

# COSS Competence Centre Finland: More than just five guys holding a torch

*In late 2003 a team around Petri Räsänen from the Technology Centre Hermia together founded the Finnish Centre for Open Source Solutions (COSS). The centre's main aim is to promote open source software in the public and the private sector. Initially the centre started with an annual government-funded budget of ~150.000. Today, COSS has more than 140 members, and is actively involved in the Finnish open source ecosystem. While its services have been mostly addressed to small and medium sized businesses as well as the public sector, the centre is trying to broaden its range of services to address the end user.*

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## Introduction

The idea to set up a Finnish Centre for Open Source Solutions, as COSS is called in Finnish, came up in 2003. As the awareness for open source software started to grow

Quick facts	
<i>Name</i>	Finnish Centre for Open Source Solutions (COSS)
<i>Sector</i>	Private/Public
<i>Start date</i>	Dec. 16, 2003
<i>End date</i>	Ongoing
<i>Objectives</i>	Promotion of Open Source Software
<i>Target group</i>	SMEs (private sector), governmental bodies and institutions (public sector)
<i>Scope</i>	National
<i>Budget</i>	2009 budget: around ~500.000
<i>Funding</i>	Mostly own funding. Partially publicly funded.
<i>Achievements</i>	Over 140 satisfied members and 10% annual growth. Financially self-reliant after two years of initial government funding.

in these days, Petri Räsänen, working at the state-owned Technology Centre Hermia Ltd and other people in the technology sector saw the necessity to develop own competences in the field. The basic idea for the establishment of a competence centre was thus made in these days. The Technology Centre Hermia Ltd took part in a competition for a government funded program called Centre of Expertise Programmes (OSKE), which was managed by the Ministry of the Interior. After winning this OSKE Top Project competition, the Finnish Centre for Open Source Solutions (COSS) was established, building on the guaranteed basic funding of ≈ 150.000 for the first two years. Since then, says open source expert Matti Saastamoinen, a staff member of COSS, COSS has been a self funded project . The number of members that made use of the services offered by COSS was increasing steadily, which also ensured financial security. Though most members are smaller businesses, there are also a few larger companies, most notably Nokia and IBM. COSS offers consulting services, organizes congresses and gives trainings, amongst other things. Today COSS is looking back on a successful history of five years, with an increasing number of happy members.

## Organisation

COSS is an initiative of the Technology Centre Hermia Ltd, located in Tampere, Finland. Although it has its own budget and staff, COSS functions as the development programme of the Technology Centre Hermia Ltd, which is a state-owned institution.



*COSS logo*

COSS is organised in an open and flexible manner. The core team at COSS consists of five people. Most of them have a more or less similar background, so tasks are distributed according to who is available. Nonetheless, a structure exists. Iikka Lehtinen for one has formerly been in charge of the public sector work, and has very recently been nominated the director of COSS on December 18, 2008. He explains the working method of the COSS team as follows: We are kind of an ad-hoc organization [ & ] We are selecting the person we need in order to manage any given task. [ & ] If we don't have the necessary in-house expertise, we can contact our members, which can then help us. The general direction for COSS' activities is set by a management team comprised of certain sponsor members.

Lehtinen says that at the moment, COSS is mainly working on three different sectors. The first is the mobile and embedded solutions sector. Given that Nokia has a base only 20km away from Tampere, where COSS is located, this is an obvious activity for COSS, and there is a good cooperation between the centre and the company.

The centre's second area of focus are open source solutions in a wider sense. COSS is organizing events such as the COSS Summer Code (Kesäkoodi), where students get paid for working in open source projects, Matti Saastamoinen explains. The student's work, for example on the GNU/Linux operating system, then finds its way to public distributions such as Ubuntu. There are however many more things related to open source solutions that COSS is actively involved in. As Saastamoinen says roughly speaking, we'll operate in the whole open source ecosystem including business solutions, developers and research .

As the third area, COSS also assists businesses working with normal IT solutions, web solutions, and enterprise solutions , as Lehtinen says. This, he further explains, is reasoned by the idea that open source solutions gain increasing importance and can eventually become rivals to other solutions. So the need for IT assistance exists beyond the open source sphere, which is why COSS also offers this service.

Recently, and also for the future, COSS wants to focus more on the public sector. We want to promote and talk about how open source can create savings and how it is a competitive solution to proprietary software , Lehtinen says. Since especially the public sector appears reluctant to use open source software, this is an important sector for COSS to address.

As COSS is the first competence centre in the country, there is hardly any competition to the services they offer. There are a few platforms, but they are rather specialized and do not compete with COSS' much broader activities. Moreover Lehtinen explains with a smile, as you know, Finland is a small country. Everybody from the IT sector knows each other . COSS is thus not working in a very competitive environment, and the relations with other people in the open source ecosystem are quite good.

## Budget and Funding

During the first two years of COSS, the budget only consisted of the 150.000 Euro that were part of the government's OSKE Top Project funding programme, which they had won in 2003. Initially the project was thus government funded. This way COSS could develop its organisation and create partnerships and memberships, which would at least partially guarantee its future existence.

As most of the work COSS is doing is project based, there is not a clear annual budget. Nonetheless, it is possible to make some estimations. Next year our budget will be a little less than half a million Euro. 150.000 of that is covered with membership fees and the remaining 350.000 Euro are coming from different kind of consulting services, seminars, and projects , Lehtinen says. Besides the relatively stable source of income of the membership fees, it is important for COSS to pursue other projects in order to maintain sustainability in the long run.

For projects and consulting services with the public sector, such as municipalities and cities we offer our services at pretty much the same rate as the normal street price , Lehtinen further says. There is thus no preferential treatment of the public sector before the private sector. Today, COSS is no longer publicly funded, but only relies on its services to the private and the public sector alike to receive the necessary income.

Up to this point all of COSS' members are from the private sector. Where COSS is working in the private and public sector alike, the services provided to the public sector are mostly on a project basis. In most cases this can be explained by the fact that the public sector is simply using COSS' services for consulting or training purposes, and is not actively participating in the network. The same counts for some private companies and organisations, as a membership does not go hand in hand with a contractual relationship based on a certain project.

With regard to the acquisition of new projects and members, the position that COSS takes in the Finish open source ecosystem helps substantially. Since the centre is directly connected to the Technology Centre Hermia already in the early days the COSS team had many important contacts . Besides they were well aware of where their services and competences would be helpful. This largely facilitated the start of COSS and still is important today. Due to its relative uniqueness COSS has become a central point in the Finish open source ecosystem. It is because of this that the private

and the public sector alike address COSS, as it provides a hub for information concerning open source and other IT related issues.

## **Legal issues**

As many of COSS' customers and partners are not familiar with the legal issues involved with open source software, COSS has hired one legal expert who specialises in these matters. Especially issues related to the licensing of open source software can cause ambiguity, since many people think that anything you can download for free from the Internet is open source, Lehtinen says. To address those issues, the legal expert can help customers with such problems. Moreover, COSS is cooperating closely with IT-oriented legal companies and governmental agencies, which can provide their expertise in the field.

## **Change management**

The general attitude towards open source software in Finland is rather positive, say the centre's experts. This makes the work of COSS easier to some extent, as many partners are open when it comes to open source solutions. Lehtinen however says that the common knowledge of 'What is open source?' is still quite young. In the private sector, it is either the case that a company is willing and open to use open source software, or they simply exclude the possibility. In this case, convincing them of the benefits can be quite difficult. With the public sector it is easier to get the [open source] message through, because it makes sense from a public interest point of view, Lehtinen explains: open source solutions can create large savings, more security, and independence from proprietary software makers, which is certainly interesting for the public sector.

## **Effect on government services**

Many Finnish municipalities and other state agencies are very small and situated far apart across the country. This makes it difficult for them to deploy open source systems, as there is no local support for them, and developing a system for their own needs would be costly and certainly less comfortable than just going to the store. The understanding that open source software is appropriate

for the public sector is certainly there, but many governmental bodies are simply too small to start using a new system on their own in the absence of local support. COSS sees the answer to this problem in cooperation. If the smaller governmental agencies and municipalities would cooperate, the problems related to their organisational size would disappear. Unfortunately however, Lehtinen says, this is very difficult to achieve. He thinks that the WollMux project of the city of Munich is a very good example of how a large city administration can act together to create valuable open source software. COSS is trying to promote open source software within higher-level governmental bodies, so they can then coordinate the use of open source software at the lower levels. As one example where open source is already deployed, Lehtinen mentions the Ministry of Justice. Here the institution is large enough to make use of the advantages of open source, and there is no cooperation with other agencies necessary. The moment where cooperation becomes essential for the deployment of open source software, this becomes a problem.

## **Cooperation with other public bodies**

For COSS cooperation is an essential part of their work, as without their partners and members we are only five guys holding one torch , Lehtinen says. In many cases the COSS team relies on the expertise of its members and partners for certain issues, where no in-house knowledge is available.

Saastamoinen says that there are several examples of cooperation between COSS and another bodies. As the first example he mentions Tekes, which is the Finnish Funding Agency for Technology and Innovation. In 2007 COSS coordinated a national open source business programme by the name The Verso Open Source Business Programme . The programme was funded by Tekes and implemented by COSS with the help of COSS member companies and other partners , Saastamoinen explains.

Another important partner today is the Finnish Ministry of Finance. COSS is working closely together with them in creating an open source procurement guide for the public sector. Moreover COSS is representing Finland at the IDABC [Interoperable Delivery of European eGovernment Services to public Administrations, Businesses and Citizens] expert meetings of open source and document standards .

Besides these partnerships, COSS is also active in a number of open source networks, namely

-Open Source Business Organisations of Europe

-OpenNordic

-FOSSBazaar

-OSOR.eu

The involvement in those networks is very important for the work of COSS, as they prove to be a very good platform for exchanging all kinds of information and knowledge related to open source technology. On the centre's website, Saastamoinen expresses the idea behind COSS: Together we can achieve better results than by working alone . This goes for much of the daily work of COSS.

## **Evaluation**

### ***Achievements / Lessons learned***

From the start, COSS has benefited from a solid structure and a team that is both highly qualified and motivated. Its approach of working with both the public and the private sector has proved highly successful. This is evidenced by the fact that unlike most other open source competence centres in Europe, COSS is able to sustain itself without public funding. The close association with partners such as Nokia and Tekes certainly helps. It is also worth noting that COSS started out relatively early when compared to other such projects in Europe.

The way COSS has been operating so far has been quite successful, and there were no major throwbacks so far. This can also be confirmed from the perspective of the users, which is reflected in an annual questionnaire COSS sends out to its members every year. Just as in 2007, the results of the survey showed broadly that most members were very satisfied with COSS.

There are a few points that were essentially important for the success of COSS, just as there are concerns that are still ongoing today. Lehtinen describes COSS' strategy as follows: The world is changing, so we have to change too . For a small project like COSS, it is relatively easy to adapt to changes in the market. The ability to shift their strategy according to the most recent requirements

of the market enables them to be successful and to be right were the customer needs them.

Important for the success of COSS in the early stage was timing, Lehtinen explains. Since there was no other centre for open source solutions at that time, and the demand for it was rising, Lehtinen says 'It was just the right time to do this'. The initial team of the Technology Centre Hermia Ltd had a good feeling for the demand at the time. The Centre of Expertise Programmes (OSKE) committee, which awarded COSS its first two years of government funding, appreciated this.

Equally important as the timing, Lehtinen says, was the dedication and determination of the COSS team. As there was no other competence centre in charge of the promotion of open source software, the team realised that they had important task. Moreover, it was always their main aim to help their members in whatever way they can. 'We have been serving our members, not competing with them [...]', as Lehtinen underlines. The centre thus put the promotion of open source software in the core of their targets, and did not aim at creating own business opportunities that would compete with their members.

The network of members furthermore is another important aspect, without which COSS would not operate today as it does. A member network with over 140 members and annual growth rate of 10% including key players as Nokia and Tekes, as Saastamoinen highlights, is crucial for the success of COSS. 'This combined to the vision and innovation skills of the people working for COSS and good connections to different partner networks have paved the way to the success of COSS', Saastamoinen states.

As one issue that remains a challenge, he mentions funding. Since COSS can no longer rely on public funding, and the membership fees only amount to about a third of their annual budget, COSS is very much depended on projects and other services. So far however, this has not been a problem and 'COSS has survived quite well', Saastamoinen says.

### ***Future plans***

For the future the COSS team is hoping to extend its network of members and partners, both nationally and internationally. As there are many examples of similar competence centres in Europe, and elsewhere, COSS is very interested in finding out about their business models and in what



framework they operate. Financially, the steadily increasing number of members is a very positive for COSS, and the centre hope to continue to deliver services and projects that satisfy all their members.

## Links

[COSS](#)

[Technology Centre Hermia Ltd](#)

[OSOR.EU: 'Increase of open source by companies spurs public administrations'](#)

[WollMux](#)

[COSS Summer Code 2008](#)



*This case study is brought to you by the [Open Source Observatory and Repository \(OSOR\)](#), a project of the European Commission's [IDABC project](#).*

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*This study is based on interviews with Iikka Lehtinen, recently named Director of COSS, and Matti Saastamoinen, COSS staff expert.*