

Microsoft Gives in to the Reality of Open-Source Software

Josep Valor

e-business Center PwC&IESE

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After years of grumbling about open-source software, the software giant from Redmond has consented to facilitating the interoperability of its Windows operating system with SUSE Linux, the Linux system distributed by Novell. The decision means that Microsoft is accepting something that is already a reality in the business world: the coexistence between the Windows proprietary system and Linux open-source operating systems, which in recent years have steadily gained ground in the server market.

For Novell, the deal with Microsoft could mean a major boost for sales, since the software giant is transmitting the message that its operating system will coexist with a particular version of Linux: SUSE Linux. This comes in addition to the renouncement of the right to sue Novell customers for patent infringement, a possibility that slows down the adoption of Linux by companies.

This last point has raised suspicion among Linux users, who feel that the agreement leaves the door open for Microsoft to sue customers of commercial open-source software from Novell's rival manufacturers. Especially the distributor of Linux Red Hat and database maker Oracle, who sells a clone version of Linux Red Hat with much lower maintenance prices.

Another key point to this alliance between Microsoft and Novell is that it will boost compatibility between Microsoft Office files and those of the open-source office suite OpenOffice.org through the standard OpenDocument, designed by the Oasis organization (Organization for the Advancement of Structured Information Standards). The standard, based on XML, will allow documents created in applications of Microsoft's proprietary office suite to be opened using applications from the open-source suite OpenOffice.org, and vice versa.

This seemingly small change could mean the beginning of the end of the network externalities that the software giant had managed to achieve with Microsoft Office. Having this office suite is necessary for a company to be able to exchange files with the rest of the business world, since Microsoft Office dominates with presence in an overwhelming majority of the personal computers in existence.

The agreement puts an end to the hope by Microsoft that obstacles such as incompatibility and fear of lawsuits would require

Highlights

1 With the alliance, Microsoft is responding to the deal reached between Google and Sun Microsystems regarding Linux, and to the announcement from Oracle, which will offer technical support to Red Hat Linux users at half the normal Red Hat rate.

2 Novell says that the deal with Microsoft does not violate the GPL (General Public License) used by Linux, given that it still allows free copying and distribution of the source code.

3 Microsoft has agreed to not sign deals with any other Linux distributor in the next three years, in order to promote the use of Linux/Windows virtualization solutions through a subscription certified program.

4 In the third quarter of this year, sales of servers using the Linux operating system rose to \$1.5 billion, while sales of Windows-operated servers reached \$4.2 billion, according to data from IDC.

companies to pass on the opportunity to adopt commercial open-source software. Microsoft's acceptance of diversity in the computer world as an unquestionable fact comes in the context of a change of business models. The model of charging a set price for a software product is becoming less and less viable whereas support and maintenance services are becoming increasingly profitable. According to its president, future revenues for the Redmond company will come from advertising and subscriptions.

The process that Microsoft and Novell have started could favor Linux becoming the dominant platform in the server market. However, it also lays the foundation for Microsoft to continue being a key player in computing for the coming years.