

Hochschulgruppe für Freie Software und Freies Wissen Dresden

# "Fund-Raising for Free Software - Thinking Big"

#### Overview



- Who we are and what we do?
- Theses about free software for desktop usage
- Analysis of existing business models
- Idea: Combination-Model Selling Support Certificates
- How to proceed?  $\rightarrow$  Discussion

#### FSFW: Who are we?



► University group for Free Software and Free Knowledge (founded 2014)

Projects:

- Linux-Install-Party, Linux-Presentation-Day
- Encryption competition
- Montly Help desk (LATEX, Libre-Office, ...)
- Publications: Programmpapier, Blogposts
- Workshops (git, python, EMail encryption)
- Weekly lecture (Ringvorlesung): "Free Software and Free Knowledge as Profession"
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## FSFW: Why do we do this?

#### $\rightarrow$ By Conviction



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Free and Open Source Software is (mostly) the better choice (technical/non-technical Arguments).

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#### Conviction 1:

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#### Conviction 2:

Scientific contents *financed with public money* (authors, reviewers) should not be sold to *public* libraries for *ridiculous prices* by journal publishers.

Nicht: Es muss etwas geschehen,

sondern: Ich muss etwas tun.

Hans Scholl, "Weiße Rose"

TU Dresden gegen Rechtsradikalismus und Intoleranz





Not: "Somthing has to happen!"

# But instead: "I have to do something!"

Hans Scholl, "Weiße Rose"

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# Gründet Hochschulgruppen für Freie Software und Freies Wissen!



# Warum?

- Hohe Dichte an Interessierten
- Zukünftige Lehr- u. Führungskräfte
- Zugang zu Räumen, ...

Mehr Infos: fsfw-dresden.de/fork

Following thoughts are also available as a blogpost:

https://fsfw-dresden.de/funding-foss





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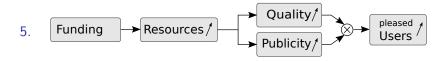
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- driven by enthusiasm
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People dedicate time and effort to FOSS-projects

- driven by enthusiasm
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- to show their skills
- to learn new skills
- for money (raised by some exsiting FOSS business model)



# Analysis of existing FOSS business models

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Not applicable/desired for sustainable end-user software:

open sourcing on end-of-life, dual-licensing, ...

selling support, delayed open-sourcing, proprietary extensions
 Remainder:

- 1. Selling of branded merchandise
- 2. Selling of certificates and trademark use
- 3. Partnership with funding organizations
- 4. Bounty driven development
- 5. Crowdfunding/reverse-bounty model
- 6. Advertising-supported software
- 7. Voluntary donations

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#### Subjective Sidenote

Model of homo economicus describes an extremely shortsighted psychopathic personality. Much of the worlds problems originate in mistakenly propagating it as normative role model.



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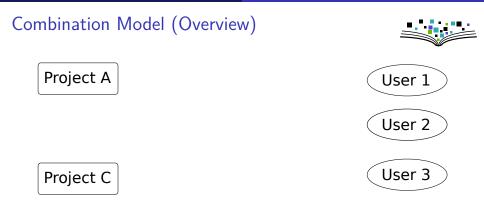
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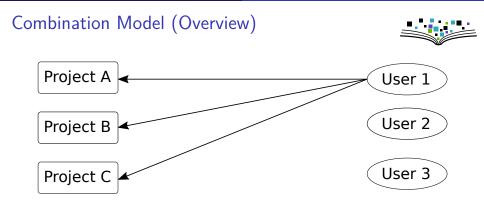
Established examples of "irrational spending"

- Brand awareness and status consumption
- Future-oriented self-interest

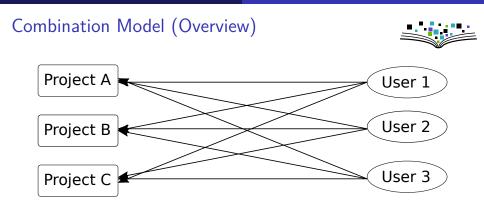
# **Combination Model**



Challenge: several users want to fund several projects



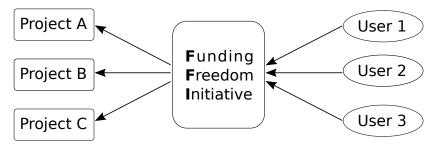
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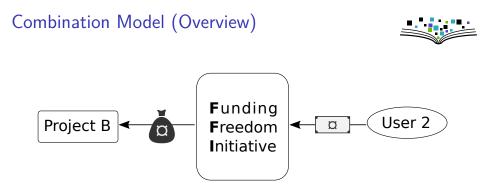
• Current situation: *n*-to-*m* relationship  $\rightarrow$  bad effort-benefit ratio

# Combination Model (Overview)

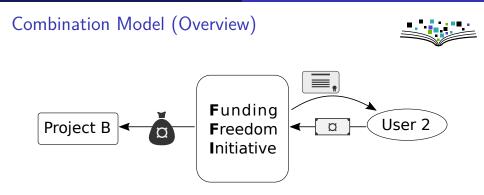




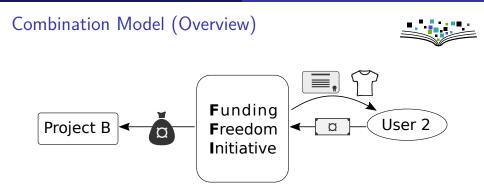
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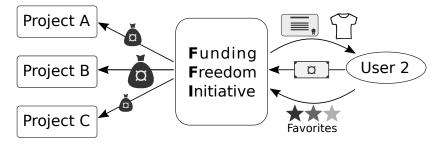
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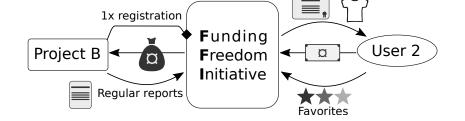
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► Users (optionally) state their preferred projects → Funds can be distributed accordingly

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 Interested projects register once and regularly publish activity reports

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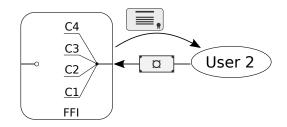
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## How could the money be distributed?

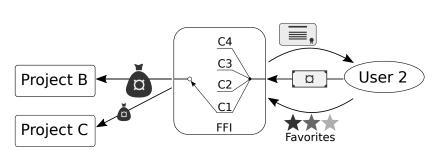








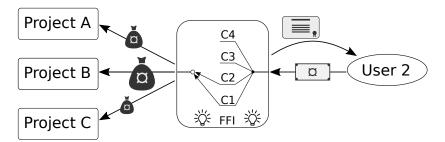
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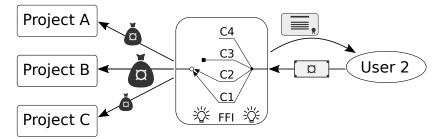
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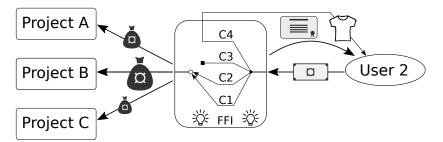
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- C3 (e.g. 10%):
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- C4 (extra): material cost (merchandise)

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#### $\rightarrow$ More details: see blog post



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- "Thanks to the money we were able to integrate two employees from our usability team to the project, each with 20% full time. Additionally, a student assistant has updated the documentary."



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- "In the last quarter, issues were mainly addressed that were highly valued by donors. Details: see release notes." (reverse bounty model)

#### Potential points of criticisms



- There are already similar attempts (e.g. patreon.com, liberapay.com).
- A critical mass is needed.
- Commercialization harms the FOSS development.
- ► Registration and payment process are too time-consuming.
- ► The concept relies too much on trust and voluntariness → risk of low acceptance.
- The central role of the FFI could, in the long term, lead to an unwanted dependence of certain projects on the FFI.
- Positive feedback loops could lead to a crowding-out effect of smaller projects and thus reduce the diversity of active projects.
- It is unclear how to deal with projects that already have other funding resource sources (Mozilla, Linux kernel, ...)

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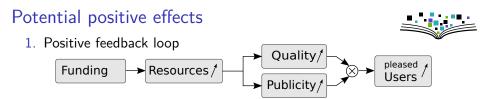
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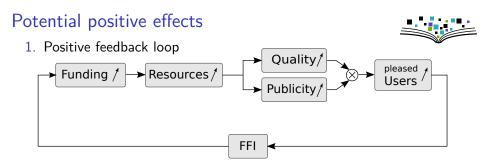
#### $\rightarrow$ Possible counterarguments: see blog post

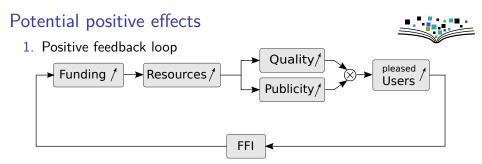
## Potential positive effects

1. Positive feedback loop



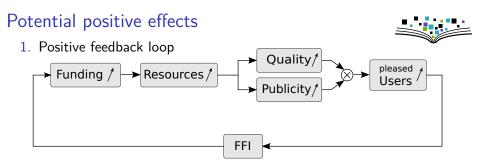




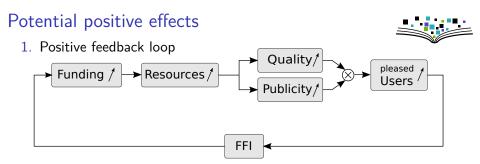


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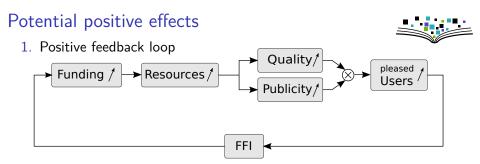


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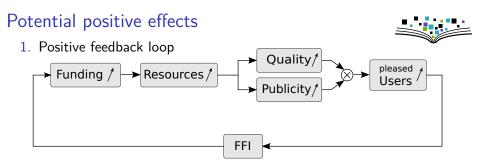
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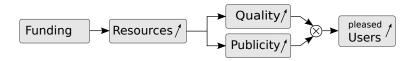


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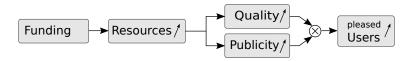


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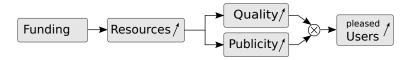


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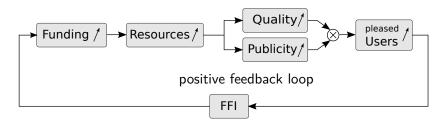


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- 5. Currently, this potential is poorly used
- 6. Proposal: organization ("FFI") to collect and distribute money



## How to continue?

#### Discussion of the general concept

- Realistic?
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### (Maybe) Implementation Challenges

- Legal Issues?
- Specify concept details
- Integration with packaging services?
- New or existing organization?

