

Open Source Risk Management Unveils Industry's First Vendor-Neutral Risk Mitigation Services

*Company Launches with Support from Key Open Source Leaders,
Legal Experts and Corporate Linux Users*

SAN FRANCISCO, Calif.—Open Source Business Conference—March 17, 2004—Open Source Risk Management (OSRM), the industry's only vendor-neutral provider of Open Source risk protection services, today unveiled a comprehensive set of services to help companies assess and mitigate the legal risks of involvement with Open Source. The first vendor-neutral offering of its kind, these services are based on OSRM's sophisticated code-scanning technology and best practice protocols developed with the OSRM Working Group of CIOs and legal counsel from Fortune 500 enterprise Linux users. Pioneering a market estimated at \$1 billion, OSRM is launching at this week's Open Source Business Conference with support from top Open Source community leaders, intellectual property (IP) legal experts and input from Fortune 500 Linux users.

Using sophisticated code-scanning and copyright infringement detection technologies; OSRM assesses a client's code base and identifies the most likely sources of plausible legal claims. The company then offers risk mitigation consulting services, based on its set of best practices protocols. Based on this code assessment, OSRM plans to offer indemnification packages, a form of insurance-like protection against Open Source-related litigation.

As a vendor-neutral entity, OSRM can provide protection against a wider range of claims than any single proprietary vendor. Proprietary vendors can provide indemnification only for the exact code they sell. So, if customers modify, share or fix their code – all of the things that make Open Source attractive – their indemnification is voided. Only with vendor-neutral indemnification can a customer's unique code base be assessed and insured; preserving the benefits of Open Source while still protecting users.

“Rather than asking vendors to do what they will never feel comfortable doing – in effect asking them to indemnify their competitors' products and services – it is in the long-term interest of all Linux vendors to support a collective vendor-neutral defense of Open Source,” said Bruce Perens, one of the founders of the Open Source movement. “As a result, Open Source users will be better protected when using an alternative to proprietary software – meaning that Open Source

wins out, not only on grounds of efficiency, freedom, and cost, but in regards comprehensive risk management as well.”

Already, OSRM has garnered support for its approach from some of the top intellectual property legal experts, including Heather Meeker and Henry W. (“Hank”) Jones III; open source community leaders, including Bruce Perens; and has begun consulting with several Fortune 500 companies. And, similar to the Open Source model itself, OSRM has engaged the open source community by funding the Unix Timeline Project. Created to track down all Unix copyrights that could lead to Open Source legal claims, this project is led by Pamela Jones, creator of Groklaw.net, and staffed by over 400 volunteer contributors, including many of the original Unix creators and eminent technology historians. The information gathered will be given back to the community and utilized by OSRM in assessing client code risk.

OSRM’s services are based on sophisticated code-scanning technology and a set of best practice protocols for Open Source risk assessment and mitigation. Using this technology, OSRM conducts intensive risk assessments of its clients’ code, based in part on OSRM’s own proprietary VSearch™ risk assessment algorithms. The best practice protocols used to help clients design risk mitigation strategies were created with input from intellectual property legal experts, and Fortune 500 Linux users involved in the OSRM Working Group, a confidential forum to discuss best practices for using Open Source, build strategies to address risk, and share information about the indemnification offerings.

“Open Source indemnification is clearly an issue people are concerned about, and a solution people are excited about – in my 12 years of experience I have never seen greater interest and pent up demand for a brand new offering,” said Daniel Egger, chairman and founder of Open Source Risk Management. “After meeting with numerous Open Source leaders, Fortune 500 CIOs, and intellectual property lawyers, it’s clear there is a void in the market and a need for the unique services OSRM will provide.”

About Open Source Risk Management

Supported by top open source leaders and intellectual property legal experts, Open Source Risk Management (OSRM) is the industry’s only vendor-neutral provider of open source risk assessment and mitigation services. Using sophisticated code-scanning and copyright-infringement detection

technologies, OSRM helps organizations assess their potential risk and then designs risk mitigation solutions based on a set of best practice protocols. OSRM offers best practices training and consulting services, and will offer comprehensive vendor-neutral insurance solutions.

For more information, please visit <http://www.osriskmanagement.com/>.

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