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Marketing Research

**Red Hat: Making
Strides in Working
with Partners**

A Perspective

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New River Marketing Research
16 Deer Path Road, Suite 6
Maynard, MA 01754
Telephone 978 793 1357
Fax 978 897 4804
www.newriverlinux.com

Executive Summary

During the last few months of 2003, Red Hat took a public relations hit from the open source community and its competition when it announced that it would end of life (sunset) Red Hat Linux through 8.0 on December 31, 2003 and Red Hat Linux 9.0 on April 30, 2004. Some Red Hat Linux users viewed this as the end of free Linux at Red Hat. Red Hat effectively sought to assuage those users who downloaded Red Hat Linux for free (and did not need support) with the Fedora project. In addition, those Red Hat Linux users who wanted/needed support would be assisted in their transition to Red Hat Enterprise Linux (RHEL), although at a slightly higher cost. Our view is that Red Hat's dropping of Red Hat Linux from its product offerings makes good business sense.

The hit that Red Hat took was primarily due to poor messaging and poor timing. The Fedora project should have been in place and the rationale for it understood by the open source community at the time that Red Hat Linux was sunset. At least two major vendors have said that Red Hat is becoming a proprietary software company because it decided to drop Red Hat Linux. This view is way off the mark because Red Hat does not ship any proprietary software with its distributions. Most likely, what these vendors meant was that Red Hat was beginning to act like a company that wanted to generate revenue.

Red Hat may be taking another hit by becoming perceived as a "difficult company to partner with." Some would-be partners¹, who wanted to take advantage of Red Hat's significant brand recognition, said that they walked away because they did not want to open source some of their proprietary software that runs in Linux kernel mode, almost all of which was/is proprietary software drivers. We believe that the would-be proprietary software partners did not yet understand how to work with open source vendors, nor did they understand the development advantages of open sourcing their proprietary drivers. It is our perspective that there is a learning curve involved for both Red Hat and its partners. This will soon become a non-issue.

The reason that Red Hat desires that its partners open source proprietary code that runs in Linux kernel mode is to facilitate resolving problems when a system crashes. When a system goes down and the user calls Red Hat to get a fix for the problem, Red Hat generally does not have the proprietary driver source code for debugging purposes. Whereas, if Red Hat has the driver source code, and the problem was due to an errant driver, then it may be able to fix the driver and make it available via open source. Alternatively, Red Hat can present the "fixed" driver to the software partner, and they can make the patch available to users according to their specific process.

In this short paper, we explain why Fedora is a good replacement for Red Hat users who want a free Linux download and do not need support. In addition, we delve into the reasons behind Red Hat's requesting that its partners open source proprietary code that runs in Linux kernel mode. It all makes good business sense once the rationale behind the moves is described.

¹ A partner in this paper primarily denotes ISVs, both business and infrastructure ISVs.

End of Life for Red Hat Linux

When Red Hat decided to end the life of its retail product, Red Hat Linux, the open source community screamed and the competition said that Red Hat was becoming a proprietary software company. Red Hat does not ship any proprietary software with its Linux distributions. Nor does Red Hat ship Java installed with its distribution; instead it provides a CD with Java on it.

What about Red Hat Network (RHN)? It is proprietary. Red Hat does not ship RHN with its Linux distributions. Unless a user buys RHN Satellite for use inside its own firewall to have complete user control of the functionality and capabilities of RHN, RHN only runs on Red Hat servers to provide service and support to its subscribers. The client side of RHN that runs on customer systems is open source. In addition, the software that Red Hat obtained with the acquisition of Sistina is in the process being moved from proprietary to open source status.

Fedora

The Fedora project was created for at least three reasons:

1. To be a replacement for those Red Hat users who wanted to download a copy of Linux for free and who did not need support (Red Hat does not provide support for Fedora).
2. It gives Red Hat the opportunity to make new releases of Linux kernels available to the Linux community about six months before a new kernel makes its way into RHEL.
3. It helps reduce Red Hat's development and testing costs because many open source developers are testing a new kernel via Fedora.

Fedora users can download both binaries and source for free just as they could for Red Hat Linux, but only the RHEL source can be downloaded for free (Red Hat does not make RHEL binaries available for download).

There is a relatively close relationship between Fedora and RHEL. A Red Hat developer that owns a package in RHEL also owns that same package in Fedora.

For those Red Hat Linux users who need/want support and need to migrate to RHEL, Red Hat has created a Red Hat Linux Migration Resource Center to address migration to RHEL and to help customers with other problems related to migration and planning.

Red Hat sells the retail variant of RHEL WS 3.0 at some retail outlets. It is packaged under the product name, Professional WS.

Red Hat and Its Partners

Much of the perception that Red Hat is a difficult company to partner with stems from its requests that partners open source their proprietary drivers. Red Hat does not request its partners to open source all of their application software as some believe. They

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request that they open source only the proprietary software that runs in Linux kernel mode. Errant drivers cause problems that customers want fixed. The types of problems that drivers can create are primarily associated with memory management and misuse of locking protocols.

For those partner applications that do not have proprietary code running in kernel mode, there are no issues, and that is the case most of the time (Red Hat has 450 ISV applications running on RHEL). Generally, infrastructure ISVs are the ISVs that may have proprietary software that runs in Linux kernel mode. Most business ISVs do not.

For those partners that have proprietary drivers (or other proprietary software that runs in Linux kernel mode), Red Hat requests that the software be open sourced. Why is this an issue?

- Linux does not have a driver ABI (Application Binary Interface) and never will according to Red Hat.
- Red Hat wants to produce a standard Linux.
- If a partner does not open source its proprietary drivers, then Red Hat cannot guarantee that it can fix customer issues, nor can it economically support user requests for support in fixing bugs.

Red Hat's approach to the proprietary driver issue is to try to get the partner to open source the drivers and then get them to try to get the driver code in the kernel (this is especially appropriate for very popular drivers). This is important because Red Hat does not include drivers, proprietary or open source, in RHEL distributions unless they are in the mainline Linux kernel code.

An interesting question arises when a partner does open source its proprietary drivers. Who maintains them? The partner should be responsible for maintaining them. However, if they are very popular drivers, then the open source community would likely maintain them, reducing partner development costs. On the other hand, if a partner is maintaining its open source drivers and is not doing an adequate job, then the open source community would likely take over the maintenance (for the popular ones).

Red Hat has the Red Hat Ready program available for partners who want to certify their code on RHEL. The program has certain guidelines that must be satisfied. Red Hat reviews the technical and business guidelines to make sure that they are all met prior to a final Red Hat Ready status. Red Hat does not provide any support for third party applications unless specified in other agreements.

Conclusions

Red Hat has taken public relations hits for its handling of the sunsetting of Red Hat Linux and its Fedora project. But those are short-term issues and quickly forgotten by most when every one understands the rationale behind the moves. But the perception that Red Hat is a difficult company to partner with is a more important issue and one that Red Hat is working on to dismiss. One only need to look in the direction of Microsoft, who

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has assumed the title, rightly or wrongly, as the most disliked computer company (SCO is off the charts) in the world because of its licensing policies. From a business point of view, this perception harms Microsoft.

It is our perspective that Red Hat is not a difficult company with which to work. It is an open source company, and as a result Red Hat is utilizing a different software development model than proprietary software vendors and has a different business model than most proprietary software vendors. As proprietary software partners better understand the advantages that can be gained by open sourcing the proprietary software that runs in Linux kernel mode, it is our perspective that this will become a non-issue. Perhaps the most important reason why Red Hat partners should open source their proprietary drivers is that users can adopt Linux without being dependent on kernel domain, proprietary code to run applications. And there are always questions about GPL compliance when proprietary code is mixed with GPL code, especially at the driver level.