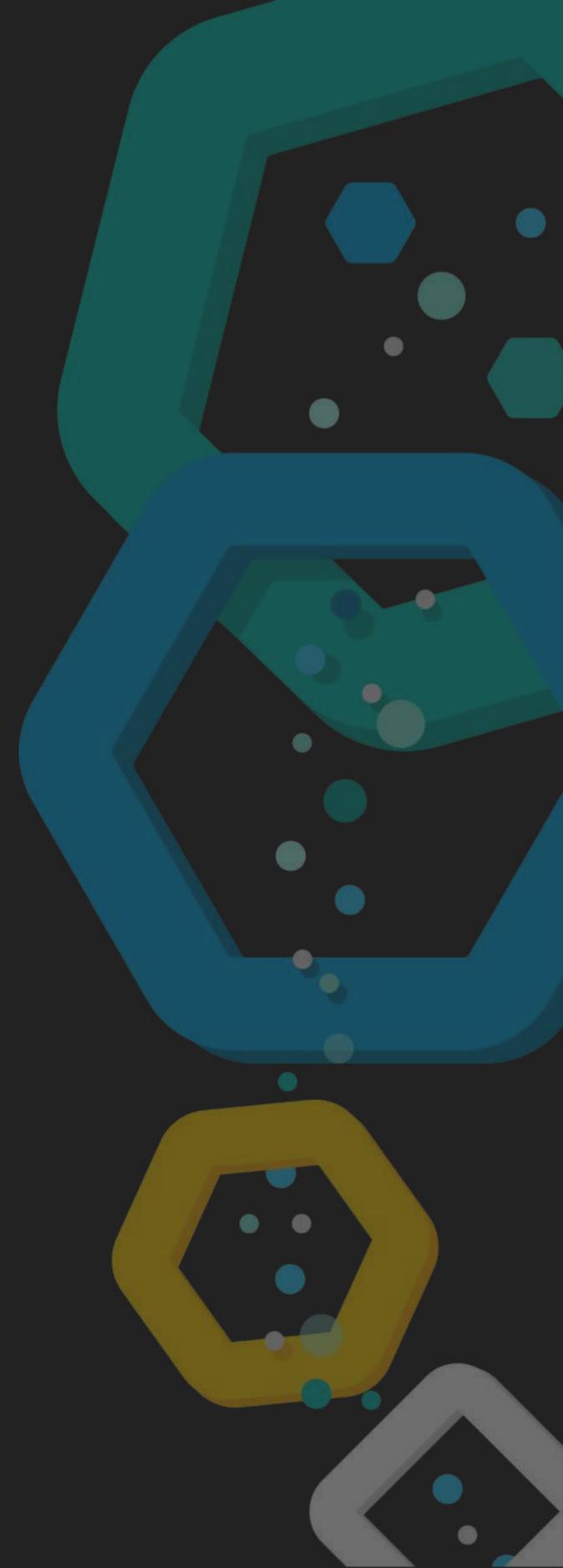
# Beats



# APM



# Open Code





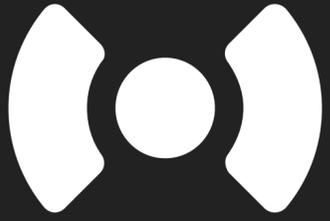
# Machine Learning





# Security





# Alerting





# Monitoring



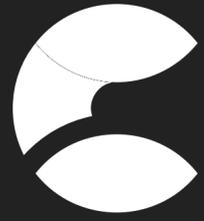


# Management



# SaaS





# Elastic Cloud

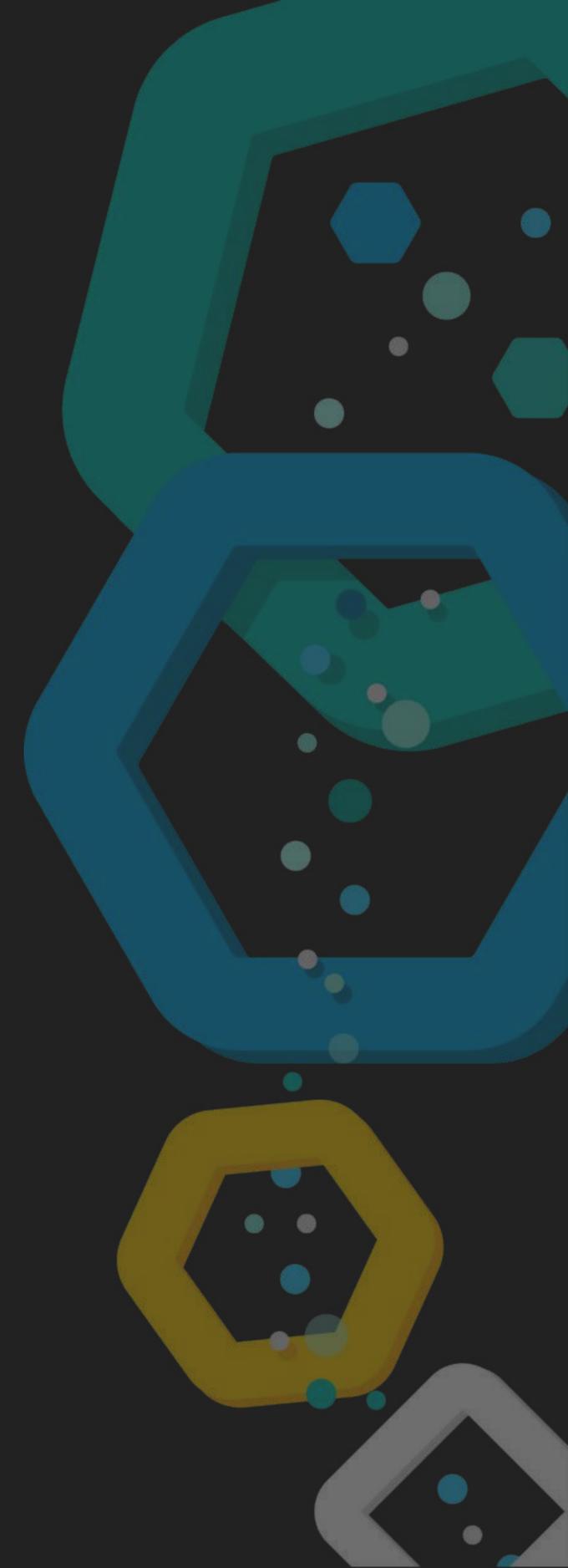




# Elastic Cloud Enterprise



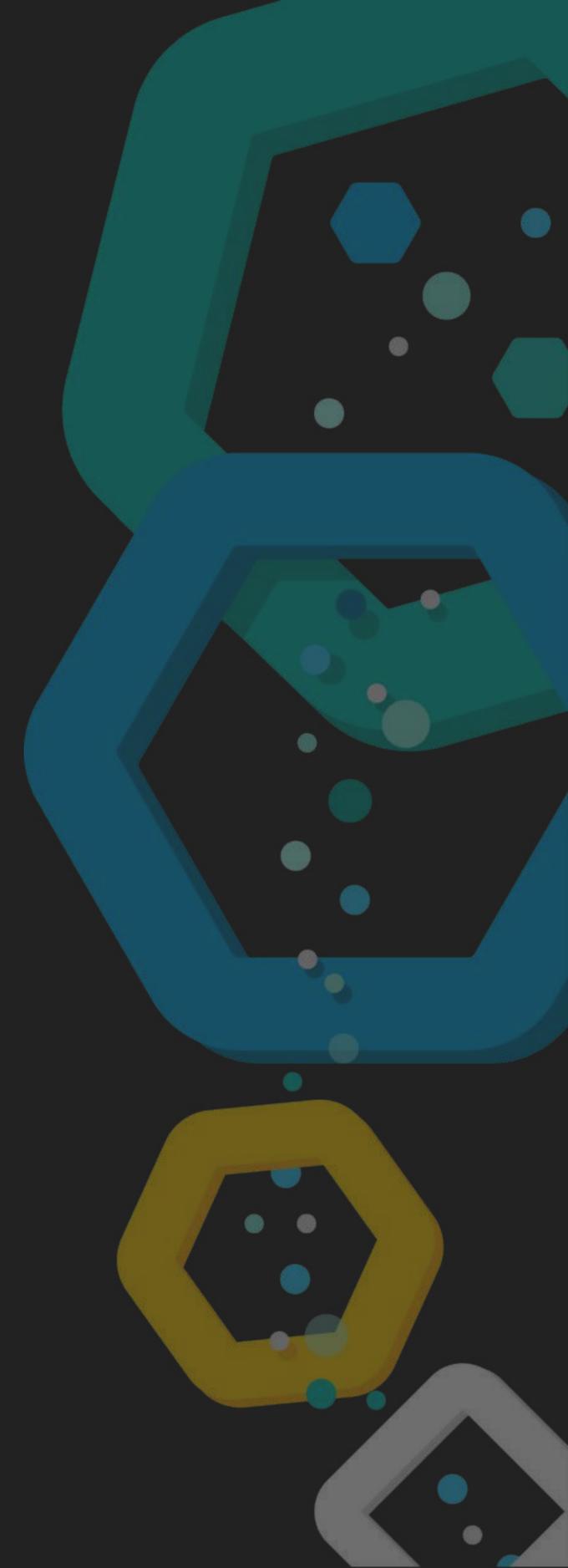
# Site Search



# App Search



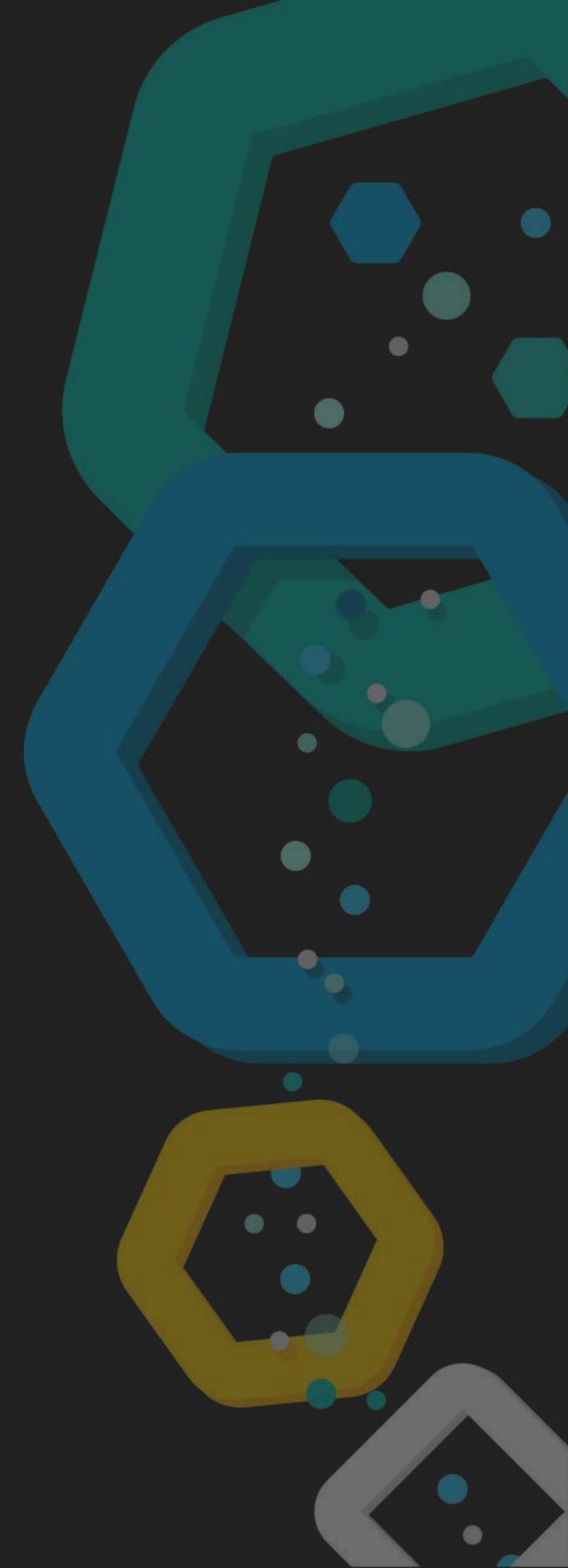
# Use-Cases



# logging



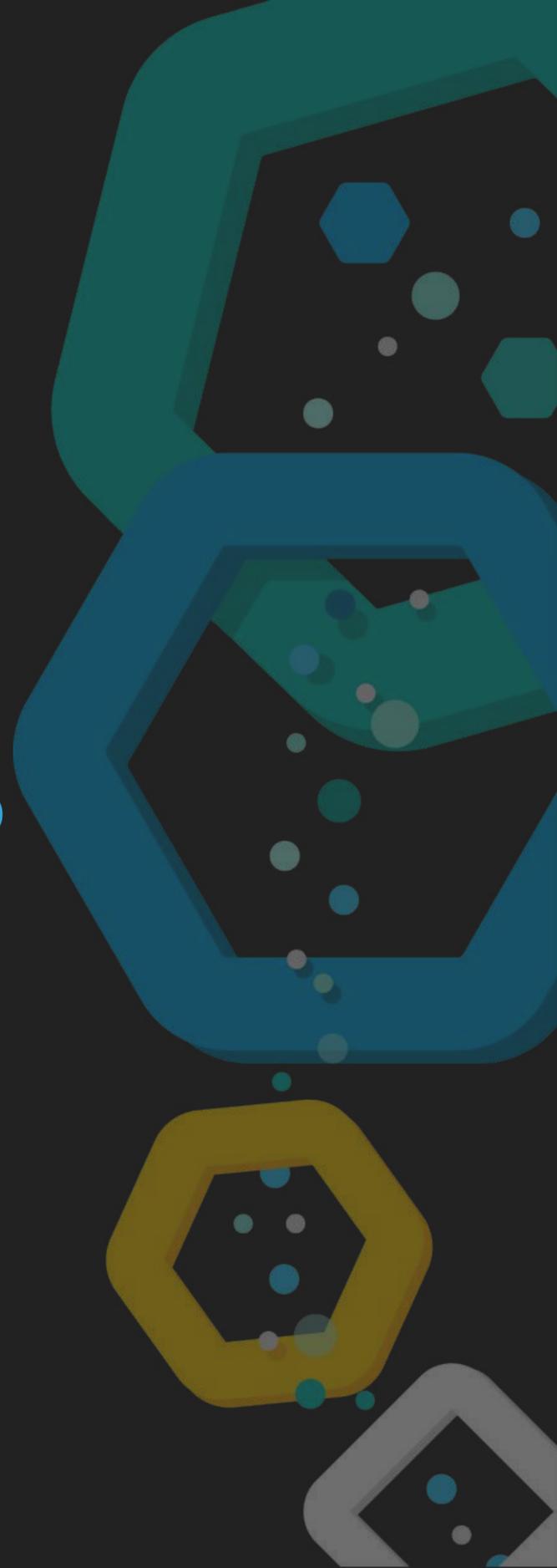
# metrics



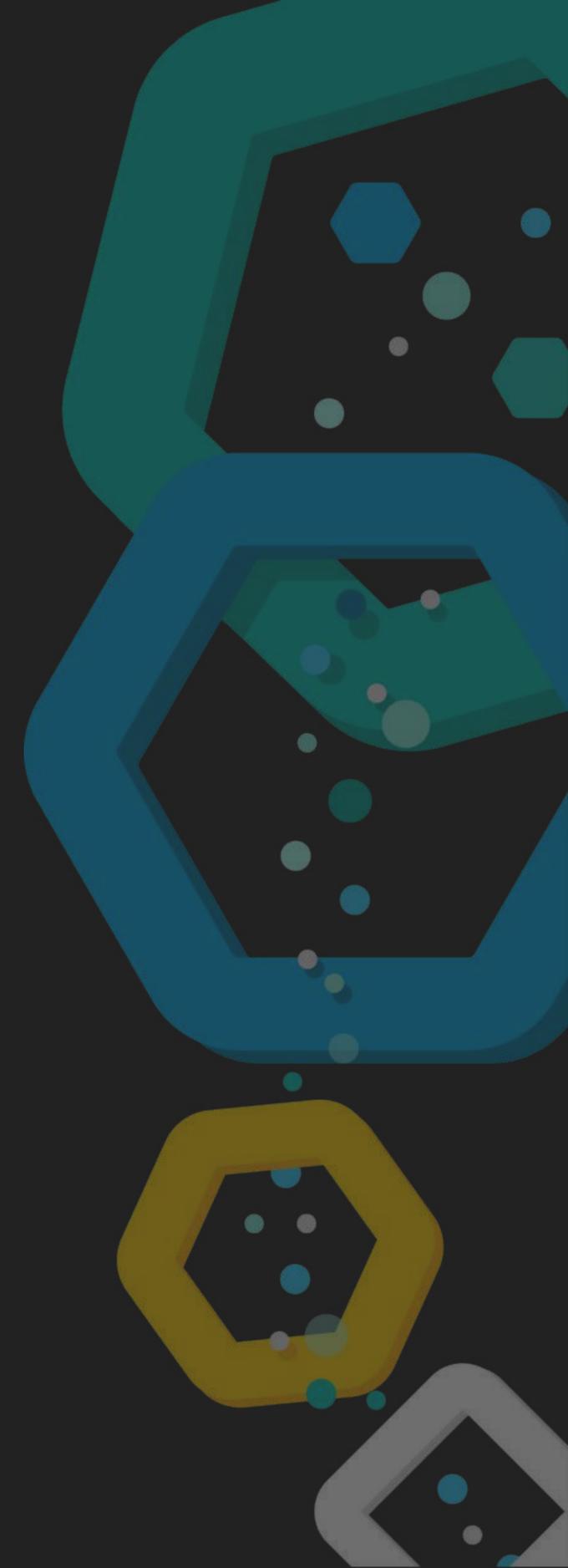
# APM



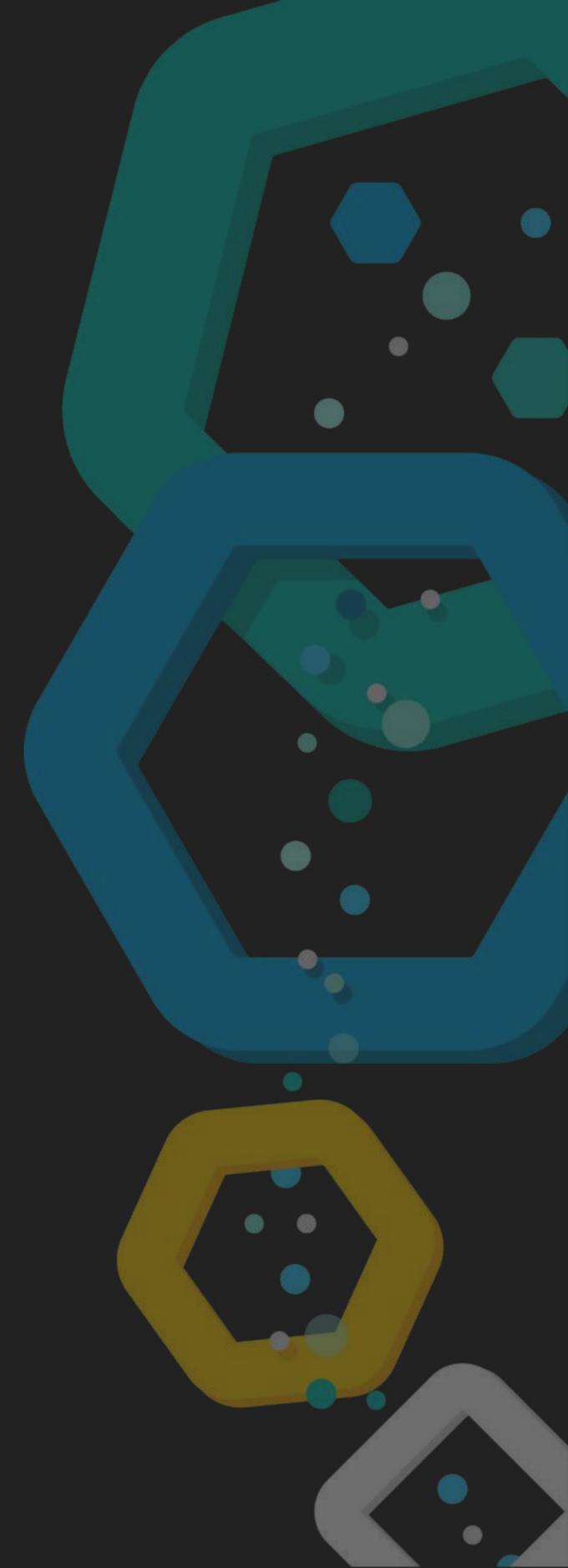
# operational analytics



# security analytics



# business analytics



# full text search



# enterprise search



# Open Source

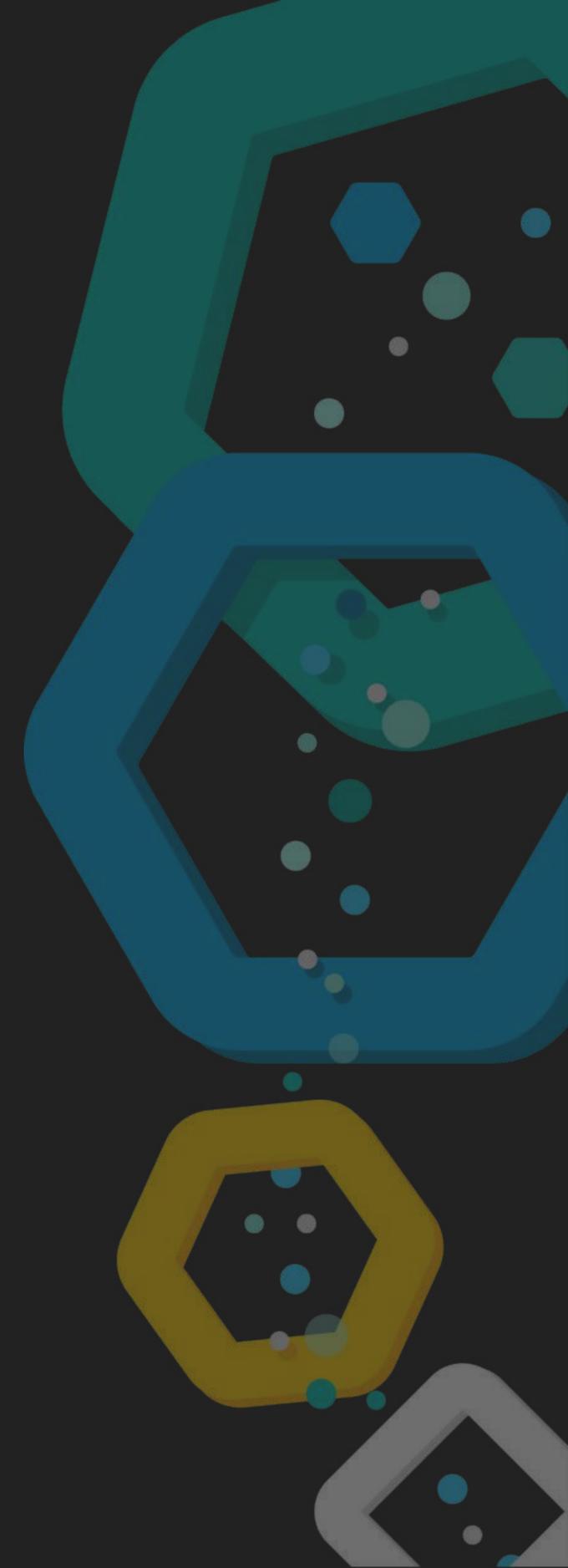
The hard facts



# What is Open Source?

<https://opensource.org/licenses>

Are you ...



... using Open Source?

... opening issues?

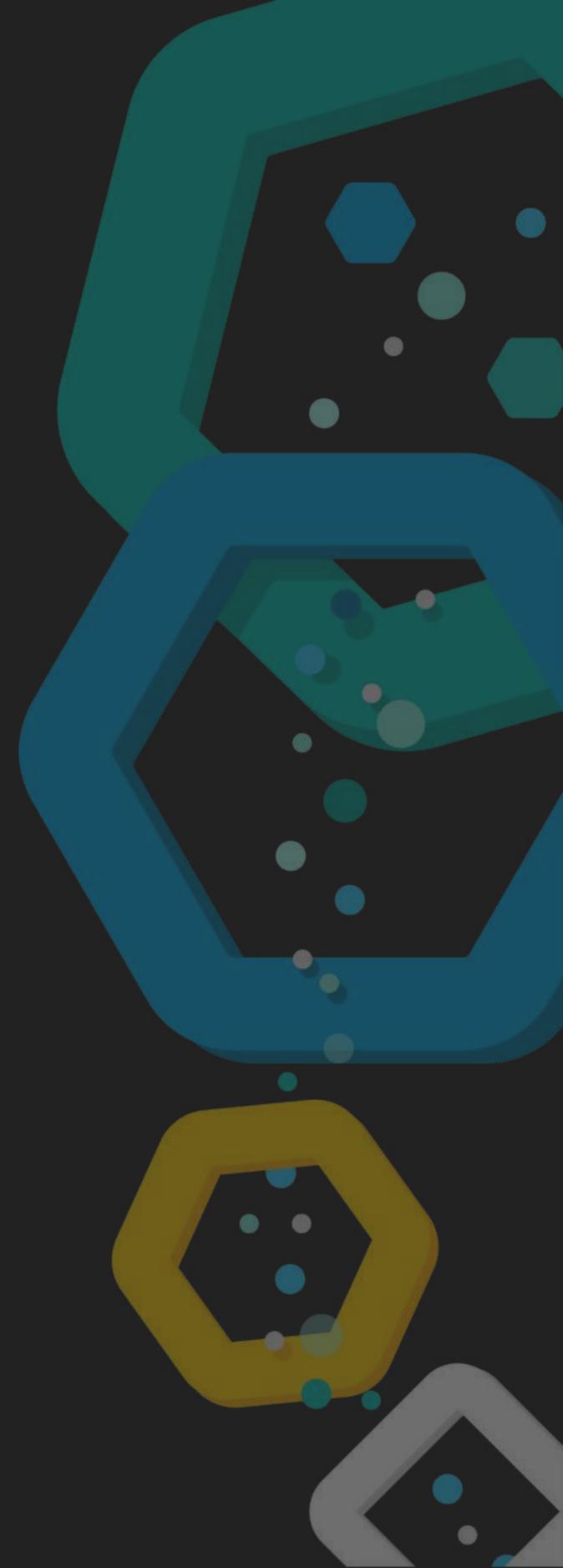


... contributing back?

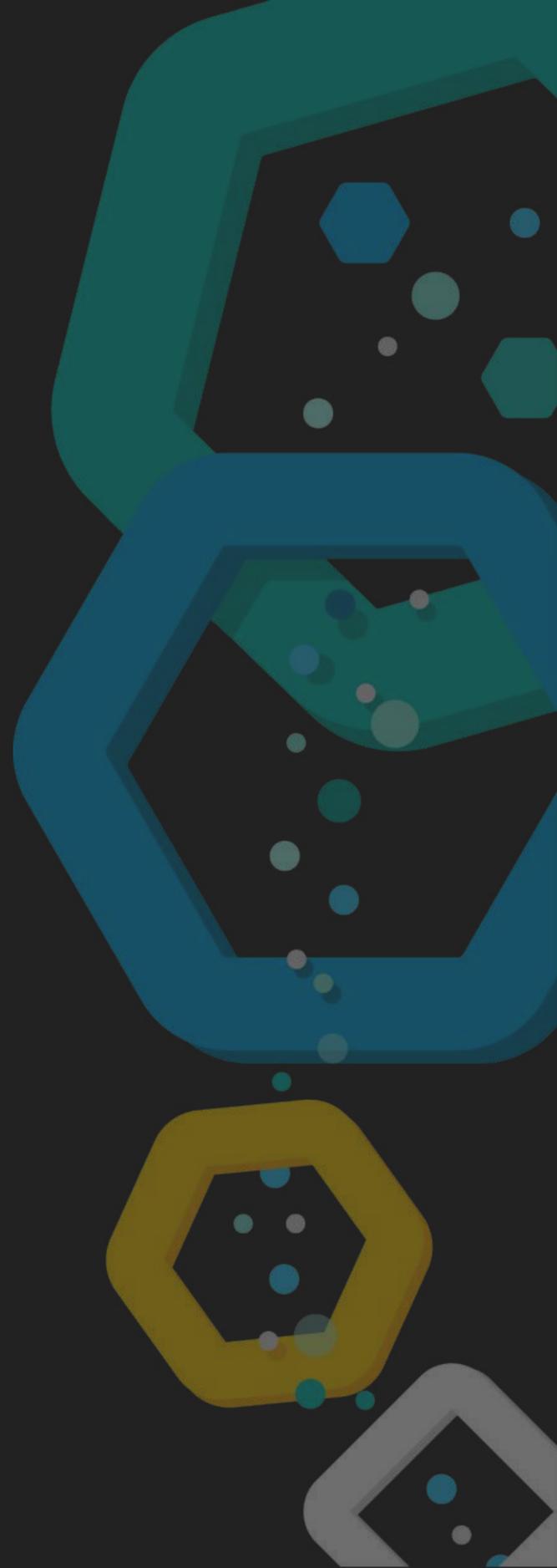
tco



**transparency**



enthusiasts available

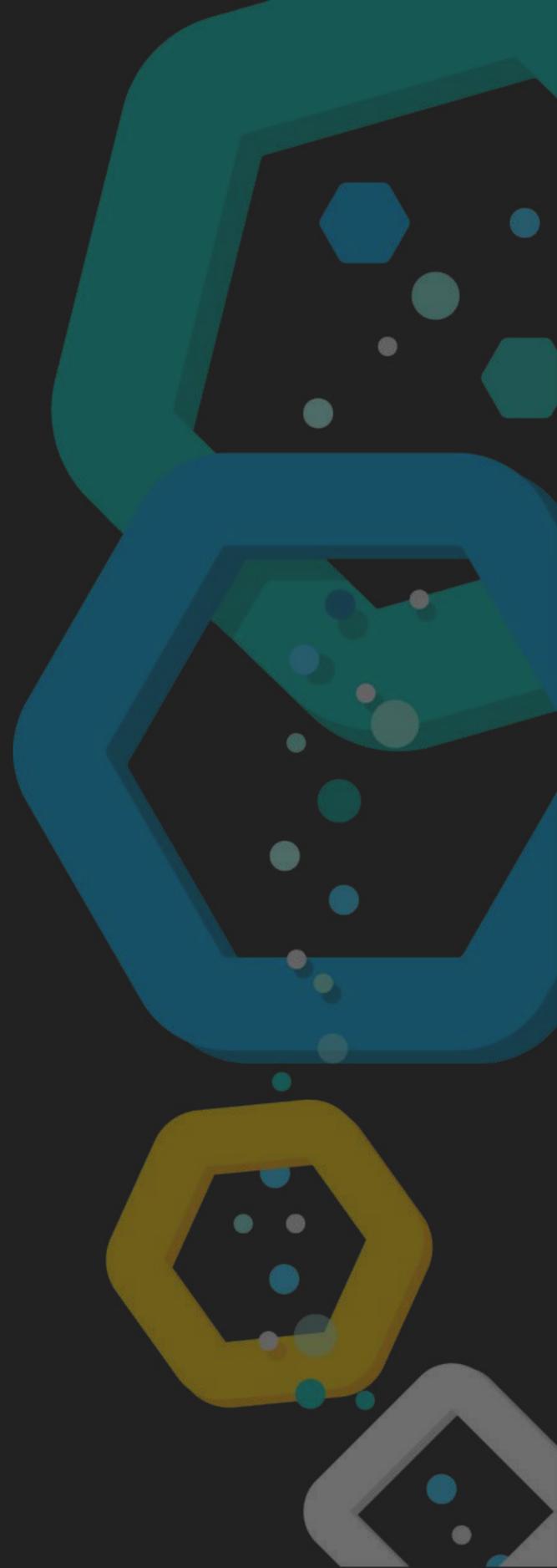


don't reinvent the wheel

**obligation to contribute back**

give away software for free

# development model



# Open Source as a business model

There is no such thing!



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<https://www.geekwire.com/2018/might-time-big-cloud-share-wealth-open-source-startups/>

**98.5% OF THE CODE EVER PUT INTO THE  
CORE OF PUPPET WAS PUT IN THERE BY  
SOMEBODY I PAID.**

**Luke Kaines, founder of Puppet**

Open Source  $\neq$  business model

# open source companies

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**OPEN SOURCE IS NOT A BUSINESS  
MODEL – IT'S A DISTRIBUTION MODEL**

**Shay Banon, CEO & Founder Elastic**

# adoption



top down



bottom up



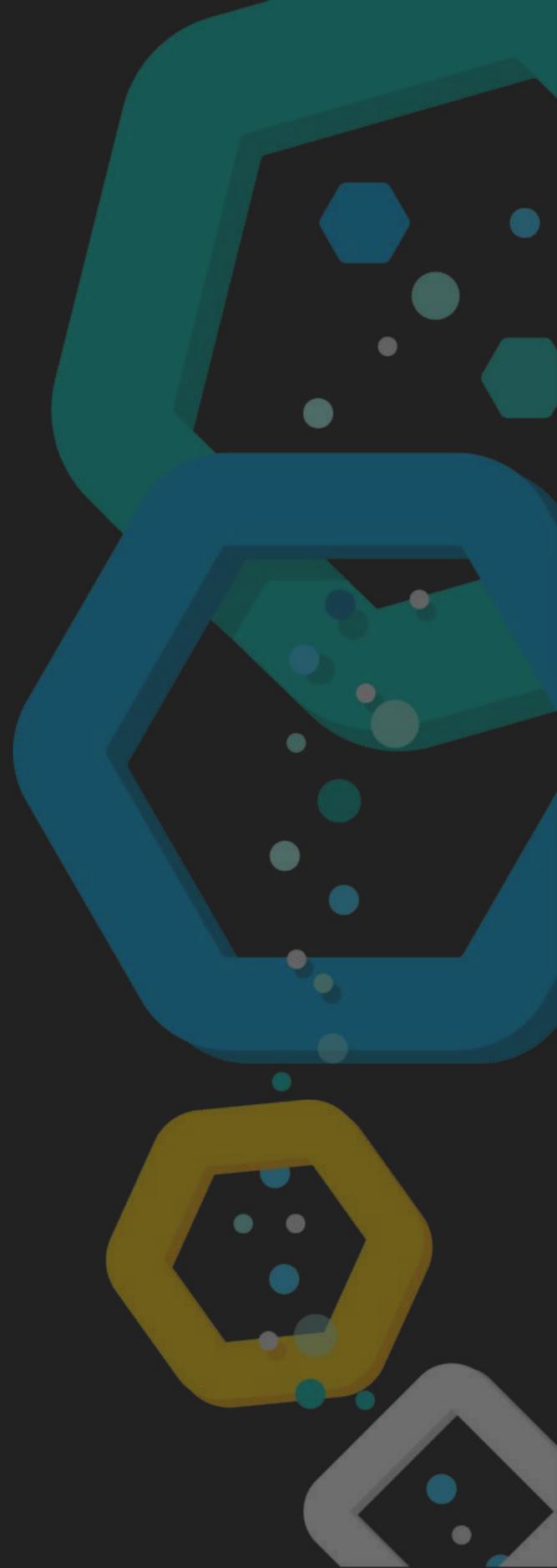
# training



support



# certification



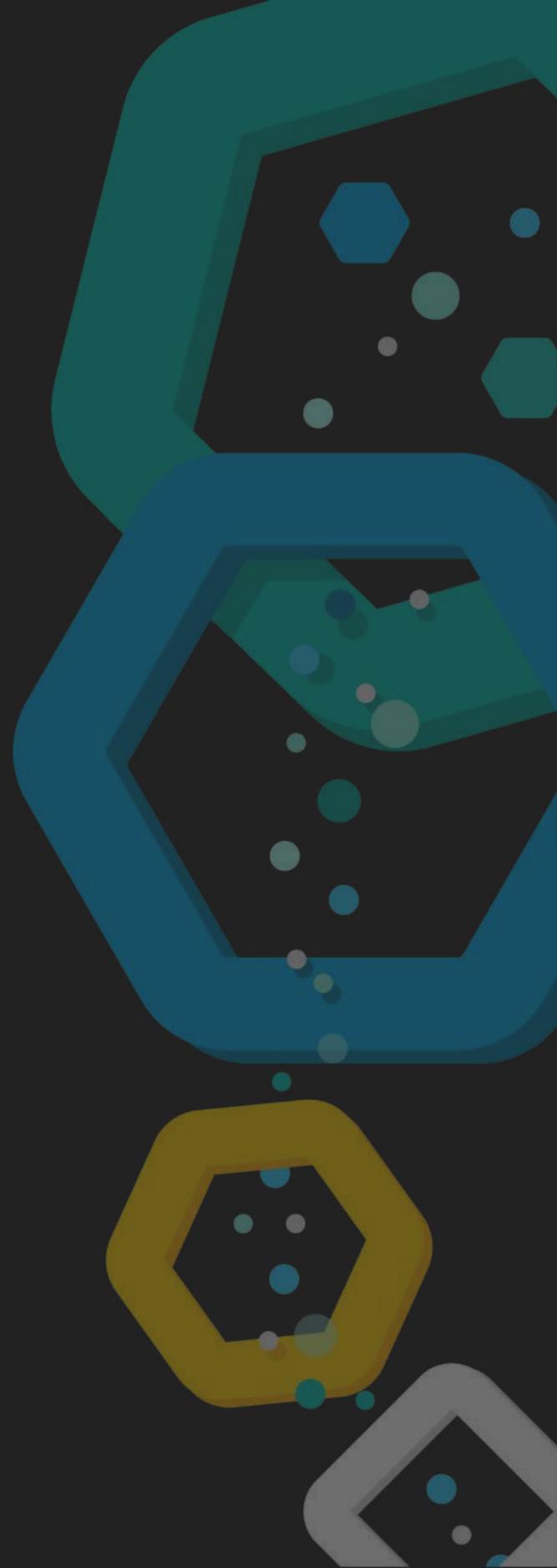
# consulting



# SaaS

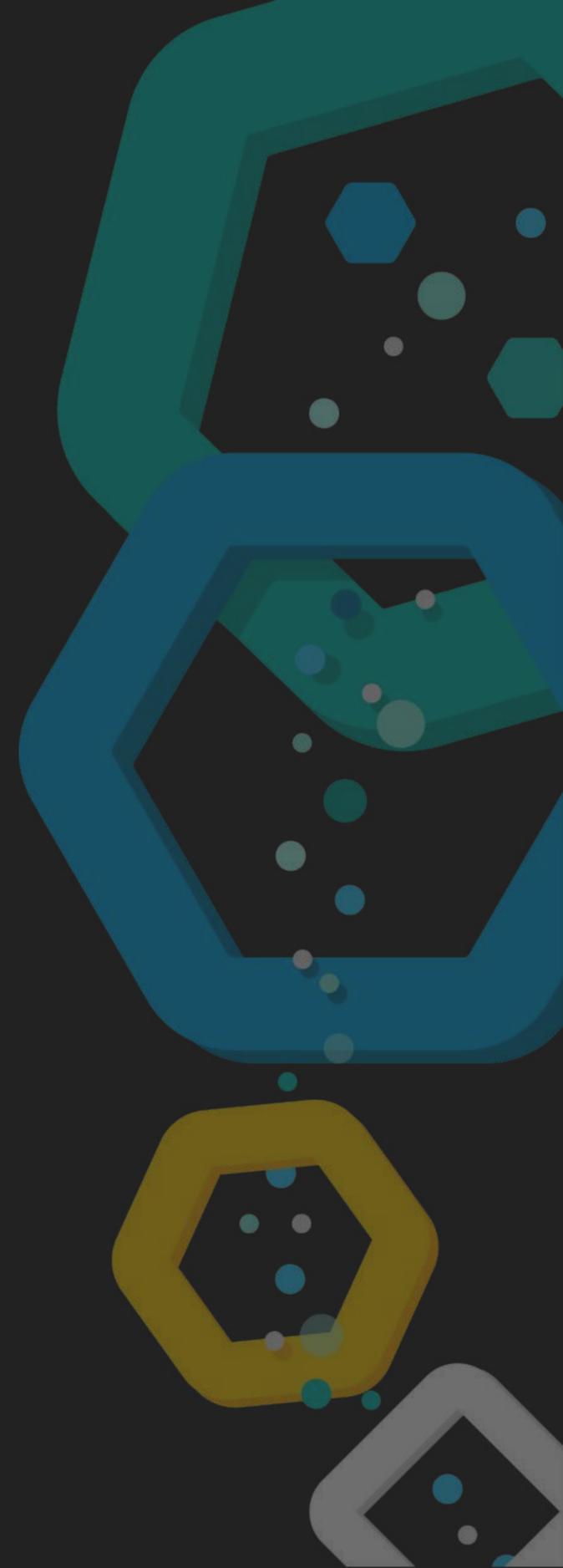


# commercial add-ons



# orchestration & management

# Risks



**sustainable income**



# renewal rates



ease of use



# consulting & trainings

# competing products



# cloud providers



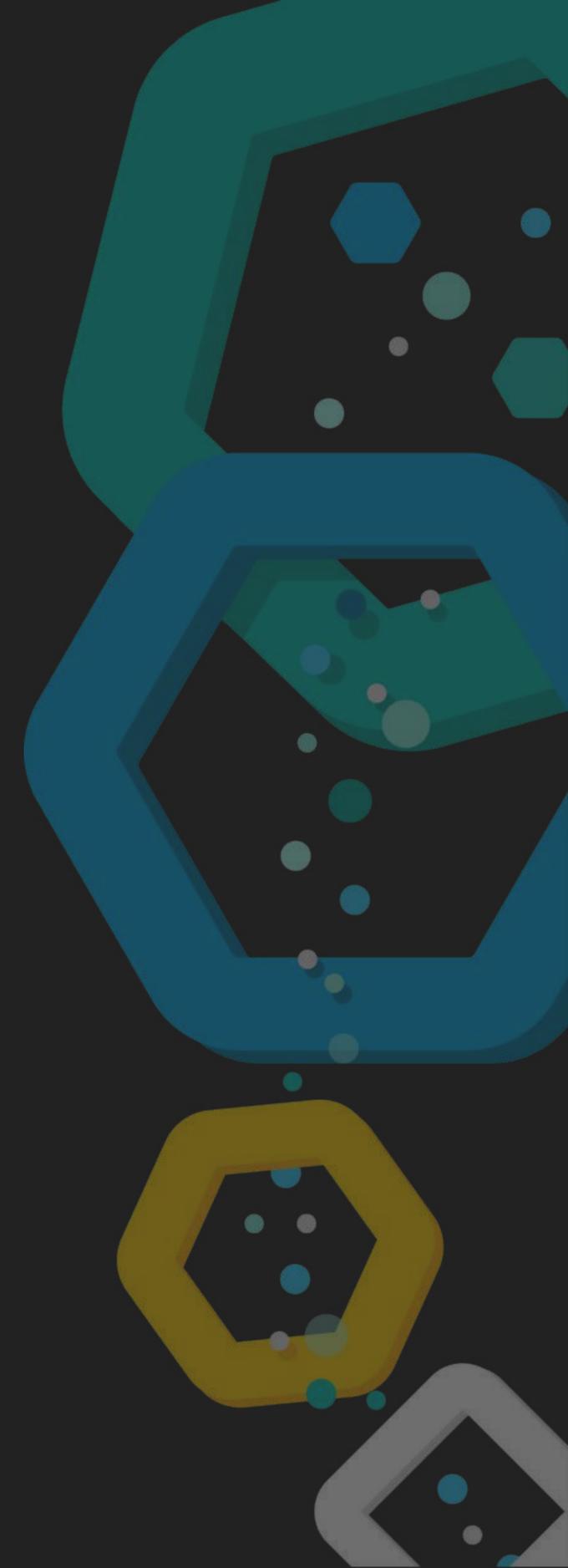
# lock-in



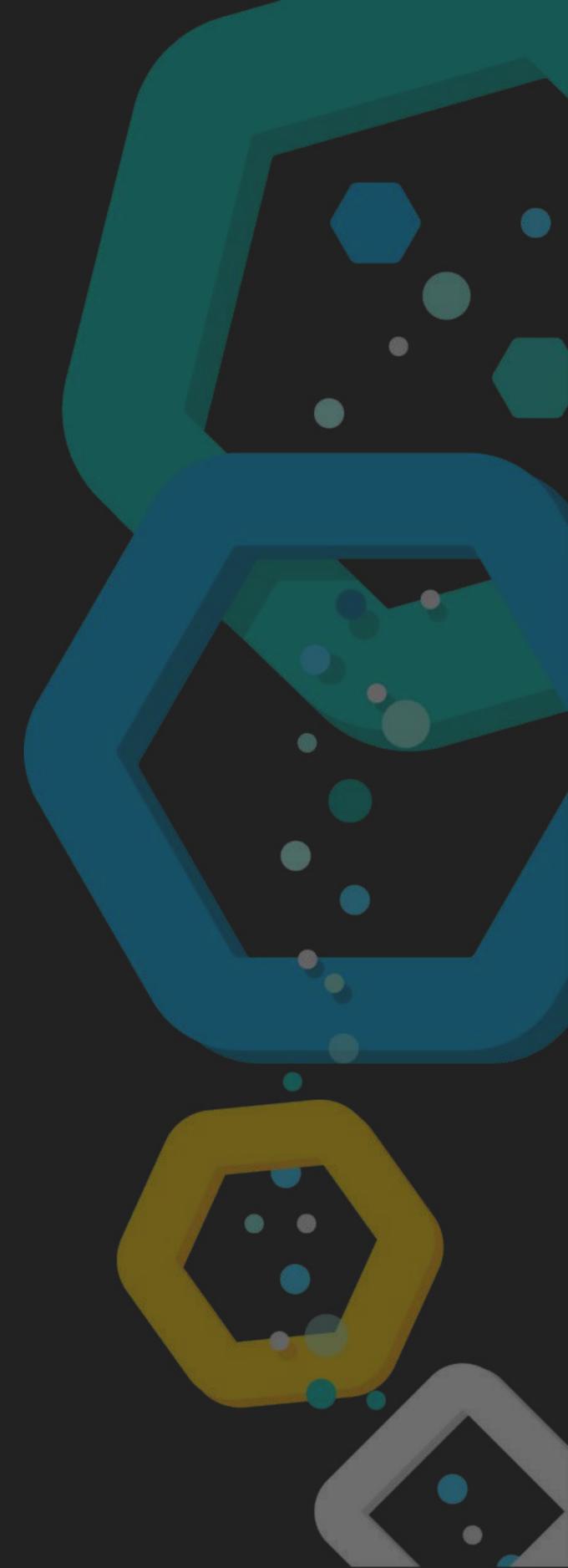
# common goals



# hidden agendas



# dependencies



# Open Source as a business model

Elastic edition



2012

2013

2014

2015

2016

2017

2018



SaaS

Support/Education/Consulting

Commercial

Open Source

t

2012

2013

2014

2015

2016

2017

2018

# Open Source



language clients



APM



2012

2013

2014

2015

2016

2017

2018



SaaS

Support/Education/Consulting

Commercial

Open Source

t

2012

2013

2014

2015

2016

2017

2018

Commercial



Monitoring



Security



Alerting



Graph



Machine Learning



App Search



Site Search



SQL

t



2012

2013

2014

2015

2016

2017

2018



SaaS

Support/Education/Consulting

Commercial

Open Source

t

2012

2013

2014

2015

2016

2017

2018



Support



Training



Consulting

Support/Education/Consulting



Specialization



Certification

t



2012

2013

2014

2015

2016

2017

2018



SaaS

Support/Education/Consulting

Commercial

Open Source

t

2012

2013

2014

2015

2016

2017

2018

SaaS



Elastic Cloud



ECE



t

**no enterprise version!**

commercial code can be open!

community



# Open Source

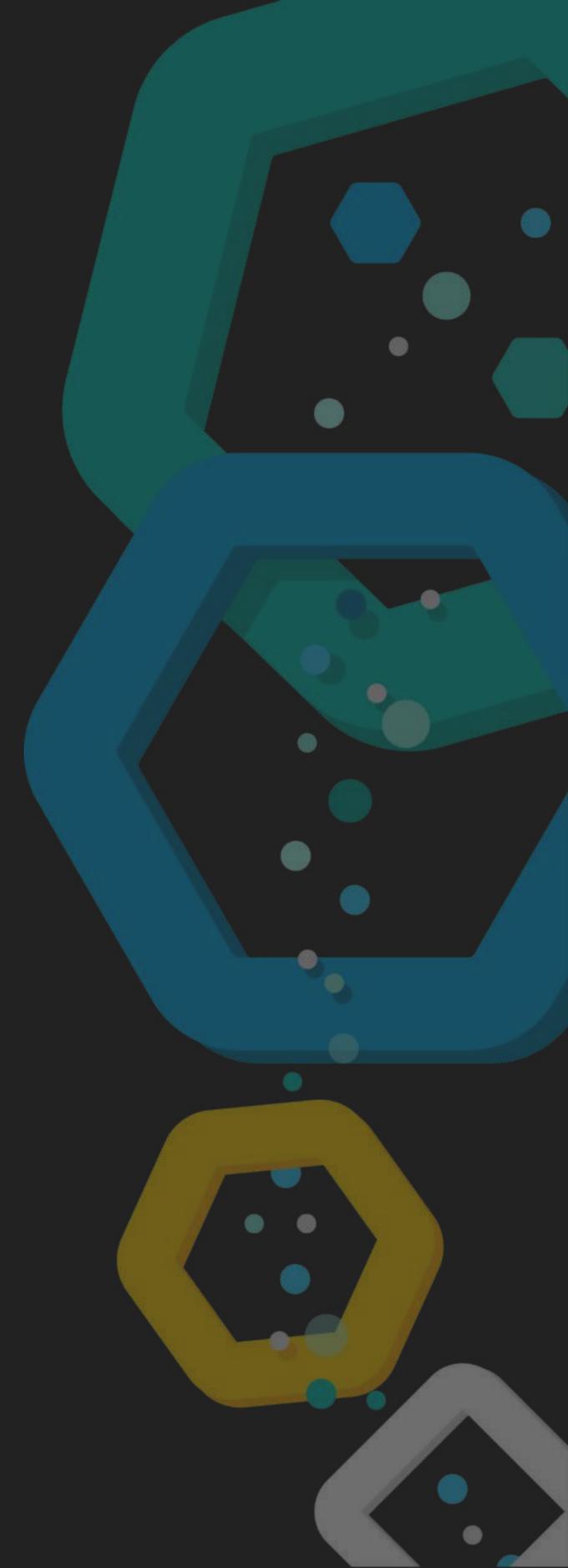
... as a modern company culture



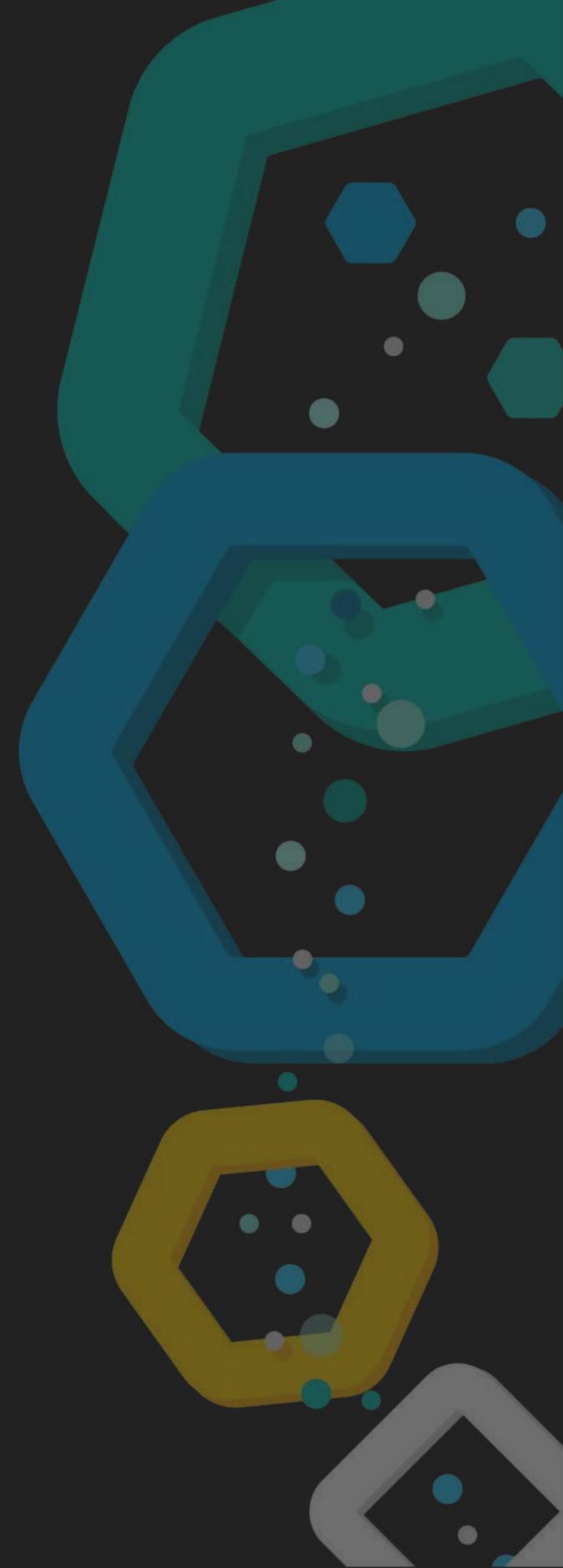
# distributed



# asynchronous



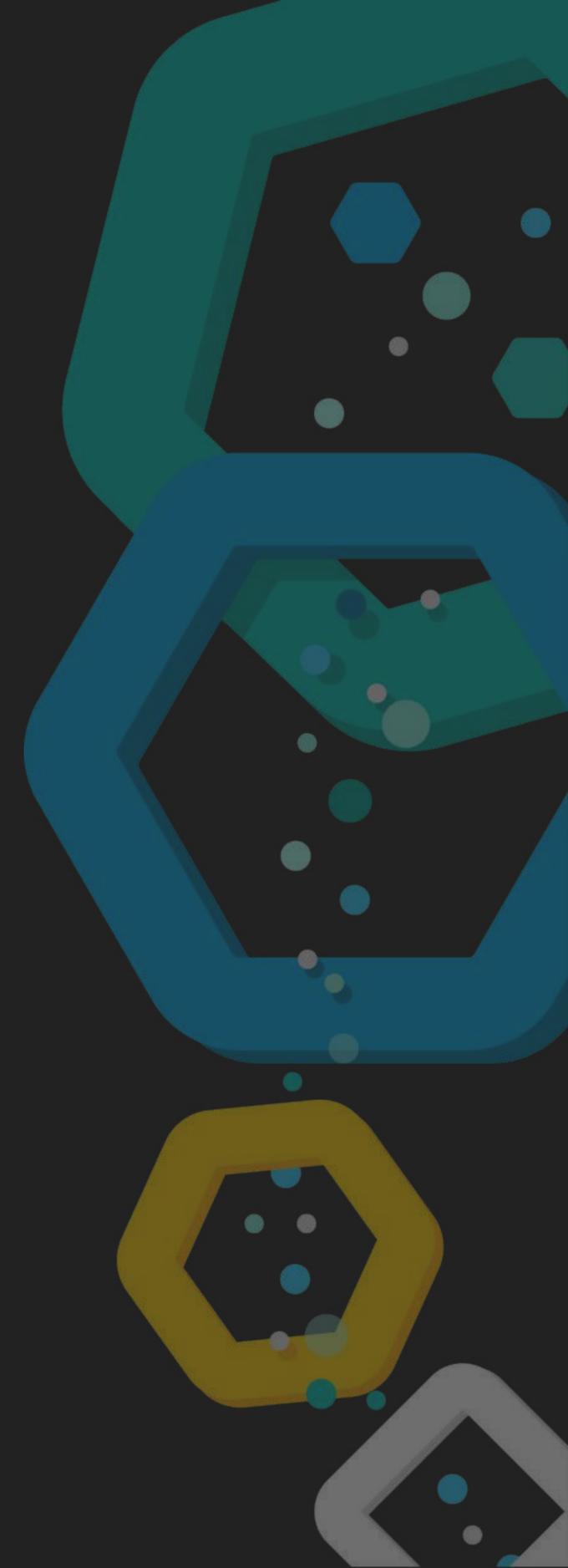
intrinsic



**transparent**



# communication



# burnout



technology as enabler

# Open Source

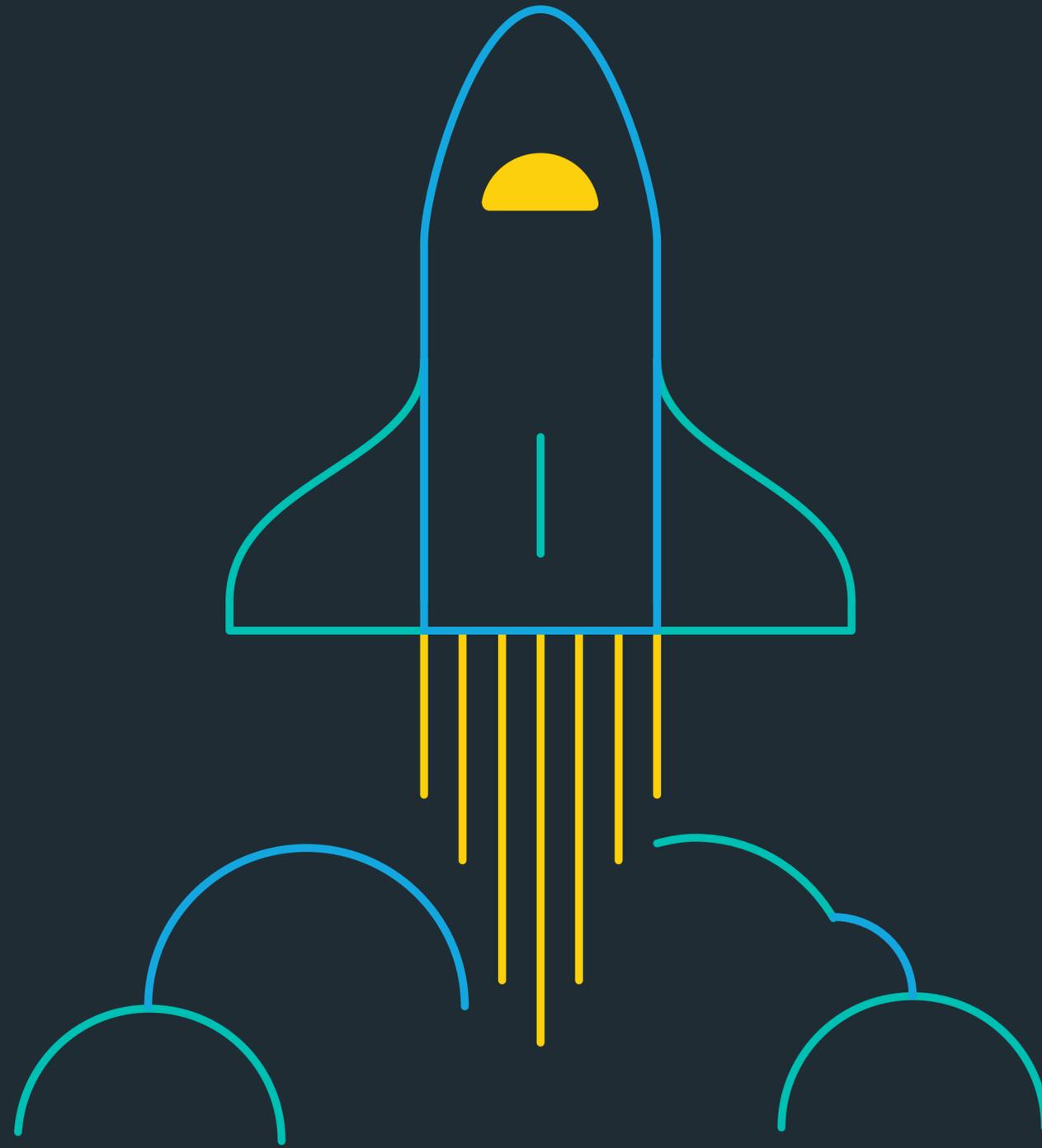
- ▶ ... is more than just code!
- ▶ ...  $\neq$  business model
- ▶ ...  $\neq$  chaos
- ▶ ... can be in the DNA of a company



# Discussion

... ask all the things!

have fun at Oktoberfest!



# Links

- ▶ <https://www.elastic.co/about/why-open-source>
- ▶ <https://www.elastic.co/blog/doubling-down-on-open>
- ▶ <https://www.influxdata.com/blog/its-time-for-the-open-source-community-to-get-real/>
- ▶ <https://twitter.com/mattklein123/status/1032115153335017473>
- ▶ <https://github.com/nayafia/lemonade-stand>
- ▶ <https://en.wikipedia.org/wiki/FoundationDB>
- ▶ <https://rethinkdb.com/blog/rethinkdb-shutdown/>

