

## Challenges of Open Source Innovation

Networked Business and Government –  
Something Real for the Lisbon Strategy

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House of the Estates

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## Open Source and its applications

- A company, an individual, or a university that develops software makes source code available
  - No restrictions for users
  - Making further modifications secret is prohibited
- Software developed in peer-to-peer communities
  - Individual and corporate participants
  - Decisions made based on technical merits
- Numerous applications, such as
  - Linux operating system
  - Apache web server
  - MySQL database
  - Nokia 770 Internet Tablet

## Opportunities

- Extend the work of others and concentrate on value add, differentiation, and innovation
- Utilize global workforce and top talents through peer-to-peer collaboration
- Common global language between industry and academia
- A disruption in technology creation – is changing the fundamentals of software creation
- An even competitive landscape in software – Europe well positioned in open source

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## Challenges

- Open source is an innovation platform – how can the innovator benefit from open source innovation?
- IPR and legal situation not fully clear
- Business models not yet fully developed
- Open source development is distributed by nature – how do big enough homogenous platforms emerge to enable large scale business?
- Business players entering to open source – impact unknown
- How much there is hype around open source?

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## Three (3) main obstacles slowing Europe's competitiveness down

- Obstacle 1: Scattered markets / different European countries. How to sell your innovation?
- Obstacle 2: Startup and risk-taking attitude not common or commonly accepted
- Obstacle 3: Perceived / real problems in productivity and innovation

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## Three (3) concrete measures to boost Europe's competitiveness

- Measure 1: Concrete **funding** and support for **technology startups**. Both government and private sector funding must be available.
- Measure 2: Promote **university and industry collaboration**. Monetary incentives, lean processes, professor nominations, etc.
- Measure 3: **Attract talent** to Europe by special programs and incentives. Attract individuals, startups, and established corporate.

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