

ANNEXURE – Free Software Business [FSB]

Free Software Business

A Free Software Business¹ (FSB) is where you combine respect for your users' freedom with your choice of building a business. There is no conflict between the freedom you provide (as a part of your business dealings and software + hardware offerings) and your ability to build a sustainable business based on these offerings.

A Free Software Business (FSB) is a business that respects its users' freedom. The freedoms that users deserve are unalienable. A FSB does not compromise on these freedoms when it chooses to do business with its users. A FSB is an ethical business that uses software freedom to empower its users, instead.

There is a common myth that it is not possible to build a business if you provide these freedoms to your users and customers. Over the past few decades, there have been examples of hundreds of such businesses which have flourished without compromising on their users' right to have software freedom.

The reasons your customers will engage with you is that you provide a value to them - irrespective of the fact that the software (or hardware) that is a component of this transaction is FREE.

What makes a Free Software Business different is that it chooses to put its users' rights first. It builds a business because of Free Software, not in spite of it.¹

Guiding Principles of Free Software Business

Based on the notion of Free Software Business following guiding principles have evolved to recognize enterprises. Startup firms adhering to principles outlined shall be recognized as a Free Software Business.

1 Firm shall give priority to users freedom

The freedom of users must be respected by the firm. In order to ensure that the firm shall perform the following activities:

1. The program must include source code, design and must allow distribution in source code as well as compiled form.²
2. The rights attached to the program must apply to all to whom the program is redistributed without the need for execution of an additional license by those parties.²

2 Firm must contribute back to the free software community

The firms have a natural allegiance to free software community. So, their contribution towards the same is critical and highly prioritized.

3 FSB Boundaries

1. Proprietary software/hardware manufacturing company even if they use Free Software will disqualify to be acceptable as a FSB
2. The firms that will be serving solutions based on Free Software will be considered FSB.
3. The startups developing and licensing software under a Free Software Licence³ as well as Proprietary License (Dual licensing) is acceptable as long as it is within the guiding principles.

Hardware Startup

The rise of Free and Open Source models for software development has catalyzed the growth of Free and Open Source hardware (also known as “Swatantra Hardware”). Swatantra Hardware (Libre Hardware⁵) is gaining significant traction in the scientific hardware community, where there is evidence that open development creates both technically superior and far less expensive scientific equipment than proprietary models. Libre Hardware is hardware whose design is made publicly available, under Free Software License so that anyone can study, modify, manufacture, distribute, and sell the design or pieces of hardware based on that design. FOSS Incubator will be promoting hardware startups as FSB which work under the above guiding principles.

References

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3. Definition of Free Software License complies with that in Debian Free Software Guidelines
4. Spin-offs from research centers at a research university | Journal of Business Venturing, ISSN: 0883 9026, Vol:15, Issue: 1, Page: 93-111 Publication Year:2000
5. Pearce, J. M. (2017) Emerging business models for open source hardware. Journal of Open Hardware.