

HBR CASE STUDY AND COMMENTARY

Should Marty's
company embrace
open-source
software in its hit
product?

Four commentators offer
expert advice.

Open Source: Salvation or Suicide?

by Scott Wilson and Ajit Kambil

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KMS's electronic music game has become so hot that customers are hacking it and rivals are pouring into the market. Should the company shore up its defenses or let the games begin?

HBR CASE STUDY

Open Source: Salvation or Suicide?

by Scott Wilson and Ajit Kambil

Martina Dirweg suddenly felt almost physically sick. Her older brother, Evan, whom she loved dearly, could make her feel that way with a couple of well-placed words in a phone call. Meaning no harm, he could destabilize her plans for her company along with her sense of well-being. It was not fair of him.

He was coming to take her to lunch, as he often did, and then to the electronic-games trade show. Though he wasn't part of her company, he acted as her one-man kitchen cabinet. From her office on the top floor of KMS Corporation, maker of the astoundingly popular Amp Up electronic music game, she watched for his car. He had called from the freeway, and he'd be at KMS, in Van Nuys, very soon.

The view from her office was comforting, at least—the familiar bungalows on the distant ridge, the spindly, improbable-looking palms. While staring at that view in 2004, she had made the gut decision that put the company

on its present path—and in its present dilemma. The path was that of mass marketer; the dilemma was what to do about the raucous, uncontrollable open-source software movement that was starting to pose a real threat to KMS.

It had been a heady moment four years earlier. A group of programmers at the company, then known as Kalley Music Software, had demonstrated some learning tools they'd developed between other assignments. The devices were made from real electric-guitar necks and other parts, but instead of strings they had an assortment of goofy buttons and touch pads and dials. The superb embedded software produced great-sounding music out of even the most amateurish flailing, and users could jam from separate continents with only a computer and an internet connection. The programmers had already sketched out a couple of songwriting and karaoke-like video games.

HBR's cases, which are fictional, present common managerial dilemmas and offer concrete solutions from experts.

A long silence had followed the presentation, while everyone pondered the options that lay before the company. Spin off the idea? Sell it to some mass-market company? Marty had gazed at the distant ridge. Then she said, “Let’s do it. Let’s do it ourselves.” Sometimes the applause still rang in her ears.

Amp Up was a big hit and then some. When the band Z3 appeared onstage with an Amp Up ax, as the device was officially called, sales took off. The company changed its name to KMS to avoid being stereotyped as a music-software company, and learned a lot about mass marketing in a hurry. There was even talk of spinning off the music-software business, its former core, into a separate firm. It had been quite a ride.

Now Marty’s brother was suggesting that the ride get even wilder.

“You ruined my day, you know,” she said as she got into the Mercedes beside Evan, still fit and handsome in his forties.

“It was nothing personal,” he said.

At the roadside diner where they liked to eat, she thanked him for offering to take her to the two-day trade show in Pomona, where KMS would be displaying its wares and offering glimpses of the next upgrade. Evan had parlayed a networking start-up into a small fortune and now occupied himself by investing in and tending to other people’s tech companies. She was always grateful and impressed that he cared nearly as much about her business as she did.

Then she challenged him to come out with it: What could be wrong with the company’s so-far highly successful strategy of jealously guarding its intellectual property? Why should she open the software in Amp Up, as he had so casually suggested on the phone? Why should she invite the open-source community into the company vault, so to speak, and allow it to play with the crown jewels?

“You sound like a queen now, not a CEO,” he said. “Better if I show you rather than tell you.”

So it wasn’t until they were under the great ribbed ceiling of the Fairplex that he began his explanation. Bypassing the extensive KMS display, he led her through the crowd to the end of an aisle. “I’d like you to meet a few people,” he said. She found herself being introduced to some decidedly geeky-looking young men who seemed awed—that was the only word for it—to meet her. Some of them

were clutching objects that looked a bit like Amp Up axes. The young men were the founders of a start-up, Open Chord.

She was annoyed at her brother. She knew all about this company. These guys, who had probably begun as obsessed Amp Up players, had copied the basic idea behind the game and written their own code—which, unlike KMS’s, was open source. Anyone who wanted to use it to write applications for new games and new sounds was welcome to do so. She despised such infringers. “Aren’t we suing you?” she asked one of them. They all nodded.

“There’s a similar start-up right over there,” Evan said, gesturing.

“Another one?” she asked.

“Both companies, as it happens, came to me for financing.”

She gasped. “You didn’t—”

“No,” he said. “I’m your loyal brother. I told them both they’d need to find another angel—either in my network or, preferably, in a different one. I couldn’t invest in a start-up that was challenging my baby sister’s company.”

“Lucky for you,” she said, making a fist.

“But if not for the ethical issue,” he added, “I would have put money into one or both in a heartbeat. They’re good businesses.”

“How are they good businesses?” Marty asked, exasperated. “This one’s being sued by us for infringement, and the other one is going to be sued as soon as I get back to the office. Plus what does it mean to build a business on open source? You can’t make money on open-source software.”

“Marty, these guys aren’t going away. The point is, it’s no longer just individuals hacking into your hardware and software or making game controllers of their own or writing code for themselves and their friends. It’s *companies* now, too. Companies with real money behind them. These people are passionate about the user community that *you created* four years ago by bringing Amp Up into the world. And they’re just as passionate about the idea that the user and developer communities should be based on open source, with developers being able to freely swap and write software to fashion applications as they see fit.”

He paused. “See? Look—” In response to a gesture from Evan, one of the geeky guys sheepishly stepped aside, revealing a banner he had been trying to obscure. Under the Open Chord logo it said, “Fight the Power!”

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“That’s you,” Evan said. “You’re the power they’re fighting.”

That was enough. Marty tried but failed to manufacture a smile for the geeks as she spun away and headed for home territory: the KMS display.

Evan was right behind her. “Your product turned millions of nonmusicians into musicians,” he said. “It caught everyone’s imagination. Now it’s even bigger than KMS. Everyone wants to be part of the concept, and a lot of people have the programming skills to do something about it.”

“I’ll sue them all,” she said.

“Open source is like a rising tide,” he said. “You either float with it or drown.”

Once again she had the sick feeling that only his words could give her.

Enemy of the People

Everybody at the trade show, it seemed, was talking about the open-source startups challenging KMS—even Allan Schmirer. She trusted and admired her chief operating officer, but today, for some reason, she was irritated that he was even thinking about those infringers—and that he was sucking on an iced strawberry drink that seemed way too frivolous for an executive of his status.

Sensing her mood, Allan offered a reassuring take on the start-ups. “They don’t have a viable business,” he said. “They’ll be squeezed on one side by the free stuff that’s out there—and on the other side by us!”

“I wish I could believe you,” she said.

He seemed shocked. “I’ve never heard you talk like that before.”

“I’m just concerned that our customers are starting to see us as the enemy, as the big corporate power with the proprietary IP,” she said. “We can’t afford to alienate potential users.”

“It doesn’t matter, as long as we also keep dazzling them.”

“Yeah, but—” They looked at each other, knowing what “Yeah, but—” meant. Inventing and executing dazzling upgrades got harder every year.

Allan shrugged. “Then again, this could be moot after next Christmas. For all we know, demand will collapse, and we’ll be scratching around for something totally new to offer our fan base. That’s life in the mass market. It’s not like when we used to sell to music professionals.”

“A cheerful thought.”

“Not to mess with your head too much,” he said, “but the irony is we’d probably be extending Amp Up’s life by going the open-source route—maybe not with the true mass market but at least with the die-hard fanatics. They wouldn’t turn their backs on a product that they’d put their creativity into.” He got to the bottom of his pink drink, and the straw made that sound she hated. “Not that I’m suggesting it,” he added.

“How Do I Keep From Drowning?”

There were angels everywhere when Marty got to her brother’s office in Brentwood Park the following week: angels in the lobby, angels in the elevator, angels in the hallway. This was the headquarters of the angel network to which he belonged and for which he served as technical adviser. She had come here because she couldn’t get the open-source idea out of her thoughts.

“So let’s say I accept that open source is a rising tide,” she said as she took the upholstered chair beside his desk. She picked up a filigreed handbell and tapped it, setting off an ethereal chime. Evan had lots of these things from his vagabonding days in Tibet. “How do I keep from drowning?”

Evan leaned back as the sound slowly faded. “KMS has to become the open-source company,” he said. “It has to embody the open-source ethic, at least in the perception of customers.”

She rolled her eyes. “So now there’s an open-source ethic? Soon it’s going to be a religion.”

“It practically is already,” he said.

“And I’m supposed to embrace open-source software, letting people have my IP for nothing and incorporating random developers’ code into my products? None of that code is tested, you know. Or guaranteed. Or supported.”

“Generally true,” he said.

“But the main thing is, I just don’t see how we can make money if everything is free. How do we control the product space around Amp Up—the add-ons and extras that we’re planning for next year and the year after? What about the basic idea of controlling resources for competitive advantage? Isn’t that what being in business is all about?”

“There are other ways to make money,” Evan said, “as any entrepreneur can tell you.”

“I’m just concerned that our customers are starting to see us as the enemy, as the big corporate power with the proprietary IP.”

“But what about my precious programmers?” she asked. “I’m supposed to open up the code they’ve sweated blood over? They’ll mutiny.”

For example, there’s tech support, which you can charge for.”

“Oh, our customers would love that,” she said sarcastically.

“You’d be surprised. And you have valuable resources beyond IP. Allan Schmirer, for example.”

“We should compete on the basis of Allan Schmirer?”

“Allan is brilliant at dealing with your Chinese manufacturers. He has a way of cutting through the bull—very tactfully—and getting the managers to agree to his point of view. I’ve talked to him about it, trying to learn his secrets. If I could have a few Allan Schmirers to insert into my start-ups, I’d be a very successful investor.

“And then there’s you. You’re unbelievable at marketing. When you first started working for Kalley Music Software, you were a piano player who could program computers. You were fabulous at marketing music software, but then you entered a completely new field—gaming—and figured it all out, on instinct. Your company has a lot of strengths other than its proprietary code.”

“But what about my precious programmers?” she asked. “I’m supposed to open up the code they’ve sweated blood over? They’ll mutiny. They’ll leave.”

“Or they’ll thank you for making their lives a heck of a lot easier,” Evan said. “Because then they can dip into open source, too.”

An Unusual Quiet

On the way in to work a few days later, Marty stopped to pick up a strawberry concoction like the ones Allan always drank. She asked the counterwoman to bag it carefully so that it would stay cold.

At the office she went looking for her COO. It was a fairly small headquarters, considering the company’s sales volume. She and Allan believed that in a mass-market industry like theirs, which had a lot in common with the fashion business, the low-fixed-costs approach would protect the company in case of a downturn. Most operational aspects of the business were therefore outsourced—excluding, of course, the core programming functions.

Marty wandered through the warren of programmers’ cubicles. She said hello to one of her favorite people there—Dixie, a Sri Lankan who had just gotten her PhD at Cal Tech. She

also spoke to Saul, a 30-something from Spain whose walls were covered with his sketches of trees. On another cubicle wall was a huge photo of the band Z3 using an Amp Up ax at an outdoor arena.

But the offices seemed unusually quiet. “Where is everybody?” Marty asked.

Jason, a programmer with a gray ponytail, rolled his chair backward out of his cube, a bass guitar on his lap. “Some people are out sick,” he said. “Three, in fact.”

That seemed a lot. She noticed Jason’s slumped posture. “Are you OK?” she asked.

“I’m fine,” he said unconvincingly. The care and feeding of her programmers had always been a high priority for Marty. But there were dark rings under Jason’s eyes. He looked weary.

“How’s the upgrade going?” she asked.

“It’s going,” he said.

She looked again at Dixie, who also appeared a bit ragged. Marty wondered if the programmers’ brains and bodies were reflecting too many months or years of intense creativity and eye-killing coding. She had always assumed that the programmers took too much pride in their products to incorporate other people’s code, even if skimming the cream off open source would make programming easier. But maybe her assumption was wrong. It was something to think about.

“I’m sure it’ll be another winner,” Marty said.

“Yep,” Jason replied.

Name That Tune

She finally found Allan as he came out of a meeting. “Here,” she said. “I don’t appreciate you enough.”

“What’s this?”

“I got you your strawberry whatever,” she said, handing him a straw.

It was beautiful outside, so they went to the patio, where Allan sipped his drink. “I know you appreciate me,” he said. “Don’t worry.”

“My brother, who seems to be full of information like this, once told me that a kind of strawberry was one of the first plants to get a U.S. patent,” Marty said.

“That’s interesting,” Allan said, teasing her.

She sighed. “And where would U.S. agriculture be without agricultural patents? Where would any industry be without proprietary IP?”

He offered her his drink. Reluctantly she took a sip. It wasn’t bad at all, actually.

She said, “I don’t think I can do it, Allan. I don’t think I can give it away. Even though the programmers would probably appreciate being able to use open-source code, even though it would probably save us time and money in programming, even though our hard-core customers would be thrilled if we tore down the walls, even though our lawsuits against the start-ups are going to be expensive and probably pointless, I just don’t think I can open up our code and let the infringers inside.”

“I think most people don’t care whether we use proprietary code or not. As long as we have things like Z3 going for us—the best free advertising in the world—we can keep on doing what we’re doing and maintain our great margins for our fabulous software. On into the foreseeable future.”

“You’re not going to like this,” Allan said.

“What?”

Back inside, he led her to a PC. “Take a look,”

he said. He brought up a YouTube video of Z3. It was one she hadn’t seen. And what were they playing? Certainly not KMS axes. These were strange-looking things with double necks. She realized with a start that they were either handmade instruments or products from one of KMS’s open-source rivals. There wasn’t an Amp Up ax to be seen.

“Turn it up,” Marty said. “What’s that song they’re playing?”

“It’s new,” Allan said. “Actually, it’s a re-working of that old Public Enemy song ‘Fight the Power.’ Remember it?” As he finished his drink, the straw made that annoying sound again.

Should Marty’s company embrace open-source software in its hit product? • Four

commentators offer expert advice.

See [Case Commentary](#)

Case Commentary

by Jonathan Schwartz

Should Marty's company embrace open-source software in its hit product?

The question of whether Marty Dirweg should open Amp Up's source code to users and external developers or keep the product closed is really secondary. She and the rest of KMS's leaders must first decide how they define success. Once they've done that, the path forward will become evident.

Defining success is no small matter. It involves determining how big a market opportunity the company wants to go after, who the customers are (and will be), and how revenue will be generated as the market evolves. In practically any industry—and even among nonprofits and universities—there are organizations whose approaches to customers reflect fundamentally different definitions of success.

Take the cell phone industry. For Apple, success means, in part, being able to define what a great phone is, and the iPhone is a beautiful piece of technology at a premium price. But Apple shipped only about 4 million iPhones in 2007, whereas Nokia ships some 400 million handsets a year—a staggering number. That's because Nokia's definition of success is being the biggest phone company in the world. A company with that objective wants to sell to as large a market as possible.

To achieve this goal, Nokia builds its phones to be open for third-party developers to run applications on them. Generally speaking, the phones are open to anyone who writes to Java, the platform Nokia uses. (In 2006 Sun Microsystems made Java, which it had developed, open source under the General Public License.) Java technology is on more than 5.5 billion devices and has more than 5 million developers across the world. That gives Nokia a huge advantage in the event that it guesses wrong about consumers' desires, because it can continually mine a massive ecosystem for innovations. We know that consumer demand is fickle and fleeting. Marty is already seeing Amp Up being replaced by new devices. Nokia's decision to open itself to third-party developers means that other companies can easily create or im-

port applications that will appeal to users, whatever their tastes happen to be this month. Nokia ends up with a phone platform that is globally appealing, and the company doesn't risk being a one-hit wonder.

A company can do well with either the Apple or the Nokia model as long as it understands the choice it is making and the path it needs to travel. But closed companies must recognize that by virtue of their strategy decisions, they have a smaller market opportunity than open companies.

KMS has done well so far with its great idea, but it needs to prepare for what's next. If the company decides to gamble that it will always know what its customers want, and if its goal is to own just a small corner of the market, it should continue to sell an all-proprietary system. If it decides to aim for the largest possible market opportunity, it should probably be thinking about how to engage as many users as possible—and open source is a great first step.

But there's an additional matter. As Marty is learning, a company often pays a reputational price for being closed. Before Sun released its Solaris operating system as open source, our competitors made a point of telling potential customers that our software was out of step with an increasingly open-source world. For the most part, the demographic that contributes to the open-source community is very knowledgeable and very opinionated and knows how to get its word out aggressively.

By opening Solaris in 2005, we took the word "proprietary" out of the discussion. In fact, Sun has become an entirely open-source company. If KMS does something similar, it will no longer risk being at war with potential customers. At the same time, the company will enable its users to make Amp Up the perfect product. That would give KMS the potential to go from 1 million toys a year to 100 million.

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Closed companies must recognize that by virtue of their strategy decisions, they have a smaller market opportunity than open companies.

Case Commentary

by Eric Levin

Should Marty's company embrace open-source software in its hit product?

In a trend-oriented industry a company may have only three or four years to ride the popularity wave, so it must retain control of the product life cycle.

Marty needn't be torn between keeping Amp Up closed to customer participation and letting users play with the source code. A middle way offers the advantages of both: Open the platform to third-party companies and add features that promote community building.

Like video-game makers, for example, KMS could offer a development kit and license its software to firms that want to create approved applications or hardware to work with Amp Up. Those companies would have to follow the guidelines and procedures laid down by KMS, which could approve or veto any third-party products. Users would be able to choose from a wider variety of applications and hardware, and the third-party vendors would be able to benefit from Amp Up's success without making large investments in marketing.

True, monitoring other vendors entails costs, but an open-platform approach could easily fund itself through royalties or fees. More important, vetting a proposed product costs much less than providing technical support for customers who are snarled up in untested user-written code. Spending, say, \$2,000 to analyze a developer's application compares favorably with the cumulative cost of tech calls at \$8 to \$15 each. A tech company can get into nightmarish situations with unhappy customers. What if someone complains, "The software I downloaded from the internet crashed my Amp Up ax—and my hard drive"? There's no way to make that customer happy short of giving him a new product and a new computer.

Opening the platform would also allow KMS to maintain control in two hugely important areas: brand and strategic life-cycle management.

Controlling the brand—perhaps a company's most valuable asset—means managing public perception of the product. By preventing users from doing whatever they want with the company's software, KMS can avoid the risk that someone will do something malicious or tasteless—as has happened in the world of video games. In 2005 Wal-Mart pulled copies of Take-Two Interactive's *Grand Theft Auto: San Andreas* off the shelves after hackers revealed

hidden pornography and the game was reclassified "adults only."

Controlling the life cycle means judiciously spacing out big upgrades such that every Christmas there's an improvement that users can't wait for. Electronic Arts' Madden NFL is a product whose life cycle is managed very well. Every year it's updated with current football team rosters, making users feel they *must* have the latest upgrade. KMS could similarly spur sales by, say, offering annual upgrades that included the hottest songs from the past 12 months.

An open-source approach might impair KMS's ability to manage Amp Up's life cycle. Suppose the company is planning to offer an upgrade for Christmas 2008 that will enable users to create and swap videos. What if an outside developer, working with Amp Up code but not needing KMS's approval, came up with a similar video function in June. An open-platform approach would allow KMS to veto or delay that product. In a trend-oriented industry a company may have only three or four years to ride the popularity wave, so it must retain control of the product life cycle.

There are many features KMS could add, without resorting to open source, that would help build community and stoke users' passions. For example, the company could allow customers to personalize the product and share it with friends. It might set up a website for users to display their creativity. Players would gain status and enjoyment through their engagement with the product and the company. Such a strategy might well help Amp Up solidify its position as the market leader and defy the forces of consumer fickleness—and it wouldn't entail huge costs for technical support.

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Case Commentary

by Gary Pisano

Should Marty's company embrace open-source software in its hit product?

An open-source strategy could create three important competitive advantages for KMS—and it could make a crucial change in the company's strategic landscape. Open source benefits companies under very specific conditions, and the task of KMS management is to understand whether those conditions are present here.

First, allowing people outside the company to play with the software and create their own applications might accelerate Amp Up's rate of improvement, because KMS would have access to the talents of many more developers than it could ever put on its payroll. That's what a lot of open-source strategy comes down to: making the slope of the development curve steeper. But in order for this to happen, KMS software must have a modular architecture. My Harvard Business School colleague Alan MacCormack has shown that in open-source environments modular software facilitates independent contributions from external developers.

Second, opening the software might improve users' satisfaction with Amp Up, because they might get a slew of new applications and compatible products from other users and third-party vendors—many more products than KMS could create on its own.

Third, all this activity could reduce KMS's cost of developing new software.

Of course, all three advantages would depend on Amp Up's attracting a lot of interest from developers. Without such interest, there wouldn't be a critical mass of improvements and products. So before making a decision, Marty must determine how much traction Amp Up really has in the open-source community. If the answer is unclear, KMS could hedge by adopting a hybrid strategy: It could maintain the core software as proprietary for now but create add-on modules that are open source. That way the company could see whether developers would come up with improvements faster than the company did.

The change in the strategic landscape would

result from the loss of proprietary software as one of KMS's competitive advantages. Once the company could no longer compete on the basis of Amp Up's code, it would be competing on its downstream capabilities—which may be significant. For example, KMS may have acquired world-class expertise in marketing and distribution over the past few years. And it seems that Allan Schmirer has developed unusual competencies in dealing with Chinese manufacturing partners. Hiring and retaining good people in China, keeping manufacturing on track, and improving operations there can provide important competitive differentiation for a company. I doubt that Open Chord or the other start-up would be able to develop much expertise in any of these areas in the short run.

Evan praises the COO's ability to manage the Chinese partners—but it's easy for a company to fool itself about its own operational expertise. Before KMS can be sure that it has significant competitive advantages downstream, it must undertake a detailed, honest study. If KMS is wrong about its downstream assets, the benefits of opening up its software may be overshadowed by the risk that a powerful new competitor with global reach will enter its market. Such a competitor, having obtained the software for nothing, could use its manufacturing, merchandising, and distribution clout to outmaneuver KMS.

The pressure that KMS feels from open-source advocates is reminiscent of the pressure certain computer companies felt when the Linux operating system began to proliferate. Indeed, the intellectual-property environment in some industries can be quite malleable. But even if Open Chord's founders succeeded in pressuring KMS to open Amp Up's software, they'd still face the daunting challenge of having to overcome the advantages an open-source environment could confer on KMS.

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Before making a decision, Marty must determine how much traction Amp Up really has in the open-source community.

Case Commentary

by Michael J. Bevilacqua

Should Marty's company embrace open-source software in its hit product?

Open-source code is much more likely than homegrown software to contain parts that have been copied from someone's proprietary code.

Embracing open source might make KMS's software development much, much easier, but at the same time, the company would risk greater liability for intellectual-property infringement.

Instead of having to create every line of code on its own, KMS could use some of the open-source software that's available free. A lot of companies are intrigued by this advantage of open source. In fact, one large consumer-electronics firm is currently trying to figure out if it can somehow use open-source software to reduce its development costs.

Use of open-source code, however, would put KMS in a precarious position. Unlike its internally created software, which was developed under fairly well controlled circumstances by in-house programmers, open-source code comes from an amorphous community of unknown people, and parts of it are much more likely than homegrown software to have been copied from someone's proprietary code. Additionally, unlike software that is available for purchase, open-source code carries no guarantee that it doesn't infringe on some third party's intellectual-property rights. Nor do most open-source providers offer the indemnification—that is, legal protection—that vendors of proprietary software do. Thus KMS would have to fend for itself if it were sued for patent, copyright, or trade-secret infringement over code that went into Amp Up. For example, AutoZone wasn't indemnified under a license that allowed it to use the open-source Linux operating system, so the company faced the possibility of having to pay damages when it was sued in 2004 by SCO Group for copyright infringement involving Linux. The suit alleged that the Linux version in use at the auto-parts retailer contained software copyrighted by SCO. (SCO has since filed for bankruptcy protection.)

Furthermore, if KMS gives its code to a third-party vendor to use and the software turns out to infringe on someone's patent,

both the third-party vendor and KMS could be liable for damages. KMS, as the supplier of the infringing software, could end up having to pay an amount that is based on the third-party vendor's sales.

The liability risk has become even more acute with the proliferation of patent trolls—companies that buy patents for the sole purpose of litigating them and feeding off the damage payments. Marty probably has little experience dealing with trolls. For all she knows, a troll might be watching her company right now, waiting for her to commit to open source so that it can sue KMS—which is certainly a more attractive target than its start-up competitors. That's a risk she should think about very carefully.

Apart from the liability issue, Marty must consider the loss of competitive advantage that her company would suffer if it opened up its software. KMS would be taking its proprietary asset, in which it has invested a lot of money, and allowing other companies to make money on the code without having to spend anything on development.

The people driving certain parts of the open-source movement are of the mind-set that all source code should be available for everybody to use. That is fine in the academic world, where the money flows from grants and you don't have to turn a profit. Most software companies, however, are in business to make money, and it is very difficult to make money on open source.

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